SCHOOL DISTRICT

OF

CITY OF VENTNOR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

City of Ventnor Board of Education

Ventnor, New Jersey

For the Fiscal Year Ended June 30, 2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

City of Ventnor Board of Education

Ventnor, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

City of Ventnor Board of Education

Finance Department

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OF THE VENTNOR SCHOOL DISTRICT
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INTRODUCTORY SECTION

Ventnor
EDUCATIONAL COMMUNITY COMPLEX

Dr. Carmela Somershoe
Superintendent &
Elementary School Principal

Mrs. Beth Steinen
School Board Administrator
& Board Secretary

December 1, 2025

Members of the Board of Education
City of Ventnor School District
County of Atlantic

Dear Board Members:

The Comprehensive Annual Financial Report of the City of Ventnor School District for the fiscal year ending June 30, 2025, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of the principal officials. The financial section includes the basic financial statements and schedules, management's discussion and analysis, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Uniform Guidance and the New Jersey OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.* Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section report.

1) **REPORTING ENTITY AND ITS SERVICES**: The City of Ventnor School District is an independent reporting entity within the criteria set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards.* All funds of the District are included in this report. The City of Ventnor Board of Education and all its schools constitute the District's reporting entity.

The Ventnor City Public School District operates two schools located on the same land site known as the Ventnor Educational Community Complex. The Elementary School houses grades Pre-Kindergarten through Grade Four, with Pre-Kindergarten and Kindergarten housed in the Early Childhood Center. The Middle School houses grades Five through Eight. The district provides a full range of educational services appropriate to grade levels

Pre-Kindergarten through Eight. These programs include the following: a full-day three and four year old pre-school, full-day Kindergarten, state of the art technology opportunities for all children, computer-assisted research and services through the Media Center, complete Art and Music curricula, Basic Skills, Gifted and Talented, World Language study in Spanish, Health and Physical Education including intramurals and interscholastic opportunities, Regular and Special Education Programs, and a variety of community and recreational programs. The district completed the 2024-2025 fiscal year with an enrollment of 492 students. The following details the changes in the student enrollment of the district over the last six years:

Year	Enrollment
2024-2025	492
2023-2024	479
2022-2023	501
2021-2022	554
2020-2021	600
2019-2020	635

2) ECONOMIC CONDITION AND OUTLOOK: The Ventnor City Public School District is located in a downbeach community whose children, in grades PK through eight, constitute the student population of the District. Ventnor is immediately adjacent to Atlantic City and Margate City, approximately 60 miles from Philadelphia. Ventnor's year round (resident) population is a mixed socio-economic group. Geographically, Ventnor is located on an island. It is 1.7 miles in length and approximately three quarters of a mile in width, comprising 2.1 square miles overall. Ventnor is bounded on the northeast by Atlantic City, on the Southwest by Margate City, on the southeast by the Atlantic Ocean, and the northwest by the centerline of the main channel in the Beach Thoroughfare.

A three-person Board of Commissioners, elected at large every four years, governs the city. They govern a city that is almost entirely residential, whose year-round population of about 9,210 increases to up to 28,000 during the summer months. There are various houses of worship, which reflect the diverse population of Ventnor City.

The overall responsibility for the education of the PK-8 children lies with the District's Board of Education. The Board is a Type I Board of Education comprised of seven members, appointed by the Mayor for a term of three years. The New Jersey Department of Education classifies the Ventnor School District as District Factor B. The District Factor Group is based on socio-economic status.

The original school was built in 1970 with additions/renovations conducted in 1974, 1983, 1997, 2001 and 2010. In 2015, replacement of the emergency generator, boiler, gym HVAC and a section of the roof were completed. Summer 2017 saw replacement of the last major section of roof and three HVAC units with additional HVAC replacements underway in 2018 through 2023. The City provided a $9,315,017 bond which covered parking lot renovations, fire suppression and alarm upgrades, HVAC replacements, canopy panel replacements, repair of building leaks and HVAC replacements.

Upon promotion from grade eight at the Ventnor Complex, students attend Atlantic City High School through a sending-receiving relationship that has existed since the 1920's. The district paid tuition for 90 regular education and for 20 special education students to the high school during the 2024-25 school year at a tuition rate of $22,257 and $32,656 per student respectively. A number of additional resident students attend local parochial and public schools including Ocean City and Mainland Regional at both the elementary and high school levels.

A Board of School Estimate works closely with both city and school officials and is responsible for approving the district's budget annually. For the 2025-2026 school year, the district will operate with a budget of $22,665,402. The district's management team consists of a superintendent/elementary principal, business administrator/board secretary, middle school principal, and supervisor of special education. The staff team employed by the district consists of 79 full- or part-time certified instructional staff, 4 secretaries, 3 clerk typists, 19 full-time support staff, and 2 part-time support personnel. The Child Study Team consists of a school social worker, a learning disabilities teacher consultant, a school psychologist, one full-time and one part-time speech therapist.

The Board of Education continues its efforts to increase curricular offerings to meet student needs. Among these offerings are improved math and science instruction delivery systems (STEM lab), up-to-date curricula (NJ Student Learning Standards), technology programs, Language Arts, World Language programs, Gifted and Talented programs, and a county-recognized music program. Other noteworthy program services to students include Social-Emotional Learning programming, guidance services, after-school homework club, Accelerated Reading programs, summer learning acceleration programs, peer mediation programs, character education programs, and ESL programs provided on a regular basis during the school year with participation based on student needs.

Ventnor City and its public school are richly diverse and multi-cultural. At the school site, the minority student population has increased from 9% in 1989 to 48.0% in October 2024. Our ESL (English as a Second Language) program assists in supporting a complement of programs to meet the needs of all our students.

3) **MAJOR INITIATIVES:** The Board of Education has consistently advanced the district's technology initiatives, maintaining a strong commitment to integrating innovative tools into classroom instruction. Students receive regular technology instruction, with grades K–8 using Windows-based laptops, and classrooms across the district equipped with interactive flat-panel displays. All students and staff have internet access through stand-alone and laptop computers. The district has updated all curricula to align with the New Jersey Student Learning Standards.

Over the past several years, the district has expanded its use of web-based tools to encourage collaboration and increase access to outside resources for both staff and students. It has replaced outdated equipment, transitioned major applications and IT services to the cloud, and implemented new security measures, including multi-factor authentication for staff and upgraded surveillance systems. Legacy servers, phone systems, and paging systems have been replaced with modern, cloud-based solutions, while old equipment has been recycled with compensation returned to the district.

These efforts have positioned the district at the forefront of educational technology, providing staff and students with access to the latest resources, secure infrastructure, and reliable support systems.

4) FOR THE FUTURE: The school district is presently in good financial condition. Major concerns include the continued increases in unfunded mandated expenditures, reduced state aid, and ending federal grants. The tax levy is the lowest it has reached in the past ten years which ensures greater control over the budget and benefits the taxpayers, but these restrictions result in fiscally conservative decisions that may curtail programmatic growth and capital improvements.

The Board of Education's goals continue to focus on high academic achievement. The Board provides a multi-cultural environment that promotes student growth and development of all our children. Our mission is to provide all students with quality education programs that will assist in preparing them for a fruitful and productive future.

Ventnor Public Schools will support mental health and social emotional learning through teacher professional development to ensure that all students will receive social and emotional support to become adaptable, confident citizens who embody self-awareness and strong interpersonal skills, and who are capable of responsible decision-making and managing their emotions and behaviors.

Ventnor City School District will strengthen mathematics through the implementation of the revised NJSLS with district adoption of a K-8 program and job-embedded coaching/professional development.

Ventnor City School District will monitor student achievement through local benchmarks, web-based programs to address student needs, and promote student growth in all areas through teacher lead PLC's.

The district curricula review and revision is ongoing and supports the correlation to the New Jersey Student Learning Standards. The school district promotes character-building programs. "Character Counts" which stresses conduct of "Respect, Responsibility and Citizenship," Second Step, and Violence and Vandalism Awareness are among the programs offered in this area. A focus on mental health and social emotional learning will be further developed through training and implementation of the Nurtured Heart Approach and Trauma Informed Education. The district is fortunate to have an active HSA (Home School Association) that works to assist in funding student programs and activities.

The Ventnor City Public School is a community concerned and committed to providing a quality education that meets the needs of its students.

5) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principals (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

6) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimates of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations to fund balance at the end of each fiscal year.

7) **ACCOUNTING SYSTEM AND REPORTS**: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

8) **DEBT ADMINISTRATION**: The District is a Type I district, which means that none of the debt is included on the books of the school district. Debt service is budgeted and paid by the City of Ventnor and the balance of school debt as of June 30, 2025 is $7,705,000, including $900,000 in bonds authorized but not issued.

9) **CASH MANAGEMENT**: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 1. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Accounting firm of Nightlinger, Colavita & Volpa, PA, was selected by the Board's Finance Committee. In addition to meeting the requirements set forth in the state statues, the audit is designed to meet the requirements of the Single Audit Act of 1996 and the related Uniform Guidance and the New Jersey OMB Circular Letter 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12) **ACKNOWLEDGEMENTS**: We would like to express our appreciation to the members of the City of Ventnor School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

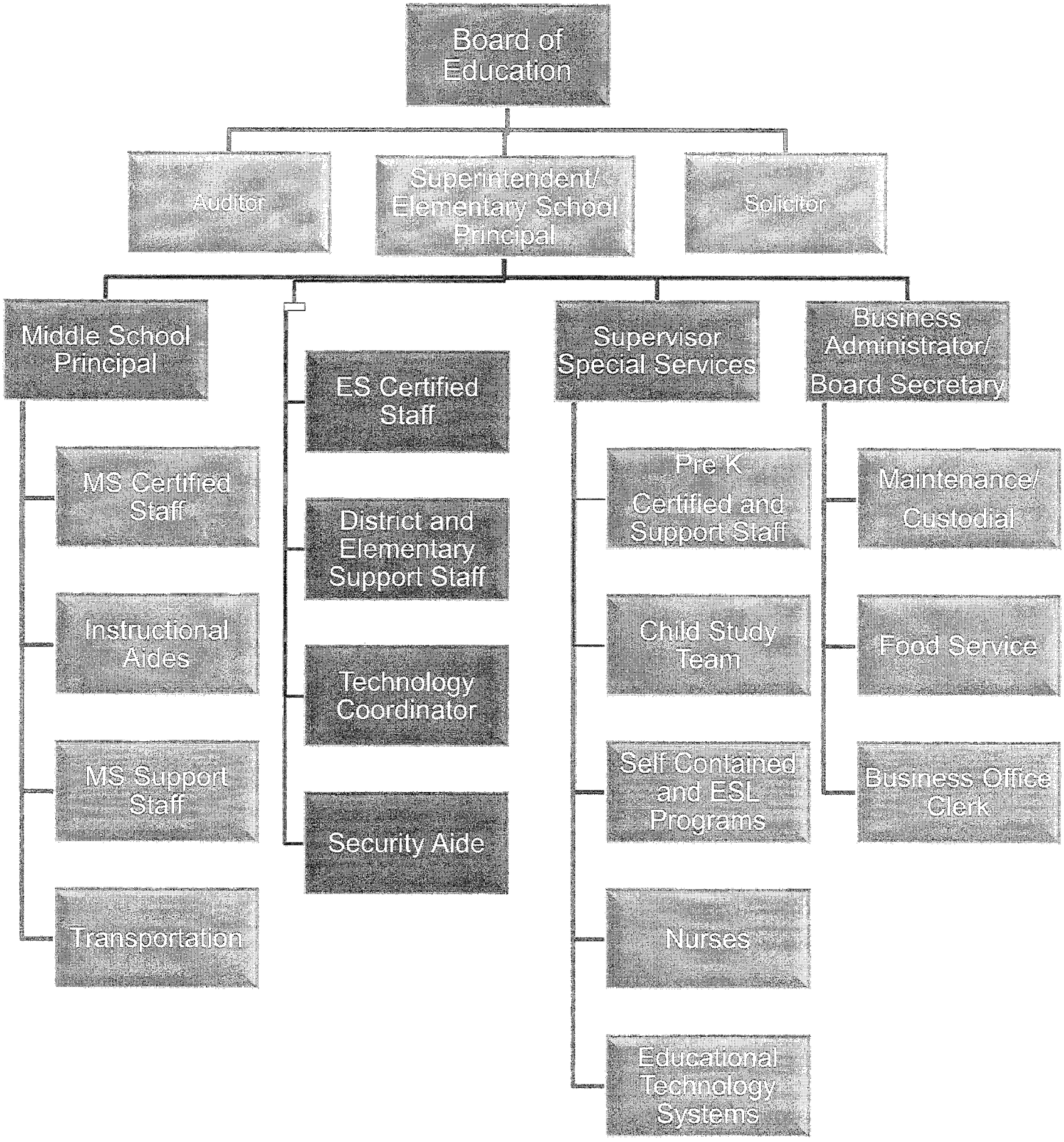
Dr. Carmela Somershoe

Dr. Carmela Somershoe
Superintendent

Beth Steinen

Beth Steinen
Business Administrator/Board Secretary

VENTNOR BOARD OF EDUCATION
Ventnor, New Jersey
Policy 2121 April 5, 2022



CITY OF VENTNOR BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2025

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Douglas Biagi, President	2027
Lori Abbott, Vice President	2028
Michael Advena	2026
John C. Baker, MD	2026
Michael J. Hagelgans	2027
James J. Quinlan	2028

OTHER OFFICIALS	BOND AMOUNT
Carmela Somershoe, Superintendent	
Beth Steinen, School Business Administrator / Board Secretary	$ 250,000
Capehart & Scatchard, Solicitors	

CITY OF VENTNOR BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

Raymond Colavita, CPA, RMA, PSA
Nightlinger, Colavita and Volpa, PA
P.O. Box 799
Williamstown, NJ 08094

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OFFICIAL DEPOSITORY

OceanFirst Bank
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Margate City, NJ 08042

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Ventnor School District
County of Atlantic, New Jersey 08406

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund, of the Board of Education of the Ventnor School District in the County of Atlantic, State of New Jersey, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining statements and related major fund supporting statements and schedules, are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting statements and schedules, and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report, as required by the Office of School Finance, Department of Education, State of New Jersey. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of the Ventnor Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ventnor Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Ventnor School District's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
December 1, 2025

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Ventnor School District ("District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statement.

FINANCIAL HIGHLIGHTS

- The net position of the District's Governmental Activities increased by $2,800,162. The increase was due to various revenues in excess of expenditures.
- The State of New Jersey reimbursed the District $515,777 during the fiscal year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. Also, the State of New Jersey paid $3,351,117 on behalf of the District for TPAF Pension and Disability Contributions. These amounts, which are not budgeted, are included as both a revenue and appropriation in the financial statements.
- As indicated by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to 2% of the total general fund expenditures. Any excess is required to be designated as Reserved Fund Balance - Excess Surplus and included in the next year's budget as budgeted fund balance. As of June 30, 2025, the District had excess fund balance in the amount of $3,997,397, of which $2,325,611 has been included in the 2025-2026 budget and the remaining $1,671,786 will be included in the 2026-2027 budget.
- During the fiscal year ended June 30, 2025, the District's governmental fund revenues exceeded expenditures by $31,638, net of the transfers to Charter Schools of $434,383.
- In the District's business-type activities, net assets decreased by $31,587 due to the costs of operation exceeding revenues, as compared to the prior year decrease of $53,502. The decrease was the result of a decrease in the Food Service Fund of $37,282, offset by an increase of $5,695 in the After School Program.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - *management's discussion and analysis* (this section), the basic *financial statements, required supplementary information,* and an optional section that presents *combining statements for special revenue, proprietary, and fiduciary funds.* The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District's government, reporting on the District's operations in *more detail* than the government-wide statements.
- The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the District operates like businesses, such as the food service and after school program.
- *Fiduciary fund* statements provide information about the financial relationships - like the unemployment trust fund - in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Major Features of City of Ventnor Board of Education's Government-wide and Fund Financial Statements (Figure A-1)

		Fund Statements		
	Government wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as food service and after school programs and student activities	Activities the District operates similar to private businesses; food service and after school programs	Instances in which the District is the trustee or agent for someone else's resources, such as payroll agency and student activities.
Required Financial Statements	Statement of net position Statement of changes in net position	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net assets Statement of revenues, expenses, and changes in net assets Statement of cash flows	Statement of fiduciary net assets Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short term and long term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities, both short-term and long-term.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of changes in net position regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how they have changed. Net position - the difference between the District's assets and liabilities - is one way to measure the District's financial health, or *position.*

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the District's facilities.

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* - most of the District's basic services are included here, such as instruction, transportation, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* - the District charges fees to customers to help it cover the costs of certain services it provides. The District's food program and after school program are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* - not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental funds* - Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year- end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.
- *Proprietary funds* - Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government- wide statements, provide both long- and short-term financial information. In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- *Fiduciary funds* - The District is the trustee, or *fiduciary,* for other assets that - because of a trust arrangement - can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District's government- wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position: The District's governmental activities net position increased $2,800,162 between fiscal years 2024 and 2025. The business-type activities net assets decreased $31,587 due to operating costs in excess of revenue.

Table 1

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current and Other Assets	$ 8,182,357	$ 8,672,347	$ 140,938	$ 192,699	$ 8,323,295	$ 8,865,046
Capital Assets	23,606,015	21,098,136	37,917	17,520	23,643,932	21,115,656
Deferred Outflows	512,125	536,155			512,125	536,155
Total Assets	32,300,497	30,306,638	178,855	210,219	32,479,352	30,516,857
LIABILITIES						
Long-term Liabilities	2,686,221	2,876,817			2,686,221	2,876,817
Other Liabilities	596,246	1,117,874	2,996	2,773	599,242	1,120,647
Deferred Inflows	161,403	255,482			161,403	255,482
Total Liabilities	3,443,870	4,250,173	2,996	2,773	3,446,866	4,252,946
NET POSITION						
Inversted in Capital Assets	23,606,015	21,098,136	37,917	17,520	23,643,932	21,115,656
Restricted	7,043,628	7,213,523			7,043,628	7,213,523
Unrestricted	(1,793,016)	(2,255,194)	137,942	189,926	(1,655,074)	(2,065,268)
Total Net Position	$ 28,856,627	$ 26,056,465	$ 175,859	$ 207,446	$ 29,032,486	$ 26,263,911

Changes in net position of Governmental Activities. The increase in net position of $2,800,162 included a transfers to the Charter School of $434,383. The local tax levy of $16,530,372 is 82.4% of total net governmental activity revenues of $20,053,715, excluding the Transfer to Charter Schools and Fixed Asset Adjustment. The municipality levies this tax on properties located in the City and remits the collections on a monthly basis to the District.

Approximately 8% of the District's revenue comes from the State of New Jersey in the form of non-restricted state aid. This aid is based on the District's enrollment as well as other factors such as legislative funding of the SFRA formula. The District expenses are primarily related to instruction, administration, and plant operations. Governmental Activity revenue, net of the charter school transfer of $434,383 and Fixed Asset Adjustment are as follows:

Table 2

	2025 Amount	2025 Percentage	2024 Amount	2024 Percentage
Property Taxes	$ 16,530,372	82.43%	$ 16,622,500	84.03%
Transportation	349,453	1.74%	340,411	1.72%
Student & Instruction Related Services	22,274	0.11%	35,924	0.18%
Miscellaneous	1,506,158	7.51%	335,029	1.69%
Operating Grants & Contributions	1,645,458	8.21%	2,447,150	12.37%
	$ 20,053,715	100.00%	$ 19,781,014	100.00%

Governmental Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2025 and 2024 fiscal years.

Table 3

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues						
Charges for Services	$ 371,727	$ 376,335	$ 85,639	$ 96,046	$ 457,366	$ 472,381
Federal and State Grants	1,504,478	2,447,150	228,143	230,127	1,732,621	2,677,277
General Revenues						
Property Taxes	16,530,372	16,622,500			16,530,372	16,622,500
State Aid Entitlements	140,980				140,980	
Miscellaneous	4,517,136	335,029	25,868		4,543,004	335,029
Total Revenues	23,064,693	19,781,014	339,650	326,173	23,404,343	20,107,187
EXPENSES						
Instruction:						
Regular	6,813,662	7,232,863			6,813,662	7,232,863
Special Education	1,541,905	1,402,351			1,541,905	1,402,351
Other Special Instruction	577,868	561,437			577,868	561,437
Other Instruction	109,908	62,057			109,908	62,057
Support Services:						
Instruction - Tuition	3,548,325	3,243,288			3,548,325	3,243,288
Student & Instruction Related Services	2,797,898	2,884,270			2,797,898	2,884,270
General Administrative	442,357	475,583			442,357	475,583
School Administrative	375,834	393,625			375,834	393,625
Business and Other Support Services	318,127	343,930			318,127	343,930
Plant Operations and Maintenance	1,900,038	1,921,699			1,900,038	1,921,699
Student Transportation	1,363,052	1,447,615			1,363,052	1,447,615
Interest Expense	41,174	41,174			41,174	41,174
Other						
Business-type Activities			371,237	379,675	371,237	379,675
Total Expenses	19,830,148	20,009,892	371,237	379,675	20,201,385	20,389,567
Excess (Deficiency) before:	3,234,545	(228,878)	(31,587)	(53,502)	3,202,958	(282,380)
Transfer to Charter School	(434,383)	(476,075)			(434,383)	(476,075)
Increase (Decrease) in Net Position	$ 2,800,162	$ (408,841)	$ (31,587)	$ (53,502)	$ 2,768,575	$ (758,455)

Business-type Activities

Net Position in the Enterprise Funds decreased by $31,587 due to an excess of expenditures over revenues in the Food Service Fund of $37,282 and an excess in revenues over expenditures in the After School Program of $5,695.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined fund balance of $7,586,111, which is $31,638 more than at the beginning of the year, excluding the activity in the Capital Projects Fund. This is mainly the result of spending within the operating budget.

General Fund Budgetary Highlights

As further explained in the notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office and, as a Type I School District, are approved by the Board of School Estimates annually. Transfers of appropriations that do not exceed 10% on a cumulative basis may be made by Board resolution at any time during the fiscal year. Transfers of appropriations that exceed 10% on a cumulative basis must be approved by the Commissioner of Education. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and on-behalf TPAF Pension Contributions of $3,866,894, which are not budgeted, the District's actual revenue was more than the budget by $763,014 This is the result of miscellaneous revenue, maintenance of equity aid, supplemental stabilization aid and extraordinary aid. With regard to expenditures, after adjusting for the Reimbursed TPAF Social Security Contribution, on-behalf TPAF Pension Contributions, actual expenditures were $1,826,253 less than the budgeted appropriations. This is result of lower tuition, transportation, and maintenance costs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2025, the District had invested over $23,643,932, net of depreciation, in a broad range of capital assets, including land, buildings and equipment. Refer to Note 4 for more detailed information.

Table 4

	Governmental Activities		Business - Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 107,500	107,500			107,500	107,500
Construction in progress	885,971	429,009			885,971	429,009
Buildings and Improvements	20,459,344	20,427,658			20,459,344	20,427,658
Equipment	2,153,200	133,969	37,917	17,520	2,191,117	151,489
Total	$ 23,606,015	21,098,136	37,917	17,520	23,643,932	21,115,656

Fixed Assets increased by $2,528,276 and was made up of $1,235,392 in additions and a Fixed Asset Adjustment of $3,036,846, offset by depreciation of $1,743,962.

Long-term Obligations

The District's long-term obligations consisted of Compensated Absences and Net Pension Liability. The District is Type I and all other school debt is held by the City of Ventnor.

Table 5

	Balance June 30, 2024	Issued	Retired/ Adjusted	Balance June 30, 2025
Compensated Absences Payable	$ 298,272	$	$ 81,479	$ 216,793
Net Pension Liability	2,578,545		109,117	2,469,428
Total	$ 2,876,817	$	$ 190,596	$ 2,686,221

On July 12, 2018, the City of Ventnor adopted a School Bond Ordinance in the amount of $9,315,071 for the purpose of funding general capital improvements and acquisition of various equipment for the City's schools. The remaining amount of open bonded debt on this issue, as of June 30, 2025, is $7,705,000 and there are no remaining unspent funds from this issue.

More detailed information about the District's long-term debt is presented in Note 5 to the financial statements and Exhibit J-13.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, please contact the District's business administrator, Beth Steinen at 400 N. Lafayette Avenue, Ventnor, New Jersey 08406.

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

EXHIBIT A-1

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 6,926,591	$ 93,388	$ 7,019,979
Receivables, Net	1,255,766	44,494	1,300,260
Restricted Assets:			
Inventory		3,056	3,056
Capital Assets, Net (Note 5):	23,606,015	37,917	23,643,932
Total Assets	31,788,372	178,855	31,967,227
DEFFERED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	512,125		512,125
LIABILITIES			
Accounts Payable	53,893		53,893
Unearned Revenue	542,353	2,996	545,349
Non-current Liabilities (Note 6):			
Due Within One Year	544		544
Due Beyond One Year	2,685,677		2,685,677
Total Liabilities	3,282,467	2,996	3,285,463
DEFFERED INFLOWS OF RESOURCES			
Deferred Pension Inflows	161,403		161,403
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	23,606,015	37,917	23,643,932
Restricted for:			
Capital Reserve	997,492		997,492
Maintenance Reserve	721,133		721,133
Tuition Reserve	800,000		800,000
Capital Projects	453,478		453,478
Excess Surplus	1,671,786		1,671,786
Other Purposes	2,373,839		2,373,839
Student Activities	25,900		25,900
Unrestricted (Deficit)	(1,793,016)	137,942	(1,655,074)
Total Net Position	$ 28,856,627	$ 175,859	$ 29,032,486

The accompanying Notes to Financial Statements are an integral part of this statement.

EXHIBIT A-2

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	$ 6,390,085	$ 423,577	$	$ 1,216,302	$ (5,597,360)	$	$ (5,597,360)
Special Education	1,444,049	97,856			(1,541,905)		(1,541,905)
Other Special Instruction	541,339	36,529			(577,868)		(577,868)
Other Instruction	102,710	7,198			(109,908)		(109,908)
Support Services:							
Instruction - Tuition	3,291,580	256,745			(3,548,325)		(3,548,325)
Student & Instruction Related Services	2,620,358	177,540	22,274	288,176	(2,487,448)		(2,487,448)
General Administrative	414,501	27,856			(442,357)		(442,357)
School Administrative	352,288	23,546			(375,834)		(375,834)
Business and Other Support Services	299,008	19,119			(318,127)		(318,127)
Plant Operations and Maintenance	1,900,038				(1,900,038)		(1,900,038)
Student Transportation	1,363,052		349,453		(1,013,599)		(1,013,599)
Unallocated Employee Benefits	4,936,861	(4,936,861)					
Interest Expense	41,174				(41,174)		(41,174)
Total Governmental Activities	23,697,043	$ (3,866,895)	371,727	1,504,478	(17,953,943)		(17,953,943)
Business-type Activities:							
Food Service	364,772		73,479	228,143		(63,150)	(63,150)
After School Program	6,465		12,160			5,695	5,695
Total Business-type Activities	371,237		85,639	228,143		(57,455)	(57,455)
Total Primary Government	$ 24,068,280		$ 457,366	$ 1,732,621	$ (17,953,943)	$ (57,455)	$ (18,011,398)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					$ 16,530,372	$	$ 16,530,372
Federal, State and Local Aid Not Restricted					140,980		140,980
Miscellaneous Income					1,506,158		1,506,158
Transfers - To Charter School					(434,383)		(434,383)
Special Items:							
Fixed Asset Adjustment					3,010,978	25,868	3,036,846
Total General Revenues, Special Items, Extraordinary Items and Transfers					20,754,105	25,868	20,779,973
Change in Net Position					2,800,162	(31,587)	2,768,575
Net Position—Beginning					26,056,465	207,446	26,263,911
Net Position—Ending					$ 28,856,627	$ 175,859	$ 29,032,486

The accompanying Notes to Financial Statements are an integral part of this statement.

EXHIBIT B-1

CITY OF VENTNOR SCHOOL DISTRICT
(A Component of the City of Ventnor)
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 4,998,797	$ 1,047,104	$ (521,362)	$ 5,524,539
Restricted Cash and Cash Equivalents	1,543,625			1,543,625
Accounts Receivable:				
State Sources	192,824	19,500	19,840	232,164
Federal Sources	483	123,119		123,602
Local Sources			900,000	900,000
Interfunds Receivable	725,600		64,400	790,000
Total Assets	$ 7,461,329	$ 1,189,723	$ 462,878	$ 9,113,930
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$	$	$	$
Payroll Deductions and Withholdings Payable	31,057			31,057
Due to Grantor		22,836		22,836
Interfund Payable	205,973	725,600		931,573
Unearned Revenue		542,353		542,353
Total Liabilities	237,030	1,290,789		1,527,819
Fund Balances:				
Restricted For:				
Excess Surplus	1,671,786			1,671,786
Excess Surplus - Designated for Subsequent Year's Expenditures	2,325,611			2,325,611
Maintenance Reserve Account	721,133			721,133
Capital Reserve Account	997,492			997,492
Student Activities		25,900		25,900
Capital Projects			453,478	453,478
Tuition Reserve	400,000			400,000
Assigned To:				
Designated for Subsequent Years Expenditures:				
Restricted for Tuition Reserve	400,000			400,000
General Fund Balance	38,828			38,828
Year-End Encumbrances	176,561		9,400	185,961
Unassigned, Reported In:				
General Fund Balance	492,888			492,888
Grant Fund Balance (Deficit)		(126,966)		(126,966)
Total Fund Balances (Deficit)	7,224,299	(101,066)	462,878	7,586,111
Total Liabilities and Fund Balances	$ 7,461,329	$ 1,189,723	$ 462,878	

Amounts reported for *governmental activities* in the Statement of Net Assets (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $49,611,376 and the accumulated depreciation is $26,005,361 (See Note 5)	23,606,015
Deferred Outflow of Resources - Deferred Pension Contribution.	512,125
Deferred Inflows of Resources - Pension Actuarial Gains.	(161,403)
Long Term Net Pension Liability	(2,469,428)
Long-term liabilities, including capital leases payable and Compensated Absences, are not due and payable in the current period and therefore are not reported as liabilities in the Governmental funds (see Note 6).	(216,793)
Net Position of Governmental Activities	$ 28,856,627

The accompanying Notes to Financial Statements are an integral part of this statement.

EXHIBIT B-2

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	$ 16,530,372	$	$	$ 16,530,372
Tuition from Individuals	29,359			29,359
Transportation Fees from Other LEAS	349,453			349,453
Interest Earned	303,769			303,769
Interest Earned on Capital Reserve Funds	1,000			1,000
Interest Earned on Maintenance Reserve Funds	1,000			1,000
Miscellaneous	271,030			271,030
Local Sources		22,274	900,000	922,274
Total - Local Sources	17,485,983	22,274	900,000	18,408,257
State Sources	5,161,712	956,660	19,840	6,138,212
Federal Sources	13,957	1,503,654		1,517,611
Total Revenues	22,661,652	2,482,588	919,840	26,064,080
EXPENDITURES				
Current:				
Instruction				
Regular Instruction	4,214,136	1,216,302		5,430,438
Special Education Instruction	1,254,553			1,254,553
Other Special Instruction	468,322			468,322
Other Instruction	92,279			92,279
Support Services:				
Instruction - Tuition	3,291,580			3,291,580
Student & Instruction Related Services	1,987,961	288,176		2,276,137
General Administrative Services	357,131			357,131
School Administrative Services	301,872			301,872
Central Services	191,003			191,003
Admin Info Tech	54,112			54,112
Plant Operations and Maintenance	1,900,038			1,900,038
Student Transportation	1,363,052			1,363,052
Unallocated Employee Benefits	7,062,276	278,700		7,340,976
Capital Outlay	41,174	778,430	456,962	1,276,566
Total Expenditures	22,579,489	2,561,608	456,962	25,598,059
Excess (Deficiency) of Revenues Over Expenditures	82,163	(79,020)	462,878	466,021
OTHER FINANCING SOURCES (USES)				
Transfers to Charter School	(434,383)			(434,383)
Transfer to Grant Fund - Preschool Inclusion	(75,575)	75,575		
Total Other Financing Sources and Uses	(509,958)	75,575		(434,383)
Net Change in Fund Balances	(427,795)	(3,445)	462,878	31,638
Fund Balance—July 1 (Deficit)	7,652,094	(97,621)		7,554,473
Fund Balance—June 30 (Deficit)	$ 7,224,299	$ (101,066)	$ 462,878	$ 7,586,111

The accompanying Notes to Financial Statements are an integral part of this statement.

EXHIBIT B-3

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds (from B-2)		$ 31,638
Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:		
Prior Period Adjustment		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense	$ (1,738,491)	
Fixed Asset Adjustment	3,010,978	
Capital outlays	1,235,392	
		2,507,879
Pension contributions are reported in governmental funds as expenditures. However, in the Statement of Activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows, related to pension, changed during the period.		179,166
In the Statement of Activities, certain operating expenses, e.g. compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in this reconciliation (-) and when the paid amount exceeds the earned amount, the difference is an addition in this reconciliation (+)		81,479
Change in Net Position of Governmental Activities (A-2)		$ 2,800,162

The accompanying Notes to Financial Statements are an integral part of this statement.

EXHIBIT B-4

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-type Activities - Enterprise Funds		
	Food Service	After School Program	Totals
ASSETS			
Current Assets:			
Cash	$ (202,434)	$ 154,249	$ (48,185)
Accounts Receivable	44,494		44,494
Interfund Receivable	141,573		141,573
Inventory	3,056		3,056
Total Current Assets	(13,311)	154,249	140,938
Non-current Assets			
Fixed Assets:			
Equipment	183,401		183,401
Less Accumulated Depreciation	(145,484)		(145,484)
Total Fixed Assets	37,917		37,917
Total Assets	24,606	154,249	178,855
LIABILITIES:			
Current Liabilities:			
Unearned Revenue	2,996		2,996
Total Current Liabilities	2,996		2,996
NET POSITION:			
Invested in Capital Assets Net of net of Accumulated Depreciation	37,917		37,917
Unrestricted (Deficit)	(16,307)	154,249	137,942
Total Net Position	$ 21,610	$ 154,249	$ 175,859

The accompanying Notes to Financial Statements are an integral part of this statement.

EXHIBIT B-5

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities - Enterprise Fund		
	Food Service	After School Program	Total Enterprise
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs	$ 44,130	$	$ 44,130
Daily Sales - Non-Reimbursable Programs	29,245		29,245
Miscellaneous	104		104
Program Fees		12,160	12,160
Total Operating Revenue:	73,479	12,160	85,639
OPERATING EXPENSES:			
Salaries	131,346	5,486	136,832
Employee Benefits	34,461		34,461
Other Purchased Services	5,584		5,584
Other Costs	23,931	979	24,910
Cost of Sales - Reimbursable Programs	123,366		123,366
Cost of Sales - Non Reimbursable Programs	613		613
Management Fee	40,000		40,000
Depreciation	5,471		5,471
Total Operating Expenses	364,772	6,465	371,237
Operating Income (Loss)	(291,293)	5,695	(285,598)
NON-OPERATING REVENUES:			
State Sources:			
State School Breakfast Program	5,062		5,062
State School Lunch Program	9,107		9,107
Summer-EBT Administrative Cost	301		301
Federal Sources:			
SFSP - Food	199		199
SFSP - Admin	24		24
National School Breakfast Program	57,123		57,123
National School Lunch Program	124,834		124,834
National School Snack Program	8,718		8,718
LFS Grant	191		191
Summer-EBT Administrative Cost	301		301
Food Distribution Program	22,283		22,283
Fixed Asset Adjustment	25,868		25,868
Total Non-operating Revenues (Expenses)	254,011		254,011
Income (Loss) Before Contributions & Transfers	(37,282)	5,695	(31,587)
Change in Net Position	(37,282)	5,695	(31,587)
Total Net Position—Beginning	58,892	148,554	207,446
Total Net Position—Ending	$ 21,610	$ 154,249	$ 175,859

The accompanying Notes to Financial Statements are an integral part of this statement.

EXHIBIT B-6

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities Enterprise Funds		
	Food Service	After School Program	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	$ 73,479	$ 12,160	$ 85,639
Payments to Employees	(131,346)	(5,486)	(136,832)
Payments for Employee Benefits	(34,461)		(34,461)
Payments to Suppliers	(207,442)	(979)	(208,421)
Net Cash Provided by (used for) Operating Activities	(299,770)	5,695	(294,075)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	14,470		14,470
Federal Sources	191,390		191,390
Net Cash Provided by (used for) Non-capital Financing Activities	205,860		205,860
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of Capital Assets			
Net Cash Provided by (used for) Capital and Related Financing Activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends			
Net Cash Provided by (used for) Investing Activities			
Net Increase (Decrease) in Cash and Cash Equivalents	(93,910)	5,695	(88,215)
Balances—Beginning of Year	(108,524)	148,554	40,030
Balances—End of Year	$ (202,434)	$ 154,249	$ (48,185)
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	$ (291,293)	$ 5,695	$ (285,598)
Adjustments to Reconcile Operating Income (Loss) to Net Cash provided by (used for) Operating Activities:			
Depreciation and Net Amortization	5,471		5,471
Food Distribution Program	22,283		22,283
(Increase)/Decrease in Accounts Receivable, Net	(34,408)		(34,408)
(Increase)/Decrease in Inventory	(2,046)		(2,046)
Increase/(Decrease) in Deferred Revenue	223		223
Total Adjustments	(8,477)		(8,477)
Net Cash Provided by (used for) Operating Activities	$ (299,770)	$ 5,695	$ (294,075)

Noncash Investing, Capital, and Financing Activities:
During the year, the District received $21,449 of Food Commodities from the U.S. Department of Agriculture

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Ventnor School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of appointed officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the City of Ventnor School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY:

The City of Ventnor School District is a Type I district located in the County of Atlantic, State of New Jersey. As a Type I district, the Board of Education members are appointed by the Mayor. The Board is comprised of seven members appointed to three-year terms. The purpose of the district is to educate students in grades K-8. The City of Ventnor School District had an approximate enrollment at June 30, 2025 of 492 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units but, as a Type I School District, would be considered a component unit of the City of Ventnor. The City however reports on a regulatory basis of accounting which does not recognize component units. If the City followed generally accepted accounting principles (GAAP) reporting, the Board of Education would be a component unit of the City of Ventnor.

The District's financial reporting consist of a Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations, as well as Basic financial statements prepared using full-accrual accounting for all of the District's activities.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS:

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service and after school program). The functions are also supported by general government revenues (property taxes, transportation, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, special education, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital- specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, transportation, interest income, etc.).

a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria is applied to proprietary funds.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

   As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.

   As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities

c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds. As a Type I School District all debt is borne by the municipality rather than the school district.

Fund Balances - Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Non-spendable- includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances - Governmental Funds - Continued

Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

All proprietary funds are accounted for on a current financial resource's measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District's enterprise funds consist of a food service fund and an after school program.

Internal Service Fund - The internal service fund is utilized to charge costs for certain activities to individual funds or other governmental entities. Thew District does not currently maintain an Internal Service Fund.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 - 20 years

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and are reported using accounting principles similar to proprietary funds. The District does not presently maintain any fiduciary funds for pension, private purpose or any agency.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board(FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

FINANCIAL STATEMENT AMOUNTS

Cash and Cash Equivalents:

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents: Continued

All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental units.

Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first -out method. The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and was included as an item of non-operating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2025 was $656.

As of June 30, 2025, the District did not have inventory in the general fund and had $3,056 of inventory in the enterprise fund:

Capital:

Capital assets purchased or acquired with an original cost of $2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Assets	Years
Buildings	50
Building improvements & portable classroom	20 -50
Land improvements	20
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 – 10
Computer equipment	5 – 10

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

Compensated absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity. In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

Interfund Activity:

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval by the board of school estimates. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line- item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal yearend.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year-end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

Tuition Payable

Tuition charges for the fiscal years 2024-2025 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the actual expenditures by program.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and Public Employee Retirement System (PERS) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the TPAF and PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net position

Net position represents the difference between the sum of assets and deferred outflows of resources, and the sum of liabilities and deferred inflows of resources. Net position is classified into the following three components:

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by credits, grantors, or laws or regulations of their governments.

- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The school district applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund balances - Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balances - Governmental Funds - Continued

- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Tax assessments and property taxes:

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the school district in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

The School District has adopted the following GASB statements:

- GASB Statement No. 101 - Compensated Absences: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The adoption of GASB 101 did not impact the financial statements of the School District.

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- GASB Statement No. 102 - Certain Risk Disclosures: This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The adoption of GASB 102 did not impact the financial statements of the School District.

Accounting standards that the School District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 103 - Financial Reporting Model Improvements: This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Management is evaluating the potential impact of the adoption of GASB 103 on the School District's financial statements.

- GASB Statement No. 104 - Disclosure of Certain Capital Assets: The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management is evaluating the potential impact of the adoption of GASB 104 on the School District's financial statements.

NOTE 2. INVESTMENTS

As of June 30, 2025, the District had no investments, other than the New Jersey ARM account.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 3. CASH

As of June 30, 2025, cash and cash equivalents in the fund financial statements of the District consisted of the following:

		Cash and Equivalents
Checking Accounts	$	6,924,420
Savings and Investment Accts		95,559
Total	$	7,019,979

Custodial Credit Risk- Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be recovered. Although the District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies.

The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. The District does not place a limit on the amount that may be invested in any one issuer.

As of June 30, 2025, the District's bank balances of $7,534,153 were insured or collateralized as follows:

Insured by Depository Insurance	$	345,282
Uninsured and collateralized by GUDPA by pledging financial institutions		7,188,871
	$	7,534,153

Deposits at June 30, 2025 appear in the financial statements as summarized below:

	Ref.		
Unrestricted Cash			
Governmental Funds, Balance Sheet	B-1	$	5,524,539
Enterprise Funds, Statement of Net Position	B-4		(48,185)
Restricted Cash			
Governmental Funds, Balance Sheet	B-1		1,543,625
		$	7,019,979

CITY OF VENTNOR SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 4. FIXED ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance 7/1/2024	Additions	Adjustment	Balance 6/30/2025
Governmental activities:				
Capital Assets That Are Not Being Depreciated:				
Land	$ 107,500	$	$	$ 107,500
Construction in progress	429,009	456,962		885,971
Total capital assets not being depreciated	536,509	456,962		993,471
Building and building improvements	45,136,345		112,548	45,248,893
Machinery & equipment	1,012,037	778,430	1,578,545	3,369,012
Totals at historical cost	46,148,382	778,430	1,691,093	48,617,905
Total Cost Basis	46,684,891	1,235,392	1,691,093	49,611,376
Less accumulated depreciation for :				
Building and improvements	(24,708,687)	(1,738,491)	1,657,629	(24,789,549)
Machinery & equipment	(878,068)		(337,744)	(1,215,812)
Total accumulated depreciation	(25,586,755)	(1,738,491)	1,319,885	(26,005,361)
Government activities capital assets, net	$ 21,098,136	$ (503,099)	$ 3,010,978	$ 23,606,015
Business-type activities:				
Capital assets being depreciated:				
Equipment	$ 178,211	$	$ 5,190	$ 183,401
Less accumulated depreciation for :				
Equipment	(160,691)	(5,471)	20,678	(145,484)
Business-type activities capital assets, net	$ 17,520	$ (5,471)	$ 25,868	$ 37,917

* Depreciation expense was charged to governmental functions as follows:

Regular Instruction	$ 959,647
Special Education	189,496
Other Special Instruction	73,017
Other Instruction	10,431
Student & Instruction Related Services	344,221
General & Business Administration	57,370
School Administration Expenses	50,416
Business & Other Support Services	53,893
Total Depreciation Expense	$ 1,738,491

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NOTES TO FINANCIAL STATEMENTS
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NOTE 5. LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended June 30, 2025 was as follows:

Governmental Activities:	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Amounts Due Within One Year	Long-Term Portion
Compensated Absences	$ 298,272	$ -	$ 81,479	$ 216,793	$ 544	$ 216,249
Net Pension Liability	2,578,545		109,117	2,469,428		2,469,428
Total Liabilities	$ 2,876,817	$ -	$ 190,596	$ 2,686,221	$ 544	$ 2,685,677

Payments on the general obligation bonds are made by the City of Ventnor. The other long-term debts are paid in the current expenditures budget of the District's general fund.

A Bonds Payable- The City of Ventnor School District is a Type I School District. In the State of New Jersey, all Type I school debt is borne by the municipality rather than the school district. The outstanding balance in School Bonds as of June 30, 2025 is $7,705,000, which is reflected on the Annual Debt Statement of the City of Ventnor, and includes debt authorized but not issued of $900,000.

On April 11, 2024, the City of Ventnor adopted Ordinance # 2024-11 for the purpose of acquiring Various Equipment for the Ventnor Board of Education in the amount of $900,000, with debt authorized.

B Capital Leases- The district has no Capital Leases as of June 30, 2025.

NOTE 6. PENSION PLANS

Description of Plans - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at https://www.state.nj.us/treasury/pensions/annual-reports.shtml.

Public Employees' Retirement System

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (Continued)

Public Employees' Retirement System (Continued)

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who are enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008.
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010.
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011.
5	Members who were eligible to enroll on or after June 28, 2011.

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2024 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2025 were $95,540. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2025 is 17.11% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2025, and 2024, were $247,293 and $237,932 respectively.

The total payroll for the year ended June 30, 2025 was $6,665,559. Payroll covered by PERS was $1,273,863 for fiscal year 2025.

Components of Net Pension Liability - At June 30, 2025, the District's proportionate share of the PERS net pension liability was $2,469,428. The net pension liability was measured as of June 30, 2024. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The District's proportion measured as of June 30, 2024 was 0.018174% which was an increase of 0.00037% from its proportion measured as of June 30, 2023.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2025 PERS pension expense, with respect to GASB 68, was $77,485. The District's 2025 deferred outflows of resources and deferred inflows of resources were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 49,467	$ 6,574
Changes of assumptions	3,068	28,096
Net difference between projected and actual earnings on pension plan investments		114,501
Changes in proportion	212,297	12,232
Contributions subsequent to the measurement date	247,293	
Total	$ 512,125	$ 161,403

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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (Continued)

Public Employees' Retirement System (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year		PERS
2025	$	(29,845)
2026		99,077
2027		33,990
2028		(1,782)
2029		1,989
Thereafter		
Total	$	103,429

Additional Information - Collective Balances at June 30, 2025 and 2024 are as follows:

Year		2025		2024
Collective deferred outflows of resources	$	512,125	$	536,155
Collective deferred inflows of resources	$	161,403	$	255,482
Collective Net Pension Liability	$	2,469,428	$	2,578,545
District's Proportion		0.018174%		0.017802%

Actuarial Assumptions - The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	PERS
Investment Rate of Return	7.00%
Salary Increases: (Based on Years of Service):	2.75 – 6.55%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

NOTE 6. PENSION PLANS (Continued)

Public Employees' Retirement System (Continued)

Long-Term Expected Rate of Return – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

	PERS	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 6. PENSION PLANS (Continued)

Public Employees' Retirement System (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	$ 3,308,883	$ 2,469,428	$ 1,793,532

Teachers' Pension and Annuity Fund

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who are enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008.
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010.
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011.
5	Members who were eligible to enroll on or after June 28, 2011.

Special Funding Situation - The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

NOTE 6. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (Continued)

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2024. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2024 the State's pension contribution was more than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2025 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2025, the State of New Jersey contributed $2,592,656 to the TPAF for pension contributions, $757,576 for post-retirement benefits on behalf of the School, and $885 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $515,777 during the year ended June 30, 2025 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2025, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2025, the District recognized pension expense of $(119,635) and revenue of $(119,635) for support provided by the State.

Actuarial Assumptions - The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF
Investment Rate of Return	7.00%
Salary Increases (Based on Years of Service):	2.75 – 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

NOTE 6. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (Continued)

Long-Term Expected Rate of Return - Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

	TPAF	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
State's Share of the Net Pension Liability associated with the District	$ 39,990,894	$ 32,796,124	$ 28,796,020
State's Share of the Net Pension Liability	$ 58,828,334,396	$ 49,492,072,325	$ 41,629,174,739

NOTE 6. PENSION PLANS (Continued)

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

	Eligibility
1.	State or Local Officials who are elected or appointed on or after July 1, 2007
2.	Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3.	Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4.	Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least $5,000 annually
5.	Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least $5,000 annually

Contributions – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2025, employee contributions totaled $4,738 and the District's employer contribution, recognized in pension expense, was $3,489. There were no forfeitures during the fiscal year.

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2024 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

General Information about the OPEB Plan (Continued)

share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is $75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of $6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not prefund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed $1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from $1.8 billion in Fiscal Year 2021. The State has appropriated $2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The 7 State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is $88.9 billion, a decrease of $12.7 billion, or 12.5 percent from the $101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L, 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

General Information about the OPEB Plan (Continued)

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

Total OPEB Liability

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2024, was $59,650,630,530. Of this amount, the total OPEB liability attributable to the School District was $37,844,195. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.06344%. The total OPEB liability for the School District measured as of June 30, 2024 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2024 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF/ABP	PERS	PFRS
Salary Increases:	2.75% to 5.65% based on years of service	2.75% to 6.55% based on years of service	3.25% to 16.25% based on years of service

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disables retirees. Future disabled retirees was based on the Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the July 1, 2023 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the Plan upon retirement.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO, the trend is increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount rate

The discount rate used to measure the total OPEB liability was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability

State of New Jersey		Total OPEB Liability
Balance as of June 30, 2023 Measurement Date	$	52,361,668,240
Changes for the year:		
Service Cost		2,152,062,729
Interest		1,963,557,443
Changes of Benefit Terms		0
Differences between Expected and Actual		158,934,425
Changes of Assumptions		4,462,660,491
Benefit Payments		(1,499,600,607)
Contributions from Members		51,347,810
Net Changes		7,288,962,290
Balance as of June 30, 2024 Measurement Date	$	59,650,630,530

Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2024, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2024		
	At 1.00% Decrease 2.93%	At Discount Rate 3.93%	At 1.00% Increase 4.93%
$	69,863,663,542	59,650,630,530	51,437,232,141

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

The following presents the total nonemployer OPEB liability as of June 30, 2024, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2024		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
$	49,689,409,509	59,650,630,530	72,625,778,279

OPEB Expense, Deferred Outflows of Resources and Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the School District recognized OPEB expense of $1,326,397. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 4,046,991	$ (7,067,373)
Changes of Assumptions	6,347,466	(7,399,117)
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	2,158,992	(883,709)
Contributions Subsequent to the Measurement Date		
Total	$ 12,553,449	$ (15,350,199)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

Measurement Period Ending June 30,		OPEB
2025	$	3,960,370
2026		4,165,529
2027		4,724,277
2028		5,352,355
2029		4,277,739
Thereafter		5,423,378
Total	$	27,903,648

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance- The District maintains commercial insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2025 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease

NOTE 9. LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. Per confirmation by the District's legal counsel, there are no pending litigations, claims, assessments of contingent liability against the District.

NOTE 10. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by T.S.A. Consulting, utilizing the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning
GWN Securities
Siracusa
Ameriprise
Metlife Associates
Prudential
AXA Equitable
Great American

NOTE 11. COMPENSATED ABSENCES

The District accounts for compensated absences (e.g. unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee and are capped based on the terms stated in the various contracts.

In the District-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities and is therefore not shown separately from the long-term liability balance of compensated absences. The balance, as of June 30, 2025 is $216,793.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 12. ECONOMIC DEPENDENCY

The District is heavily reliant on local property taxation through the City of Ventnor to fund the District's operations. Property taxes funded 64.23% of the Districts 2024-2025 governmental fund/type operating revenue.

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2025:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ 725,600	$ 205,973
Special Revenue Fund		725,600
Capital Projects Fund	64,400	
Food Service Fund	141,573	
Total	$ 931,573	$ 931,573

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds. It is anticipated that all interfunds will be liquidated during the fiscal year. All governmental fund interfunds are eliminated in the governmental-wide statements.

NOTE 14 TUITION RESERVE ACCOUNT

The activity of the Tuition Reserve account for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance July 1, 2024	$ 800,000
Withdrawn	(400,000)
Added by Resolution	400,000
Ending Balance June 30, 2025	$ 800,000

There was also $400,000 appropriated in the 2025-2026 budget.

NOTE 15. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Ventnor City Board of Education for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the Maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance July 1, 2024	$ 720,133
Interest Earnings	1,000
Withdrawn	(175,000)
Added by Resolution	175,000
Ending Balance June 30, 2025	$ 721,133

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. The Reserve balance is within the Maximum amount, as per Schedule M-1.

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 16. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Ventnor City Board of Education for the accumulation of funds for capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.* 19:60-2. Pursuant to N.J.A.C. 6:23A- 2.13(g) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve account for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance July 1, 2024	$ 996,492
Interest Earnings	1,000
Ending Balance June 30, 2025	$ 997,492

NOTE 17. FUND BALANCE APPROPRIATED

General Fund – Of the $7,224,299 General Fund Balance at June 30, 2025, $176,561 is assigned for Encumbrances; $3,997,397 is reserved as excess surplus in accordance with N.J.S.A.18A:7F-7 ($2,325,611 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2026); $721,133 has been reserved for Maintenance Reserve, of which none has been appropriated and also included as anticipated revenue for the year ending June 30, 2026; $997,492 has been reserved for Capital Reserve; $800,000 has been reserved in the Tuition Reserve Account; of which $400,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2025; $38,828 has been assigned and appropriated/included as anticipated revenue for the year ending June 30, 2026 and $492,888 is unrestricted and unassigned.

NOTE 18. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2025 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectable in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

Receivables:	General Fund	Special Revenue Fund	Capital Projects Fund	Proprietary Funds	Total
Intergovernmental	$ 193,307	$ 142,619	$ 919,840	$ 40,352	$ 1,296,118
Other				4,142	4,142
Totals	$ 193,307	$ 142,619	$ 919,840	$ 44,494	$ 1,300,260

CITY OF VENTNOR SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF VENTNOR)
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 19. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 is $4,611,225, of which $2,325,611 has been appropriated and included as anticipated revenue for the year ended June 30, 2026 and $2,285,614 must be budgeted in 2026-2027.

NOTE 20. DEFICIT FUND BALANCES

The District has no unassigned General Fund deficit in fund balance and $(126,966) in the Special Revenue Fund as of June 30, 2025, as reported in the fund statements (modified accrual basis). N.J.S.A.18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

NOTE 21. SUBSEQUENT EVENTS

The District has evaluated events through November 26, 2025, the date on which the financial statements were available to be issued and no additional items were noted for disclosure.

End of Notes to Financial Statements

BUDGETARY COMPARISON SCHEDULES

EXHIBIT C-1
(1)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	$ 16,530,371	$	$ 16,530,371	$ 16,530,372	$ 1
Tuition from Other LEAs				29,359	29,359
Transportation Fees From Other LEAs	351,986		351,986	349,453	(2,533)
Interest Earned				303,769	303,769
Interest Earned on Capital Reserve	1,000		1,000	1,000	
Interest Earned on Maintenance Reserve	1,000		1,000	1,000	
Rents and Royalties				1,950	1,950
Miscellaneous				269,080	269,080
Total - Local Sources	16,884,357		16,884,357	17,485,983	601,626
State Sources:					
Transportation Aid	417,427		417,427	417,427	
Special Education Aid	285,643		285,643	285,643	
Security Aid	344,749		344,749	344,749	
Extraordinary Aid				148,001	148,001
Stabilization Aid	50,346		50,346	50,346	
Non-Public Transportation				19,614	19,614
On-behalf Pension Contribution				2,592,656	2,592,656
On-behalf TPAF Post Retirement Medical Contribution				757,576	757,576
On-behalf TPAF Long-Term Disability Contribution				885	885
Reimbursement TPAF Social Security				515,777	515,777
Total - State Sources	1,098,165		1,098,165	5,132,674	4,034,509
Federal Sources:					
Medicaid Reimbursement	20,184		20,184	13,957	(6,227)
Total - Federal Sources	20,184		20,184	13,957	(6,227)
TOTAL REVENUES	$ 18,002,706	$	$ 18,002,706	$ 22,632,614	$ 4,629,908
EXPENDITURES:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Preschool	$ 3,240	$	$ 3,240	$ 240	$ 3,000
Kindergarten	240,762		240,762	235,511	5,251
Grades 1-5	1,891,722		1,891,722	1,757,752	133,970
Grades 6-8	1,908,238		1,908,238	1,849,673	58,565
Home instruction:					
Salaries of Teachers	11,000		11,000	5,949	5,051
Purchased Prof/Ed Services	2,000		2,000		2,000
Regular Programs - Undistributed - Instruction:					
Other Purchased Services	95,411		95,411	4,265	91,146
General Supplies	324,266	(1,400)	322,866	311,090	11,776
Textbooks	50,000	(666)	49,334	47,228	2,106
Other Objects	3,000	666	3,666	2,428	1,238
Total Regular Programs	4,529,639	(1,400)	4,528,239	4,214,136	314,103

EXHIBIT C-1
(2)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
CURRENT EXPENSES: (Continued)					
Special Education					
Multiple Disabilities:					
Salaries of Teachers	$ 176,065	$ 79,011	$ 255,076	$ 255,076	$
Other Salaries for Instruction	181,379	(40,049)	141,330	140,900	430
General Supplies	10,975	(7,751)	3,224	2,226	998
Total Multiple Disabilities	368,419	31,211	399,630	398,202	1,428
Resource Room:					
Salaries of Teachers	863,366	(149,515)	713,851	704,014	9,837
Other Salaries for Instruction	33,448	118,304	151,752	150,535	1,217
General Supplies	8,900		8,900	1,802	7,098
Total Resource Room	905,714	(31,211)	874,503	856,351	18,152
Home Instruction - Special:					
Salaries of Teachers	10,000		10,000		10,000
Total Home Instruction - Special	10,000		10,000		10,000
TOTAL SPECIAL EDUCATION	1,284,133		1,284,133	1,254,553	29,580
Basic Skills/Remedial-Instruction:					
Salaries of Teachers	500,287	(10,974)	489,313	447,094	42,219
General Supplies	1,450		1,450	627	823
Total Basic Skills/Remedial-Instruction	501,737	(10,974)	490,763	447,721	43,042
Bilingual Education-Instruction					
Salaries of Teachers	20,711		20,711	20,458	253
General Supplies	1,900		1,900	143	1,757
Total Bilingual Education-Instruction	22,611		22,611	20,601	2,010
School Sponsored Co-curricular Activities:					
Salaries	34,810	7,220	42,030	40,700	1,330
Purchased Services (300-500 Series)	500		500		500
Supplies and Materials	11,340	1,900	13,240	10,501	2,739
Other Objects	2,000	(500)	1,500	193	1,307
Total School Sponsored Co-curricular Activities	48,650	8,620	57,270	51,394	5,876
School Sponsored Athletics:					
Salaries	28,900	(19,890)	9,010	8,820	190
Purchased Services (300-500 Series)	5,500	94	5,594	4,602	992
Supplies and Materials	1,700		1,700	1,554	146
Total School Sponsored Athletics	36,100	(19,796)	16,304	14,976	1,328
Summer School - Instruction:					
Salaries of Teachers	240	23,644	23,884	23,884	
Total Summer School - Instruction	240	23,644	23,884	23,884	
Other Alternate Education Programs - Instruction:					
Salaries of Teachers	2,160		2,160	2,025	135
Total Other Alternate Education Programs - Instruction	2,160		2,160	2,025	135
Total Instruction	6,425,270	94	6,425,364	6,029,290	396,074
Undistributed Expenditures:					
Instruction:					
Tuition - Other LEAs Within the State - Regular	1,823,923	20,207	1,844,130	1,841,704	2,426
Tuition - Other LEAs Within the State - Special	391,921	(20,207)	371,714	371,714	
Tuition - Co Voc. School Dist. - Regular	138,475	1,000	139,475	138,975	500
Tuition - Co Voc. School Dist. - Special	5,000		5,000	4,500	500
Tuition - CSSD & Regional Day Schools	236,126	214,719	450,845	450,845	
Tuition to Private Schools for the Disabled Within State	640,633	(171,836)	468,797	437,445	31,352
Tuition State Facilities	46,397		46,397	46,397	
Total Undistributed Expenditures - Instruction	3,282,475	43,883	3,326,358	3,291,580	34,778

EXHIBIT C-1
(3)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
CURRENT EXPENDITURES: (Continued)					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	$ 76,660	$ (723)	$ 75,937	$ 52,564	$ 23,373
Supplies and Materials	1,000	458	1,458	1,458	
Total Undistributed Expend. - Attendance & Social Work	77,660	(265)	77,395	54,022	23,373
Health Services:					
Salaries	119,195	16,925	136,120	134,147	1,973
Purch Prof/ Tech Services	13,067	(1,300)	11,767	7,433	4,334
Supplies and Materials	20,219	(15,026)	5,193	4,753	440
Total Health Services	152,481	599	153,080	146,333	6,747
Speech, OT, PT & Related Services					
Salaries	94,417	46,000	140,417	140,242	175
Purchased Professional - Educational Services	7,320	(732)	6,588	4,840	1,748
Total Related Services	101,737	45,268	147,005	145,082	1,923
Other Support Services - Students - Extra Services:					
Salaries	86,007		86,007	72,244	13,763
Purchased Prof Ed Services	249,365	(61,000)	188,365	77,776	110,589
Total Extra Services	335,372	(61,000)	274,372	150,020	124,352
Guidance:					
Salaries Other Professionals	217,950	(21,454)	196,496	187,775	8,721
Purchased Professional - Educational Services	12,071	400	12,471	12,471	
Supplies and Materials	1,375	(191)	1,184	928	256
Total Guidance	231,396	(21,245)	210,151	201,174	8,977
Child Study Team					
Salaries of Other Professional Staff	296,366	21,245	317,611	317,611	
Salaries Secr. & Clerical Asst.	59,850	15,000	74,850	73,863	987
Purchased Professional - Educational Services	731,529	8,218	739,747	670,312	69,435
Supplies and Materials	28,196	(8,218)	19,978	14,743	5,235
Total Child Study Teams	1,115,941	36,245	1,152,186	1,076,529	75,657
Improv. Instruction Services/Other Support					
Salaries of Other Professional Staff	9,000		9,000		9,000
Total Improvement of Instruction Services/Other Support	9,000		9,000		9,000
Educational Media Services/School Library:					
Salaries	184,974		184,974	182,696	2,278
Salaries of Technology Coordinators	900		900	180	720
Purchased Professional and Technical Services	8,670		8,670	6,667	2,003
Other Purchased Services	725		725		725
Supplies and Materials	24,050		24,050	20,737	3,313
Total Educational Media Services/School Library	219,319		219,319	210,280	9,039

EXHIBIT C-1
(4)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
CURRENT EXPENSES: (Continued)					
Undistributed Expenditures:					
Instructional Staff Training Services					
Purchased Professional and Educational Services	$ 75	$	$ 75	$	$ 75
Other Purchased Services (400-500 Series)	41,000		41,000	4,521	36,479
Total Inst. Staff Training Services	41,075		41,075	4,521	36,554
Support Services General Administration:					
Salaries	202,656	4,077	206,733	206,733	
Legal Services	50,000	10,255	60,255	30,641	29,614
Audit Fees	24,765	4,270	29,035	29,035	
Other Purchased Prof. Services	15,000		15,000	3,366	11,634
Purchased Technical Services	315		315		315
Communication/Telephone	43,534	15,389	58,923	49,343	9,580
BOE Other Purchased Prof. Services	2,200		2,200	2,100	100
Other Purchased Services	24,513	3,626	28,139	20,082	8,057
General Supplies	500	172	672		672
BOE In-House Training/Meeting Supplies	500		500	370	130
Miscellaneous Expenditures	5,000	2,044	7,044	7,044	
BOE Membership Dues and Fees	9,221		9,221	8,417	804
Total Support Services General Administration	378,204	39,833	418,037	357,131	60,906
Support Services School Administration:					
Salaries of Principals/Assistant Principals	166,926	(16,007)	150,919	150,919	
Salaries of Secretarial and Clerical Assistants	142,097		142,097	142,038	59
Purchased Professional and Technical Services	2,688	(93)	2,595	2,595	
Supplies and Materials	7,800	(3,438)	4,362	4,362	
Other Objects	6,833	(1,661)	5,172	1,958	3,214
Total Support Services School Administration	326,344	(21,199)	305,145	301,872	3,273
Central Services:					
Salaries	130,914	1,330	132,244	132,244	
Purchased Professional Services	48,728	2,750	51,478	48,636	2,842
Miscellaneous Purchased Services	5,500		5,500	2,508	2,992
Supplies and Materials	2,500	3,000	5,500	2,830	2,670
Miscellaneous Expenditures	3,237	5,105	8,342	4,785	3,557
Total Central Services	190,879	12,185	203,064	191,003	12,061
Admin. Info. Technology:					
Salaries	55,741		55,741	53,312	2,429
Other Purchased Services	13,533	3,500	17,033	800	16,233
Salaries and Materials		6,000	6,000		6,000
Total Admin. Info. Technology	69,274	9,500	78,774	54,112	24,662
Required Maintenance for School Facilities:					
Salaries	308,868		308,868	295,913	12,955
Cleaning, Repair and Maintenance Services	395,018	73,399	468,417	429,891	38,526
General Supplies	67,600	5,158	72,758	64,403	8,355
Total Required Maintenance for School Facilities	771,486	78,557	850,043	790,207	59,836

EXHIBIT C-1
(5)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
Other Operation and Maintenance of Plant-Custodial Services:					
Salaries	$ 8,170	$	$ 8,170	$ 8,133	$ 37
Cleaning, Repair and Maintenance Services	409,151	30,532	439,683	418,542	21,141
Insurance	193,756		193,756	166,063	27,693
General Supplies	60,000		60,000	36,342	23,658
Energy (Natural Gas)	180,000	(22,380)	157,620	139,479	18,141
Energy (Electricity)	330,000		330,000	282,929	47,071
Other Objects	3,200		3,200	500	2,700
Total Other Operation and Maintenance of Plant - Custodial	1,184,277	8,152	1,192,429	1,051,988	140,441
Undistributed Expenditures - Care & Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	8,400		8,400		8,400
General Supplies	2,000		2,000	1,868	132
Total Care & Upkeep of Grounds	10,400		10,400	1,868	8,532
Undistributed Expenditures - Security:					
Salaries	44,517	2,848	47,365	47,365	
Purchased Prof. & Tech. Svc.	49,500	(2,848)	46,652		46,652
Cleaning, Repair and Maintenance Services	9,038		9,038	8,318	720
General Supplies	2,000		2,000	292	1,708
Total Security	105,055		105,055	55,975	49,080
Total Operation and Maintenance of Plant Services	2,071,218	86,709	2,157,927	1,900,038	257,889
Undistributed Expenditures - Student Transportation Services:					
Salaries of Non -Instructional Aide		2,600	2,600	2,167	433
Contracted Services - Aid in Lieu of Payments - Nonpublic	24,465	9,138	33,603	16,125	17,478
Contracted Services - Aid in Lieu of Payments - Charter School	1,165		1,165		1,165
Contracted Services (Bet Home/School) - Vendor	1,348,402	(163,360)	1,185,042	1,099,413	85,629
Contracted Services (Not Bet Home/School) - Vendors	28,600	360	28,960	28,360	600
Contracted Services (Sp. Ed. Stds.) - Joint Agrmnts	259,818	(52)	259,766	216,987	42,779
Total Student Transportation Services	1,662,450	(151,314)	1,511,136	1,363,052	148,084
Unallocated Employee Benefits:					
Social Security Contributions	120,000	80,853	200,853	200,853	
Other Retirement Contributions - PERS	255,438	47,784	303,222	303,222	
Unemployment Compensation	2,000		2,000		2,000
Workers Compensation	117,404	13,334	130,738	124,071	6,667
Health Benefits	2,435,162	92,691	2,527,853	2,420,826	107,027
Tuition Reimbursement	39,000	(14,077)	24,923	7,064	17,859
Other Employee Benefits	26,890	1,019	27,909	15,686	12,223
Unused Sick Payments to Terminated/Retired Staff	15,000	108,660	123,660	123,660	
Total Unallocated Employee Benefits	3,010,894	330,264	3,341,158	3,195,382	145,776
On-behalf TPAF Pension Contribution				2,592,656	(2,592,656)
On-behalf TPAF Post Retirement Medical Contribution				757,576	(757,576)
On-behalf TPAF Long-Term Disability Contribution				885	(885)
Reimbursement TPAF Social Security				515,777	(515,777)
Total Personal Services - Employee Benefits	3,010,894	330,264	3,341,158	7,062,276	(3,721,118)
Total Undistributed Expenditures	13,275,719	349,463	13,625,182	16,509,025	(2,883,843)
Interest Earned on Maintenance Reserve	1,000		1,000		1,000
TOTAL EXPENDITURES - CURRENT EXPENSE	19,701,989	349,557	20,051,546	22,538,315	(2,486,769)

EXHIBIT C-1
(6)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CAPITAL OUTLAY:					
Facilities Acquisition - Construction Services:					
Architechtural/Engineering Services	$ 40,000	$	$ 40,000	$	$ 40,000
Construction Services	405,128		405,128		405,128
Assessment for Debt Service on SDA Funding	41,174		41,174	41,174	
Total Facilities Acquisition and Construction Services	486,302		486,302	41,174	445,128
Interest Deposit to Capital Reserve	1,000		1,000		1,000
TOTAL CAPITAL OUTLAY	487,302		487,302	41,174	446,128
TOTAL EXPENDITURES	20,189,291	349,557	20,538,848	22,579,489	(2,040,641)
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	(2,186,585)	(349,557)	(2,536,142)	53,125	2,589,267
Other Financing Sources (Uses):					
Transfer to Charter School	(485,317)		(485,317)	(434,383)	50,934
Transfer to Grant Fund - Preschool	(75,575)		(75,575)	(75,575)	
Total Other Financing Sources	(560,892)		(560,892)	(509,958)	50,934
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,747,477)	(349,557)	(3,097,034)	(456,833)	2,640,201
Fund Balances, July 1	7,731,622		7,731,622	7,731,622	
Fund Balances, June 30	$ 4,984,145	$ (349,557)	$ 4,634,588	$ 7,274,789	$ 2,640,201

RECAPITULATION:

Restricted Fund Balance:	
Excess Surplus	$ 1,671,786
Excess Surplus - Designated for Subsequent Year's Expenditures	2,325,611
Maintenance Reserve	721,133
Capital Reserve	997,492
Tuition Reserve	400,000
Assigned Fund Balance:	
Tuition Reserve - Designated for Subsequent Year's Expenditures	400,000
Designated for Subsequent Year's Expenditures	38,828
Year-End Encumbrances	176,561
Unassigned Fund Balance	543,378
	7,274,789
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments not Recognized on GAAP Basis	(50,490)
Fund Balance per Governmental Funds (GAAP)	$ 7,224,299

EXHIBIT C-2

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Sources	$ 20,000	$ 35,386	$ 55,386	$ 22,274	$ (33,112)
Federal Sources					
Title I	347,594	235,081	582,675	379,903	(202,772)
Title II	35,522	191	35,713	11,173	(24,540)
Title III	1,235	(435)	800	800	
Title IV	29,267	732	29,999	29,999	
I.D.E.A., Part B	169,282	20,481	189,763	189,763	
I.D.E.A., Part B Preschool Initiative	6,680	844	7,524	7,524	
ESSER III	769,184		769,184	139,237	(629,947)
ARP Summer		19,193	19,193	19,193	
ARP Homeless		2,789	2,789		(2,789)
	1,358,764	278,876	1,637,640	777,592	(860,048)
State Sources					
Preschool	1,388,657	15,115	1,403,772	976,446	(427,326)
High Impact Tutoring		6,468	6,468	6,468	
	1,388,657	21,583	1,410,240	982,914	(427,326)
Total Revenues	2,767,421	335,845	3,103,266	1,782,780	(1,320,486)
EXPENDITURES:					
Instruction					
Salaries of Teachers	737,341	31,487	768,828	702,017	66,811
Other Salaries for Instruction	310,642	(50,870)	259,772	259,771	1
Purchased Educational Services		6,468	6,468	6,468	
Other Purchased Services (400-500 Series)	181,062	24,325	205,387	197,287	8,100
General Supplies	35,358	10,034	45,392	30,575	14,817
Student Activities	20,000	35,381	55,381	20,184	35,197
Total Instruction	1,284,403	56,825	1,341,228	1,216,302	124,926
Support Services					
Salaries	22,273	11,821	34,094	25,759	8,335
Salaries of Principals	26,676	1,005	27,681	26,637	1,044
Salaries of Other Professional Staff	105,931	6,057	111,988	111,988	
Salaries - Other	11,210	2,803	14,013	11,392	2,621
Salaries - Secretary	14,300	6,419	20,719	20,719	
Salaries - Laison		4,222	4,222		4,222
Salaries of Facilitator/Coach	50,812		50,812	50,195	617
Personal Services - Employee Benefits	290,727	272,316	563,043	278,700	284,343
Purchased Professional - Educational Services	70,519	(8,259)	62,260	3,795	58,465
Purchased Property Services	17,039	2,200	19,239	11,539	7,700
Other Purchased Services	75,093	22,835	97,928	27,325	70,603
Summer Transportation		12,713	12,713	12,713	
Transportation Field Trips	4,800		4,800	996	3,804
Supplies and Materials	20,766	46,454	67,220	23,800	43,420
Other Objects	10,000	6,292	16,292	15,338	954
Total Support Services	720,146	386,878	1,107,024	620,896	486,128
Facilities Acquisition and Construction Services:					
Facilities	756,872	(107,858)	649,014	19,067	629,947
Instructional Equipment	6,000		6,000		6,000
Total Facilities Acquisition and Construction Services	762,872	(107,858)	655,014	19,067	635,947
Total Expenditures	2,767,421	335,845	3,103,266	1,856,265	1,247,001
				(73,485)	(73,485)
Transfer from General Fund				75,575	75,575
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$	$	$	2,090	2,090
Fund Balances, July 1				23,810	23,810
Fund Balances, June 30				$ 25,900	$ 25,900
Recapitulation:					
Restricited:					
Student Activities				$ 25,900	
Total Fund Balance				$ 25,900	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

EXHIBIT C-3

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	$ 22,632,614	[E-1]	$ 1,782,780
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. Prior Year				759,363
Current Year				(54,020)
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.		79,528		121,431
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(50,490)		(126,966)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	$ 22,661,652	[B-2]	$ 2,482,588
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	$ 22,579,489	[E-1]	$ 1,856,265
Differences - budget to GAAP				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.				
Prior Year				759,363
Current Year				(54,020)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.				
Net transfers (outflows) to general fund				
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	$ 22,579,489	[B-2]	$ 2,561,608

REQUIRED SUPPLEMENTARY INFORMATION
PART III

EXHIBIT L-1

CITY OF VENTNOR SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.018174%	0.017802%	0.016347%	0.016195%	0.016023%	0.017775%	0.014684%	0.014581%	0.015178%	0.016018%
District's Proportionate Share of the Net Pension Liability	$ 2,469,428	$ 2,578,545	$ 2,466,981	$ 1,918,538	$ 2,612,939	$ 3,202,778	$ 2,891,239	$ 3,446,279	$ 4,495,182	$ 3,595,750
District's Covered-Employee Payroll	$ 1,273,863	$ 1,460,906	$ 1,400,321	$ 1,264,451	$ 1,205,124	$ 1,151,172	$ 1,159,677	$ 1,175,547	$ 1,045,892	$ 1,082,892
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	193.85%	176.50%	176.17%	151.73%	216.82%	278.22%	249.31%	293.16%	429.79%	332.05%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

EXHIBIT L-2

CITY OF VENTNOR SCHOOL DISTRICT
Schedule of District Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 247,293	$ 237,932	$ 206,143	$ 189,662	$ 175,284	$ 173,827	$ 146,659	$ 139,049	$ 135,620	$ 137,713
Contributions in relation to the Contractually Required Contribution	(247,293)	(237,932)	(206,143)	(189,662)	(175,284)	(173,827)	(146,659)	(139,049)	(135,620)	(137,713)
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
District's Covered-Employee Payroll	$ 1,273,863	$ 1,460,906	$ 1,400,321	$ 1,264,451	$ 1,205,124	$ 1,151,172	$ 1,159,677	$ 1,175,547	$ 1,045,892	$ 1,082,892
Contributions as a Percentage of Covered-Employee Payroll	19.41%	16.29%	14.72%	15.00%	14.54%	15.10%	12.65%	11.83%	12.97%	12.72%

EXHIBIT L-3

CITY OF VENTNOR SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.066355%	0.061057%	0.063331%	0.064422%	0.061976%	0.064951%	0.064915%	0.065551%	0.066391%	0.067570%
District's Proportionate Share of the Net Pension Liability	$ 32,796,124	$ 31,158,986	$ 32,675,218	$ 30,971,186	$ 40,810,339	$ 39,860,832	$ 41,297,776	$ 44,197,100	$ 42,706,874	$ 36,100,658
District's Covered-Employee Payroll	$ 7,100,993	$ 7,089,860	$ 7,392,004	$ 7,480,726	$ 6,942,995	$ 7,152,641	$ 7,075,593	$ 6,681,950	$ 6,846,185	$ 6,824,981
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	461.85%	439.49%	442.03%	414.01%	587.79%	557.29%	583.67%	661.44%	623.81%	528.95%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

EXHIBIT M-1

CITY OF VENTNOR SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of Changes in the Total OPEB Liability and Related Ratios
State Health Benefit Local Education Retired Employees Plan
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Cost	$ 1,185,031	$ 1,096,877	$ 1,411,033	$ 1,563,668	$ 877,885	$ 842,530	$ 975,727
Interest Cost	1,245,741	1,196,730	851,151	941,414	901,875	1,090,992	1,176,030
Changes of Benefit Terms				(38,627)			
Differences Between Expected and Actual Experiences	(478,908)	402,439	2,996,731	(6,569,167)	7,251,902	(4,045,150)	(2,763,249)
Changes of Assumptions	2,831,249	68,489	(8,615,825)	35,803	7,502,979	376,237	(3,181,092)
Member Contributions	32,577	30,668	27,047	24,067	21,674	22,961	25,619
Gross Benefit Payments	(951,393)	(932,871)	(843,090)	(741,571)	(715,081)	(774,599)	(741,242)
Net Change in Total OPEB Liability	3,864,297	1,862,332	(4,172,953)	(4,784,413)	15,841,234	(2,487,029)	(4,508,207)
Total OPEB Liability - Beginning	33,979,898	32,117,566	36,290,519	41,074,932	25,233,698	27,720,727	32,228,934
Total OPEB Liability - Ending	$ 37,844,195	$ 33,979,898	$ 32,117,566	$ 36,290,519	$ 41,074,932	$ 25,233,698	$ 27,720,727
Covered-Employee Payroll	$ 8,374,856	$ 8,550,766	$ 8,792,325	$ 8,745,177	$ 8,148,119	$ 8,303,813	$ 8,235,270
Total OPEB Liability as a Percentage of Covered-Employee Payroll	451.88%	397.39%	365.29%	414.98%	504.10%	303.88%	336.61%

Notes to Schedule:

Changes of Benefit Terms: None

Differences Between Expected and Actual Experiences: The decrease in the Total OPEB Liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premium experiences. The increase in liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes in Assumptions: The increase in the liability from June 30, 2018 to June 30, 2019 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions. The increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

EXHIBIT E-1
(1)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	E.S.E.A				IDEA		High	Sub-
	Title I	Title II A	Title III	Title IV	Basic	Preschool	Impact	Total
	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	Tutoring	Per E-1 (1)
REVENUES:								
Federal Sources	$379,903	$ 11,173	$ 800	$ 29,999	$ 189,763	$ 7,524		$ 619,162
State Sources							$ 6,468	6,468
Local Sources								
Total Revenues	379,903	11,173	800	29,999	189,763	7,524	6,468	625,630
EXPENDITURES:								
Instruction:								
Salaries of Teachers	196,014							196,014
Other Salaries for Instruction								
Purchased Educational Services							6,468	6,468
Tuition								
Other Purchased Services (400-500 Series)					189,763	7,524		197,287
General Supplies								
Student Activities								
Total Instruction	196,014				189,763	7,524	6,468	399,769
Support Services:								
Salaries	13,047			400				13,447
Salaries of Principals								
Salaries of Other Professional Staff								
Salaries - Secretarial & Clerical								
Salaries - Other								
Salaries of Facilitator/Coach								
Personal Services - Employee Benefits	170,842							170,842
Purchased Prof/Educational Services								
Purchased Property Services								
Other Purchased Services (400-500 Series)		6,227	450	20,648				27,325
Summer Transportation								
Transportation Field Trips								
Supplies and Materials		4,946	350	8,951				14,247
Other Objects								
Cleaning, Repair and Maintenance Services								
Total Support Services	183,889	11,173	800	29,999				225,861
Facilities Acquisition/Construction:								
Facilities								
Instructional Equipment								
Total Facilities Acquisition/Construction								
Total Expenditures	$379,903	$ 11,173	$ 800	$ 29,999	$ 189,763	$ 7,524	$ 6,468	$ 625,630
Excess (Deficiency) of Revenues Over Expenditures								
Transfer from General Fund								
Net Excess of Revenues over Expenditures								
Fund Balances, July 1								
Fund Balances, June 30								

EXHIBIT E-1
(2)

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	Equalization Stabilization Fund						
	ARP				Sub-		
	ARP ESSER III	ESSR - Summer	Preschool	Student Activities	Total Per E-1 (2)	Totals 2025	2024
REVENUES:							
Federal Sources	$ 139,237	$ 19,193			$ 158,430	$ 777,592	$ 2,174,900
State Sources			$ 976,446		976,446	982,914	1,141,609
Local Sources				$ 22,274	22,274	22,274	35,924
Total Revenues	139,237	19,193	976,446	22,274	1,157,150	1,782,780	3,352,433
EXPENDITURES:							
Instruction:							
Salaries of Teachers		6,480	499,523		196,014	702,017	955,529
Other Salaries for Instruction			259,771			259,771	284,346
Purchased Educational Services					6,468	6,468	30,530
Tuition							7,859
Other Purchased Services (400-500 Series)					197,287	197,287	205,036
General Supplies			30,575			30,575	329,894
Student Activities				20,184		20,184	23,749
Total Instruction		6,480	789,869	20,184	399,769	1,216,302	1,836,943
Support Services:							
Salaries	12,312				13,447	25,759	126,290
Salaries of Principals			26,637			26,637	25,836
Salaries of Other Professional Staff			111,988			111,988	87,248
Salaries - Secretarial & Clerical			11,392			11,392	
Salaries - Other			20,719			20,719	10,857
Salaries of Facilitator/Coach			50,195			50,195	49,025
Personal Services - Employee Benefits	107,858				170,842	278,700	155,049
Purchased Prof/Educational Services			3,795			3,795	66,131
Purchased Property Services							12,525
Other Purchased Services (400-500 Series)					27,325	27,325	105,697
Summer Transportation		12,713				12,713	
Transportation Field Trips			996			996	
Supplies and Materials			9,553		14,247	23,800	116,916
Other Objects			15,338			15,338	9,594
Cleaning, Repair and Maintenance Services			11,539			11,539	
Total Support Services	120,170	12,713	262,152		225,861	620,896	765,168
Facilities Acquisition/Construction:							
Facilities	19,067					19,067	790,629
Instructional Equipment							18,948
Total Facilities Acquisition/Construction	19,067					19,067	809,577
Total Expenditures	$ 139,237	$ 19,193	$1,052,021	$ 20,184	$ 625,630	1,856,265	3,411,688
Excess (Deficiency) of Revenues Over Expenditures			(75,575)	2,090		(73,485)	(59,255)
Transfer from General Fund			75,575			75,575	71,430
Net Excess of Revenues over Expenditures			$	2,090		2,090	12,175
Fund Balances, July 1				23,810		23,810	11,635
Fund Balances, June 30				$ 25,900		$ 25,900	$ 23,810

EXHIBIT E-2

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
Special Revenue Fund
Statement of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2025

	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	$ 507,885	$ 499,523	$ 8,362
Other Salaries for Instruction	259,772	259,771	1
Other Purchased Services	8,100		8,100
Supplies and Materials	44,892	30,575	14,317
Total instruction	820,649	789,869	30,780
Support services:			
Salaries			
Salaries of Principals	27,681	26,637	1,044
Salaries of Other Professional Staff	111,988	111,988	
Other Salaries	14,013	11,392	2,621
Salaries of Other Fiscal	20,719	20,719	
Salaries of Parent Liason	4,222		4,222
Salaries of Facilitator/Coach	50,812	50,195	617
Personal Services - Employee Benefits	195,418		195,418
Purchased Professional Educational Services	25,000	3,795	21,205
Other Purchased Professional Services	37,260		37,260
Purchased Property Services	19,239	11,539	7,700
Other Purchased Services - Field Trips	4,800	996	3,804
Supplies and materials	49,679	9,553	40,126
Other Objects	16,292	15,338	954
Total support services	577,123	262,152	314,971
Facilities Acquisition and Construction:			
Instructional Equipment	6,000		6,000
	6,000		6,000
Total expenditures	$ 1,403,772	$ 1,052,021	$ 351,751

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2024-2025 Preschool Education Aid Allocation	$ 1,269,660
Add: Actual ECPA/PEA Carryover (June 30, 2024)	184,118
Prior Year Adjustment	
Add: Budgeted Transfer from the General Fund 2024-2025	75,575
Total Preschool Education Aid Funds Available for 2024-2025 Budget	1,529,353
Less: 2024-2025 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	(1,403,772)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2025	125,581
Add: June 30, 2025 Unexpended Preschool Education Aid	351,751
2024-2025 Carryover - Preschool Education Aid Programs	$ 477,332
2024-2025 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2025-2026	$ 140,696

Note: Since the 2024-2025 Actual Carryover is more than the amount budgeted in 2025-2026, the District should consider revising the 2025-26 Budget or appropriating this amount in the 2025-2026 School Year Preschool Education Program Budget by amendment. $ 336,636

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

EXHIBIT F-1

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Project Title/Issue	Original Date	Appropriations	Expenditures to Date: Prior Years	Expenditures to Date: Current Year	Encumbered	Unexpended Balance June 30, 2025
HVAC System Upgrade Project	2023-24	$ 900,000	$	$ 407,362	$ 9,400	$ 483,238
State of NJ HVAC Project	2023-24	581,935		49,600		532,335
		$ 1,481,935	$	$ 456,962	$ 9,400	$ 1,015,573

Reconciliation to Governmental Funds Statements on GAAP:	
Fund Balance as of June 30, 2025	$ 1,015,573
SDA Grant Revenue not Recognized on GAAP Basis	(562,095)
Encumbrances	9,400
Fund Balance - Ending (GAAP)	$ 462,878

EXHIBIT F-2

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Revenues and Other Financing Sources		
Type 1 Bond Proceeds - Due from City of Ventnor	$	900,000
State SDA Grant		581,935
Total Revenues		1,481,935
Expenditures and Other Financing Uses		
Purchased Professional and Technical Services		49,600
Various Equipment		407,362
Total Expenditures		456,962
Excess (Deficiency) of Revenues Over (Under) Expenditures		1,024,973
Fund Balance - Beginning		
Fund Balance - Ending	$	1,024,973
Reconciliation to Governmental Funds Statements on GAAP:		
Fund Balance as of June 30, 2025	$	1,024,973
SDA Grant Revenue not Recognized on GAAP Basis		(562,095)
Fund Balance - Ending (GAAP)	$	462,878

EXHIBIT F-2A

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS EQUIPMENT
AT VENTNOR EDUCATIONAL COMPLEX
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Type 1 Bond Proceeds - Due from City of Ventnor	$	$ 900,000	$ 900,000	$ 900,000
Total Revenues and Other Financing Sources		900,000	900,000	900,000
Expenditures and Other Financing Uses				
Various Equipment		416,762	416,762	900,000
Total Expenditures and Other Financing Uses		416,762	416,762	900,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	$	$ 483,238	$ 483,238	$

EXHIBIT F-2B

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
HVAC SYSTEM UPGRADES
AT VENTNOR EDUCATIONAL COMPLEX
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State SDA Grant	$	$ 581,935	$ 581,935	$ 581,935
Total Revenues and Other Financing Sources		581,935	581,935	581,935
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services		49,600	49,600	204,000
Construction Services				377,935
Total Expenditures and Other Financing Uses		49,600	49,600	581,935
Excess (Deficiency) of Revenues Over (Under) Expenditures	$	$ 532,335	$ 532,335	$

Additional project information:

DOE Project Number	5350-040-23-R501
Project # 5350-040-53-G5TP	
Section 15 Grant # G5-6913	
Notes Authorized	
Original Authorization Cost	$581,935
Revised Authorized Cost	$581,935
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	0%
Original Target Completion Date	6/30/2025
Revised Target Completion Date	6/30/2026

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

Food Services Fund – This fund provides for the operation of food services in all schools within the school district.

EXHIBIT G-1

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2025 AND 2024

	Food Service Enterprise Fund	After School Program	Totals 2025	Totals 2024
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	$ (202,434)	$ 154,249	$ (48,185)	$ 40,030
Accounts Receivable:				
State	2,975		2,975	768
Federal	37,377		37,377	9,231
Other	4,142		4,142	87
Interfund Accounts Receivable	141,573		141,573	141,573
Inventory	3,056		3,056	1,010
Total Current Assets	(13,311)	154,249	140,938	192,699
Fixed Assets:				
Equipment	183,401		183,401	178,211
Accumulated Depreciation	(145,484)		(145,484)	(160,691)
Total Fixed Assets	37,917		37,917	17,520
Total Assets	24,606	154,249	178,855	210,219
LIABILITIES:				
Current Liabilities:				
Unearned Revenue	2,996		2,996	2,773
Total Current Liabilities	2,996		2,996	2,773
NET POSITION:				
Invested in Capital Assets Net of Related Debt	37,917		37,917	17,520
Unrestricted	(16,307)	154,249	137,942	189,926
Total Net Position	$ 21,610	$ 154,249	$ 175,859	$ 207,446

EXHIBIT G-2

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2025 AND 2024

	Food Service Enterprise Fund	After School Program	Totals 2025	Totals 2024
OPERATING REVENUES:				
Local Sources:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	$ 31,070	$	$ 31,070	$ 37,670
School Breakfast Program	13,060		13,060	16,605
Total Daily Sales - Reimbursable Programs	44,130		44,130	54,275
Daily Sales Non-Reimbursable Programs	29,245		29,245	23,488
Miscellaneous	104		104	822
Program Fees		12,160	12,160	17,461
Total Operating Revenue	73,479	12,160	85,639	96,046
OPERATING EXPENSES:				
Salaries	131,346	5,486	136,832	169,667
Employee Benefits	34,461		34,461	53,601
Other Purchases Services	5,584		5,584	5,821
Cost of Sales -Reimbursable Programs	123,366		123,366	131,877
Cost of Sales - Non Reimbursable Programs	613		613	625
Management Fee	40,000		40,000	
Depreciation	5,471		5,471	3,296
Other Costs	23,931	979	24,910	14,788
Total Operating Expenses	364,772	6,465	371,237	379,675
Operating Income (Loss)	(291,293)	5,695	(285,598)	(283,629)
Non-Operating Revenues:				
State Sources:				
State School Breakfast Program	5,062		5,062	1,591
State School Lunch Program	9,107		9,107	8,174
Summer-EBT Administrative Cost	301		301	321
Federal Sources:				
SFSP - Food	199		199	44
SFSP - Admin	24		24	439
School Breakfast Program	57,123		57,123	46,229
National School Lunch Program	124,834		124,834	128,607
National School Snack Program	8,718		8,718	4,964
LFS Grant	191		191	242
Summer-EBT Administrative Cost	301		301	322
Supply Chain Assistance Funding				16,346
Food Distribution Program	22,283		22,283	22,848
Fixed Asset Adjustment	25,868		25,868	
Total Non-Operating Revenues	254,011		254,011	230,127
Net Income before Operating Transfers	(37,282)	5,695	(31,587)	(53,502)
Net Income	(37,282)	5,695	(31,587)	(53,502)
Net Position - July 1	58,892	148,554	207,446	260,948
Net Position - June 30	$ 21,610	$ 154,249	$ 175,859	$ 207,446

EXHIBIT G-3

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2025 AND 2024

	Food Service Enterprise Fund	After School Program	Totals 2025	Totals 2024
Cash Flows from Operating Activities:				
Receipts from Customers	$ 73,479	$ 12,160	$ 85,639	$ 96,046
Payments to Employees	(131,346)	(5,486)	(136,832)	(169,667)
Payments for Employee Benefits	(34,461)		(34,461)	(53,601)
Payments to Suppliers	(207,442)	(979)	(208,421)	(230,423)
Net Cash Provided by (Used for) Operating Activities	(299,770)	5,695	(294,075)	(357,645)
Cash Flows from Non-Capital Financing Activities				
State Sources	14,470		14,470	10,086
Federal Sources	191,390		191,390	197,193
Net Cash Provided by (Used for) Operating Activities	205,860		205,860	207,279
Cash Flows from Capital and Related Financing Activities				
Purchases of Equipment				
Sale of Equipment				
Net Cash Provided by (Used for) Capital and Related Financing Activities				
Cash Flows from Investing Activities				
Net Cash Provided by (Used for) Investing Activities				
Net Increase (Decrease) in Cash and Cash Equivalents	(93,910)	5,695	(88,215)	(150,366)
Balances - Beginning of Year	(108,524)	148,554	40,030	190,396
Balances - End of Year	$ (202,434)	$ 154,249	$ (48,185)	$ 40,030
Operating Income (Loss)	$ (291,293)	$ 5,695	$ (285,598)	$ (283,629)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:				
Depreciation	5,471		5,471	3,296
Food Distribution Program	22,283		22,283	22,848
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	(34,408)		(34,408)	(1,607)
(Increase)/Decrease in Interfund Receivable				(100,000)
(Increase)/Decrease in Inventory	(2,046)		(2,046)	1,921
Increase/(Decrease) in Unearned Revenue	223		223	(474)
Total Adjustments	(8,477)		(8,477)	(74,016)
Net Cash Used by Operating Activities	$ (299,770)	$ 5,695	$ (294,075)	$ (357,645)

STATISTICAL SECTION

EXHIBIT J-1

CITY OF VENTNOR SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	$ 18,685,560	18,072,989	18,962,359	19,985,123	23,093,457	23,532,807	24,100,367	22,335,293	21,098,136	23,606,015
Restricted	2,703,759	3,090,306	3,376,600	11,705,857	8,209,811	6,790,323	4,903,937	6,315,149	7,213,523	7,043,628
Unrestricted (Deficit)	(2,976,762)	(3,209,936)	(3,095,504)	(3,186,685)	(3,161,721)	(2,590,424)	(2,361,104)	(1,889,024)	(2,255,194)	(1,793,016)
Total Governmental Activities Net Position	$ 18,412,557	17,953,359	17,953,359	28,504,295	28,141,547	27,732,706	26,643,200	26,761,418	26,056,465	28,856,627
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	$ 20,179	18,053	37,650	42,709	35,308	27,906	24,112	20,816	17,520	37,917
Restricted										
Unrestricted	96,017	152,723	140,490	136,326	107,532	91,293	272,644	240,132	189,926	137,942
Total Business-Type Activities Net Position	$ 116,196	170,776	178,140	179,035	142,840	119,199	296,756	260,948	207,446	175,859
District-Wide										
Invested in Capital Assets, Net of Related Debt	$ 18,705,739	18,091,042	19,000,009	20,027,832	23,128,765	23,560,713	24,124,479	22,356,109	21,115,656	23,643,932
Restricted	2,703,759	3,090,306	3,376,600	11,705,857	8,209,811	6,790,323	4,903,937	6,315,149	7,213,523	7,043,628
Unrestricted (Deficit)	(2,880,745)	(3,057,213)	(2,955,014)	(3,050,359)	(3,054,189)	(2,499,131)	(2,088,460)	(1,648,892)	(2,065,268)	(1,655,074)
Total District-Wide Net Position	$ 18,528,753	18,124,135	19,421,595	28,683,330	28,284,387	27,851,905	26,939,956	27,022,366	26,263,911	29,032,486

Source: ACFR Schedule A-1

EXHIBIT J-2

CITY OF VENTNOR SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental Activities										
Instruction										
Regular	$ 5,962,105	8,302,665	7,945,215	8,082,542	7,917,234	8,092,051	7,555,041	7,654,925	7,232,863	6,813,662
Special Education	1,099,632	1,522,699	1,520,869	1,797,174	1,651,236	1,778,709	1,590,731	1,509,650	1,402,351	1,541,905
Other Special Education	459,904	425,794	304,093	294,844	527,559	500,402	606,276	586,523	561,437	577,868
Other Instruction	81,033	49,586	52,574	71,274	69,815	597,909	83,083	87,792	62,057	109,908
Non-Public Programs										
Support Services										
Tuition	9,246,032	8,866,422	6,843,330	5,200,744	5,400,241	6,880,479	5,296,371	3,882,183	3,243,288	3,548,325
Student and Instruction Related Services	2,003,223	1,266,564	2,343,817	2,378,735	2,152,186	2,237,467	2,213,708	2,704,772	2,884,270	2,797,898
General Administrative Services	542,422	455,704	557,481	495,179	510,015	544,633	508,055	461,948	475,583	442,357
School Administrative Services	672,324	662,724	707,633	592,616	568,316	452,440	393,022	396,588	393,625	375,834
Business Administrative Services	1,606,723	1,258,626	445,894	413,201	397,386	393,749	459,468	417,285	343,930	318,127
Plant Operations and Maintenance	1,369,019	1,185,551	1,366,676	1,381,462	1,312,865	1,512,667	1,669,028	1,646,445	1,921,699	1,900,038
Pupil Transportation	408,241	402,118	929,433	1,138,476	1,092,924	1,052,706	1,158,317	1,233,938	1,447,615	1,363,052
Interest Expense	496,508	535,342	37,424	41,174	41,174	41,174	41,174	41,174	41,174	41,174
Total Governmental Activities Expenses	23,947,166	24,933,795	23,054,439	21,887,421	21,640,951	24,084,386	21,574,274	20,623,223	20,009,892	19,830,148
Business-Type Activities										
After School Programs	19,458	25,321	16,288	20,114	10,176	1,465	12,750	8,670	7,421	6,465
Food Service	367,810	354,921	351,612	344,712	292,824	300,669	407,080	358,309	372,254	364,772
Total Business-Type Activities Expense	387,268	380,242	367,900	364,826	303,000	302,134	419,830	366,979	379,675	371,237
Total District Expenses	24,920,867	24,334,434	25,314,037	23,422,339	22,252,247	21,943,951	24,386,520	20,990,202	20,389,567	20,201,385
Program Revenues										
Governmental Activities										
Charge for Services	264,733	205,447	294,265	625,737	199,335	230,972	471,307	417,067	376,335	371,727
Operating Grants and Contributions	4,338,848	4,247,639	1,273,779	1,282,239	1,588,655	2,021,859	1,717,962	2,535,883	2,447,150	1,504,478
Total Govn't Activities Program Rev.	4,603,581	4,453,086	1,568,044	1,907,976	1,787,990	2,252,831	2,189,269	2,952,950	2,823,485	1,876,205
Business-Type Activities										
Charges for Services										
Fees for After School Program	41,529	49,889	21,201	27,566	18,755	1,425	18,491	17,915	17,461	12,160
Food Service	124,381	118,441	117,920	107,728	64,556	31,091	53,563	75,249	78,585	73,479
Operating Grants and Contributions	299,034	269,820	237,178	230,427	183,494	245,977	525,333	238,007	230,127	228,143
Total Bus.-Type Activities Prog. Rev.	464,944	438,150	376,299	365,721	266,805	278,493	597,387	331,171	326,173	313,782
Total District Program Revenues	$ 5,320,251	5,068,525	4,891,236	1,944,343	2,273,697	2,054,795	2,531,324	3,284,121	3,149,658	2,189,987
Net (Expense)/Revenue										
Governmental Activities	$ (19,343,585)	(20,480,709)	(21,486,395)	(20,279,445)	(19,852,961)	(21,831,555)	(19,385,005)	(17,670,273)	(17,186,407)	(17,953,943)
Business-Type Activities	77,676	57,908	8,399	895	(36,195)	(23,641)	177,557	(35,808)	(53,502)	(57,455)
Total District-Wide Net Expense	$ (19,265,909)	(20,422,801)	(21,477,996)	(20,278,550)	(19,889,156)	(21,855,196)	(19,207,448)	(17,706,081)	(17,239,909)	(18,011,398)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied - General Purp.	$ 17,819,977	17,734,656	17,705,694	16,405,694	16,400,478	17,382,698	16,782,698	16,622,500	16,622,500	16,530,372
Unrestricted Grants and Contributions	2,182,846	2,190,955	5,518,620	3,971,877	3,217,141	4,001,727	1,660,473	1,285,322		140,980
Miscellaneous Income	159,902	25,122	5,736	149,270	80,862	90,673	84,630	253,502	335,029	1,506,158
Rents and Royalties	54,571	70,775	72,995	77,878	48,000	52,100	26,100	40,000		
Special Items				9,315,071						
Fixed Asset Adjustment			(34,179)							3,010,978
Transfer to Charter Schools			(492,374)	(379,505)	(256,268)	(132,991)	(258,402)	(412,833)	(476,075)	(434,383)
Cancellation of Prior Year Receivable	(127,921)									
Close Out Capital Projects	(527,874)									
Cancellation of Prior Year Payables	12,490									
Total Governmental Activities	19,573,991	20,021,508	22,776,492	29,540,285	19,490,213	21,394,207	18,295,499	17,788,491	16,481,454	20,754,105
Business-Type Activities										
Fixed Asset Adjustment			(1,035)							25,868
Cancellation of Prior Year Receivable	(23,312)	(3,327)								
Total Business-Type Activities	30,314	(23,312)	(3,327)	(1,035)						25,868
Total District-Wide	$ 20,198,567	19,550,679	20,018,181	22,775,457	29,540,285	19,490,213	21,394,207	17,788,491	16,481,454	20,779,973
Change in Net Position										
Governmental Activities	$ 534,086	230,406	(459,201)	1,290,097	9,260,840	(362,748)	(437,348)	118,218	(704,953)	2,800,162
Business-Type Activities	63,865	54,364	54,581	7,364	895	(36,195)	(23,641)	(35,808)	(53,502)	(31,587)
Total District-Wide	$ 597,951	284,770	(404,620)	1,297,461	9,261,735	(398,943)	(460,989)	82,410	(758,455)	2,768,575

Source: ACFR Schedule A-2

EXHIBIT J-3

CITY OF VENTNOR SCHOOL DISTRICT
FUND BALANCES-GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	$ 1,066,677	$ 1,788,613	$ 2,924,601	$ 3,079,562	$ 3,486,391	$ 3,680,659	$ 4,293,641	$ 6,103,514	$ 6,789,713	$ 6,154,850
Committed	1,109,700	1,294,844								
Assigned	527,382	6,849	199,926	112,521	600,713	988,152	377,286	328,168	484,444	576,561
Unassigned	346,116	312,803	309,558	304,757	314,942	675,774	699,161	824,000	377,937	492,888
Total General Fund	3,049,875	3,403,109	3,434,085	3,496,840	4,402,046	5,344,585	5,370,088	7,255,682	7,652,094	7,224,299
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund						27,153	23,850	11,635	23,810	25,900
Capital Projects Fund										453,478
Assigned, Reported in:										
Capital Projects Fund			167,775	4,108,381	2,072,560	2,135,615	1,161			9,400
Committed - Capital Projects Fund			284,224	4,517,914	2,277,818	246,896	335,285			
Unassigned, Reported in:										
Special Revenue Fund (Deficit)	(16,405)	(9,747)	(74,123)	(75,586)	(93,557)	(97,760)	(109,909)	(113,358)	(121,431)	(126,966)
Capital Projects Fund	71	68,600								
Total All Other Governmental Funds	$ (16,334)	$ 58,853	$ 377,876	$ 8,550,709	$ 4,256,821	$ 2,311,904	$ 250,387	$ (101,723)	$ (97,621)	$ 361,812

Source: ACFR Schedule B-1

EXHIBIT J-4

CITY OF VENTNOR SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	$ 17,819,977	17,734,656	17,705,694	16,405,694	16,400,478	17,382,698	16,782,698	16,622,500	16,622,500	16,530,372
Other Tuition	37,531	23,786		46,035	15,366		159,569	33,391	16,414	29,359
Transportation	227,202	181,661	294,265	279,702	183,969	223,668	292,422	400,988	340,411	349,453
Rents and Royalties	54,571	70,775	72,995	77,878	48,000	52,100	26,100	40,000		
Miscellaneous	159,902	25,122	5,736	149,270	80,862	97,977	103,946	236,190	386,324	1,499,073
State Sources	4,427,877	4,111,279	4,914,761	5,232,193	5,503,230	5,854,948	6,679,749	6,769,943	6,567,068	6,138,212
Federal Sources	795,502	777,295	776,289	819,083	826,504	1,292,931	1,311,730	2,194,613	1,948,846	1,517,611
Total Revenues	23,522,562	22,924,574	23,769,740	23,009,855	23,058,409	24,904,322	25,356,214	26,297,625	25,881,563	26,064,080
Expenditures										
Instruction										
Regular Instruction	5,576,035	5,769,282	5,413,100	5,591,385	5,601,595	5,808,904	5,640,882	5,939,898	5,844,570	5,430,438
Special Education Instruction	764,148	1,005,270	1,013,168	1,309,864	1,230,184	1,273,073	1,202,338	1,170,804	1,129,504	1,254,553
Other Special Instruction	319,593	264,255	203,917	212,352	402,902	361,241	458,248	454,876	455,251	468,322
Other Instruction	56,311	49,586	52,574	54,662	55,342	17,473	62,797	68,087	47,793	92,279
Support Services										
Instruction	6,470,159	5,853,516	4,588,963	3,988,618	4,280,758	5,305,883	4,628,153	3,493,631	3,081,471	3,291,580
Student and Instruction Related Services	1,392,065	1,266,564	1,593,791	1,734,361	1,606,141	1,602,200	1,663,135	2,093,558	2,371,833	2,276,137
School Administrative Services	467,206	473,384	584,775	531,538	517,527	389,195	430,630	358,262	390,432	357,131
General Administrative Services	376,936	325,510	562,584	542,110	566,206	572,436	597,725	631,197	589,080	546,987
Business Administrative Services	1,116,532	1,258,626								
Plant Operations and Maintenance	951,348	901,615	1,366,676	1,340,460	1,312,865	1,512,667	1,676,128	1,646,445	1,921,699	1,900,038
Pupil Transportation	283,692	287,233	929,433	1,138,476	1,092,924	1,052,706	1,158,317	1,233,938	1,447,615	1,363,052
Unallocated Employee Benefits	3,968,158	4,343,245	4,532,196	5,043,527	5,170,914	5,827,993	7,112,071	7,073,591	6,962,693	7,340,976
Capital Outlay	1,422,259	698,070	2,086,190	2,222,480	4,353,465	2,078,445	2,503,402	187,021	763,033	1,276,566
Total Expenditures	23,164,442	22,496,156	22,927,367	23,709,833	26,190,823	25,802,216	27,133,826	24,351,308	25,004,974	25,598,059
Excess (Deficiency) of Revenues Over (Under) Expenditures	358,120	428,418	842,373	(699,978)	(3,132,414)	(897,894)	(1,777,612)	1,946,317	876,589	466,021
Other Financing Sources (Uses)										
Capital Leases (non-budgeted)										
Cancellation of Prior Year Payable	12,490									
Cancellation of Prior Year Receivable	(127,921)									
Close Out Capital Projects	(527,874)									
Transfer to Charter School			(492,374)	(379,505)	(256,268)	(132,991)	(132,991)	(412,833)	(476,075)	(434,383)
Bond/Lease Proceeds				9,315,071						
Total Other Financing Sources (Uses)	(643,305)		(492,374)	8,935,566	(256,268)	(132,991)	(132,991)	(412,833)	(476,075)	(434,383)
Net Change in Fund Balances	$ (804,046)	(285,185)	428,418	349,999	8,235,588	(3,388,682)	(1,030,885)	1,533,484	400,514	31,638
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

EXHIBIT J-5

CITY OF VENTNOR SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Transportation Fees	Rents and Royalties	Miscellaneous	Total
2025	$ 305,769	$ 29,359	$ 349,453	$ 1,950	$ 269,080	$ 955,611
2024	297,135	16,414	340,411		53,265	707,225
2023	124,338	33,391	400,988	40,000	92,364	691,081
2022	14,437	159,569	292,422	26,100	70,193	562,721
2021	42,511		223,668	52,100	48,162	366,441
2020	42,989	15,366	183,969	48,000	37,873	328,197
2019	59,716	46,035	279,702	77,878	89,554	552,885
2018	27,919		294,265	72,995	(22,183)	372,996
2017	8,951	23,786	181,661	70,775	16,171	301,344
2016	4,549	37,531	227,202	54,571	155,353	479,206

Source: District Records

EXHIBIT J-6

CITY OF VENTNOR SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities [a]	Net Valuation Taxable	Total Direct School Tax Rate [b]	Estimated Actual County Equalized Value
2025	$ 20,605,000	$ 2,104,738,700	$ 69,095,900	$ 1,428,400	$ 15,454,900	$ 2,211,322,900	$	$ 2,211,322,900	$ 0.807	$ 3,905,550,865
2024	23,648,900	2,099,303,000	68,753,400	1,428,400	15,824,100	2,208,957,800		2,208,957,800	0.821	3,280,204,319
2023	27,322,600	2,019,296,700	69,508,100	1,428,400	15,824,100	2,133,379,900		2,133,379,900	0.839	2,576,545,773
2022	32,985,180	1,976,226,100	68,756,300	1,428,400	16,156,000	2,095,551,980		2,095,551,980	0.857	2,284,617,604
2021	33,367,300	1,940,341,300	74,163,800	1,428,400	16,156,000	2,065,456,800		2,065,456,800	0.893	2,132,634,796
2020	35,915,000	1,914,392,400	73,750,200	1,428,400	16,055,000	2,041,541,000		2,041,541,000	0.894	2,143,204,136
2019	37,284,100	1,899,069,000	74,391,400	1,428,400	16,352,400	2,028,525,300		2,028,525,300	0.877	2,212,899,576
2018	37,900,300	1,892,074,100	74,836,100	1,428,400	16,352,400	2,022,591,300		2,022,591,300	0.914	2,175,267,199
2017	37,900,300	1,886,825,600	74,836,100	1,428,400	16,352,400	2,017,342,800		2,017,342,800	0.945	2,099,867,597
2016	54,030,900	2,209,240,950	80,962,400	1,604,100	16,162,400	2,362,000,750		2,362,000,750	0.813	2,245,034,455

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per $100

c Estimate

EXHIBIT J-7

CITY OF VENTNOR SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

(Rate Per $100 of Assessed Value)
(UNAUDITED)

Year Ended June 30,	Ventnor School District			Overlapping Rates		
	Basic Rate [a]	General Obligation Debt Service [b]	Total Direct	City of Ventnor	Atlantic County	Total
2025	$ 0.807	$ 0.000	$ 0.807	$ 1.277	$ 0.740	$ 2.824
2024	0.821	0.000	0.821	1.245	0.667	2.733
2023	0.839	0.000	0.839	1.223	0.599	2.661
2022	0.857	0.000	0.857	1.146	0.569	2.572
2021	0.893	0.000	0.893	1.135	0.560	2.588
2020	0.827	0.067	0.894	1.135	0.562	2.591
2019	0.808	0.069	0.877	1.118	0.590	2.585
2018	0.844	0.070	0.914	1.121	0.599	2.634
2017	0.876	0.069	0.945	1.012	0.837	3.788
2016	0.754	0.059	0.813	1.012	0.846	3.799

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

EXHIBIT J-8

CITY OF VENTNOR SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2025		2017	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Ventnor Plaza LLC	$ 9,509,900	0.43%	$	
Ventnor Loan LLC			12,509,900	0.53%
Seascape Villa LLC	5,044,000	0.23%	4,417,300	0.19%
Taxpayer #1	4,908,200	0.22%	4,754,800	0.20%
Taxpayer #2	3,557,900	0.16%	3,666,600	0.16%
Taxpayer #3	4,427,700	0.20%		0.00%
111 S Cornwell Assoc LLC			4,238,400	0.18%
115 South Princeton LLC	3,071,700	0.14%		
Santucket LLC	3,552,600	0.16%		
5806 Boardwalk LLC	3,063,000	0.14%		
Taxpayer #4	3,137,000	0.14%		
Ventnor Shul Inc.			4,058,460	0.17%
Boardwalk LLC			4,465,500	0.19%
Derby Partners			4,720,100	0.20%
Somerset Associates			3,439,900	0.15%
The Waves, LP			3,342,500	0.14%
DAJ Ventnor LLC	3,076,700	0.14%		
Total	$ 40,272,000	1.82%	$ 49,613,460	2.10%

Source: District ACFR & Municipal Tax Assessor

EXHIBIT J-9

CITY OF VENTNOR SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2025	$ 16,530,372	$ 16,530,372	100.00%	$
2024	16,622,500	16,622,500	100.00%	
2023	17,382,698	17,382,698	100.00%	
2022	16,782,698	16,782,698	100.00%	
2021	17,382,698	17,382,698	100.00%	
2020	16,400,478	16,400,478	100.00%	
2019	16,405,694	16,405,694	100.00%	
2018	17,705,694	16,230,219	91.67%	1,475,475
2017	17,734,656	17,734,656	100.00%	
2016	17,819,977	17,819,977	100.00%	

Source: District records including the Certificate and Report of School Taxes (A4F form

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the School District the entire property tax balance, the amount voted upon or certified prior to the end of the school year.

EXHIBIT J-10

CITY OF VENTNOR SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities			
	General Obligation Bonds [b]	Bonds Authorized But not Issued	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	Percentage of Personal Income [a]	Per Capita [a]
2016	$ 7,638,000	$	$ 744,454	$	$	$ 8,382,454	1.840%	794
2017	6,093,000		320,102			6,413,102	1.396%	619
2018	4,875,000					4,875,000	1.044%	482
2019	4,055,000					4,055,000	0.861%	423
2020	2,800,000					2,800,000	0.610%	333
2021	8,810,000					8,810,000	1.775%	1,022
2022	8,810,000					8,810,000	1.664%	953
2023	8,625,000					8,625,000	1.545%	935
2024	7,720,000	900,000				8,620,000	1.505%	920
2025	6,805,000	900,000				7,705,000	1.331%	821

Source: District ACFR Schedules I-2

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

b Includes Early Retirement Incentive Plan (ERIP) refunding

EXHIBIT J-11

CITY OF VENTNOR SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2016	$ 7,638,000	$	$ 7,638,000	0.44%	751
2017	6,093,000		6,093,000	0.41%	605
2018	4,875,000		4,875,000	0.36%	488
2019	4,055,000		4,055,000	0.32%	410
2020	2,800,000		2,800,000	0.38%	284
2021	8,810,000		8,810,000	0.14%	957
2022	8,810,000		8,810,000	0.02%	953
2023	8,625,000		8,625,000	0.40%	935
2024	8,620,000		8,620,000	0.39%	920
2025	7,705,000		7,705,000	0.35%	821

Note: Details regarding the District's outstanding debt can be found in the noted to the financial statements.

a See Exhibit NJ J-6 for property tax data.
b Population data can be found in Exhibit NJ J-14.

If a District has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

EXHIBIT J-12

CITY OF VENTNOR SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
City of Ventnor	$ 48,075,968	100.00%	$ 48,075,968
Other Debt			
Atlantic County as of December 31, 2024	249,783,988	7.57%	18,903,977
Subtotal, Overlapping Debt			66,979,945
CITY OF VENTNOR School District Direct Debt			b 7,705,000
Total Direct and Overlapping Debt			$ 74,684,945

Sources: Atlantic County Board of Taxation

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Commercial. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

b Type I School District Debt

EXHIBIT J-13

CITY OF VENTNOR SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2025

	Equalized Valuation Basis	
	2024	$ 3,836,367,538
	2023	3,221,654,938
	2022	2,530,859,879
	[A]	$ 9,588,882,355
Average Equalized Valuation of Taxable Property	**[A/3]**	$ 3,196,294,118
Debt Limit (3% of Average Equalization Value)	**[B]**	$ 95,888,824 **a**
Net Bonded School Debt	**[C]**	7,705,000
Legal Debt Margin	**[B-C]**	$ 88,183,824

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	$ 70,443,638	$ 68,187,672	$ 66,291,853	$ 65,518,602	$ 65,050,892	$ 64,377,631	$ 64,839,417	$ 68,880,189	$ 80,017,327	$ 95,888,824
Total Net Debt Applicable to Limit	7,683,000	6,093,000	4,875,000	4,055,000	2,800,000	900,000	8,810,000	8,625,000	8,620,000	7,705,000
Legal Debt Margin	$ 62,760,638	$ 62,094,672	$ 61,416,853	$ 61,463,602	$ 62,250,892	$ 63,477,631	$ 56,029,417	$ 60,255,189	$ 71,397,327	$ 88,183,824
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12%	11%	9%	7%	6%	4%	1%	13%	11%	8%

Source: Abstract of Ratables and District Records ACFR Schedule J-7

a Limit set by NJSA 18A:24-19 for a K through 8 District; other % limits would be applicable for other Districts

EXHIBIT J-14

CITY OF VENTNOR SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Year		Population [a]	Personal Income (thousands of dollars) [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
2025	*	9,381	$ 578,914,234	$ 61,709	4.9%
2024		9,372	572,609,800	61,098	4.8%
2023		9,226	558,108,418	60,493	4.8%
2022		9,246	529,490,682	57,267	4.1%
2021		9,203	496,429,617	57,601	9.3%
2020		9,872	459,272,242	54,547	17.7%
2019		9,894	470,848,648	49,154	4.3%
2018		9,984	467,149,213	46,186	4.9%
2017		10,067	459,507,725	44,387	6.9%
2016		10,174	455,544,925	43,138	7.4%

Source:

[a] Population information provided by the NJ Dept of Labor and Workforce Developme

[b] Personal income

[c] Per Capita

[d] Unemployment data provided by the NJ Dept of Labor and Workforce Development

* Estimate

EXHIBIT J-15

CITY OF VENTNOR SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2025		2017	
Employer	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Egg Harbor Township	1,412	0.51%		
Atlantic City	15,300	5.48%		
Galloway Township School	500	0.18%	**Not Available**	
Hamilton Township School Dist.	1,812	0.65%		
Pleasantville	9,570	3.43%		
Hammonton	7,310	2.62%		
	35,904	12.86%		

Source:
Information for Atlantic County per 2010 Census Bureau.

EXHIBIT J-16

CITY OF VENTNOR SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	57.0	57.0	61.0	58.0	57.5	54.0	57.5	56.5	51.0	56.0
Special Education	12.0	12.0	17.0	20.0	16.5	16.5	16.5	15.5	16.5	22.0
Other Special Education	2.0	2.0	2.0	2.0	2.0	2.0	3.1	4.6	2.0	2.0
Other Instruction	3.5	3.5	1.5	1.5	1.5	1.0	0.0	0.0	0.0	0.0
Support Services:										
Student & Instruction Related Services	22.0	22.0	22.5	21.5	32.0	34.5	27.1	28.1	28.1	11.5
General Administrative Services	2.5	2.5	2.5	2.5	1.5	1.5	1.5	1.5	1.5	1.5
School Administrative Services	9.5	9.5	9.5	9.5	9.5	8.0	7.5	7.5	6.5	5.5
Business Administrative Services	3.5	3.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Plant Operations and Maintenance	4.0	4.0	4.0	4.0	4.0	4.0	5.5	5.5	5.5	5.5
Pupil Transportation									0.0	0.0
Food Service	7.0	7.0	6.0	6.0	5.5	5.0	5.5	5.5	5.0	0.0
Child Care	0.5	0.5	0.5	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Total	123.5	123.5	129.0	128.0	133.0	129.0	126.7	127.2	118.6	106.5

Source: District Personnel Records

EXHIBIT J-17

CITY OF VENTNOR SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil [d]	Percentage Change	Teaching Staff [b]	Pupil/Teacher Ratio Elementary/ Middle	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2025	492	$ 24,321,493	$ 49,434	0.5493	76	6.1:1	502	468	-10.04%	94.19%
2024	487	24,241,941	31,908	0.1757	80	6.1:1	487	458	-18.43%	94.19%
2023	508	24,164,287	27,140	0.0821	83	6.1:1	501	462	-19.97%	92.22%
2022	568	24,630,424	25,080	0.1431	80	7.1:1	558	522	-16.09%	93.55%
2021	567	23,723,771	21,941	0.0468	85	7.1:1	597	567	-10.23%	94.97%
2020	661	21,837,358	20,961	0.0408	81	8.2:1	626	605	-5.86%	96.65%
2019	656	21,487,353	20,139	0.0740	82	8:0:1	665	628	-4.32%	94.44%
2018	665	20,841,177	18,751	0.0679	81	8.2:1	665	628	-10.50%	94.44%
2017	698	21,798,085	17,559	0.1182	83	8.5:1	695	661	-6.46%	95.11%
2016	753	21,742,182	15,703	0.0458	82	9:1	743	708	-3.63%	95.29%
2015	778	21,480,882	15,679	0.0501	86	9.5:1	771	731	-4.70%	94.81%

Sources: District records, ASSA

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
b Teaching staff includes only full-time equivalents of certificated staff.
c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
d This information is from the Taxpayers Guide to Education Spending

EXHIBIT J-18

CITY OF VENTNOR SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Ventnor Educational Community Complex (1969)										
Square Feet	152,357	152,357	152,357	152,357	152,357	152,357	152,357	152,357	152,357	152,357
Capacity (Students)	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063
Enrollment	753	698	665	656	661	567	568	568	487	492

Number of Schools at June 30, 2022
Elementary/Middle School - 1

Source: District records, ASSA
Note: Year of original construction is shown in parentheses.
Enrollment is based on the annual October District count.

EXHIBIT J-19

CITY OF VENTNOR SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(UNAUDITED)

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-XXX

School Facilities	Gross Square Footage	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City of Ventnor School	152,357	$ 790,207	899,831	683,922	720,681	668,025	579,519	603,302	574,675	458,818	357,166
Total School Facilities		790,207	899,831	683,922	720,681	668,025	579,519	603,302	574,675	458,818	357,166
Other Facilities											
Grand Total		$ 790,207	899,831	683,922	720,681	668,025	579,519	603,302	574,675	458,818	357,166

EXHIBIT J-20

CITY OF VENTNOR SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)

Company Type of Coverage	Coverage	Deductible
School Package Policy		
Property - Blanket Building & Contents	$ 500,000,000	$ 2,500
* Flood A & V Zones	25,000,000	2,500
Extra Expense	50,000,000	
Miscellaneous School Property	25,000,000	
General Liability	$5,000,000/Occur/Aggregate	
Personal/Advertising Injury	5,000,000	5,000
Sexual Molestation	10,000,000	
Blanket Dishonesty Bond	500,000	
Forgery/Alterations	50,000	
Automobile Liability		
Comprehensive Automobile Liability	5,000,000	NIL
Uninsured Motorist	$15,000/PP / $30,000/Accident	
Medical Payments	10,000	
Physical Damage	500,000	1,000
School Board Legal	$5,000,000/Occur/Aggregate	5,000
Cyber Liability	2,000,000	10,000
Environmental Impairment	1,000,000	5,000
Excess Liability	5,000,000	10,000
Boiler & Machinery	100,000,000	2,500
Flood Insurance		
Property - Building	500,000	5,000
Property - Contents	500,000	5,000
Student Accident	1,000,000	
Surety Bonds		
Superintendent / Treasurer of School Monies	250,000	
Board Secretary / Business Administrator	250,000	

* $500,000 Federal Flood Program picks up $500,000 school deductale is $500.

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

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Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable President and
Members of the Board of Education
City of Ventnor School District
County of Atlantic, New Jersey 08406

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards.* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education of the City of Ventnor School District's basic financial statements, and have issued our report thereon dated December 1, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Ventnor Board of Education's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Ventnor Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Ventnor Board of Education's internal control.

A *deficiency in internal control* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We considered the deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, to be a significant weakness, labeled 2025-1.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Ventnor Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

The City of Ventnor Board of Education's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Ventnor Board of Education's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
December 1, 2025

NIGHTLINGER, COLAVITA & VOLPA

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

The Honorable President and
Members of the Board of Education
City of Ventnor School District
County of Atlantic, New Jersey 08406

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's major federal and state programs for the year ended June 30, 2025. The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and as prescribed by the Office of School Finance, *Department of Education, State of New Jersey,* and New Jersey OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance and New Jersey OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance and New Jersey OMB 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the City of Ventnor School District, in the County of Atlantic, State of New Jersey's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA

Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
December 1, 2025

EXHIBIT K-3

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Schedule A
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at July 1, 2024	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditure Direct	Total Budgetary Expenditures (A)	Adjustment / Repayment of Prior Year Balance	Balance at June 30, 2025 (Accounts Receivable)	Balance at June 30, 2025 Unearned Revenue	Balance at June 30, 2025 Due to Grantor
U.S. Department of Health and Human Services:															
General Fund															
Medicaid Assistance Program (Semi)	93.778	2005NJ5MAP	N/A	$ 13,957	7/1/24	6/30/25		$13,474	$ (13,957)		$ (13,957)		($483)		
Medicaid Assistance Program (Semi)	93.778	2005NJ5MAP	N/A	15,378	7/1/23	6/30/24	$ (4,648)	4,648							
Total General Fund							(4,648)	18,122	(13,957)		(13,957)		(483)		
U.S. Department of Agriculture															
Passed-through State Department of Agriculture:															
Enterprise Fund:															
Child Nutrition Cluster:															
Cash Assistance:															
Summer Food Service Program - Food	10.559	251NJ304N1199	N/A	199	7/1/24	6/30/25		199	(199)		(199)				
Summer Food Service Program - Admin	10.559	251NJ304N1199	N/A	24	7/1/24	6/30/25		24	(24)		(24)				
School Breakfast Program	10.553	251NJ304N1199	N/A	57,123	7/1/24	6/30/25		45,400	(57,123)		(57,123)		(11,723)		
School Breakfast Program	10.553	241NJ304N1099	N/A	47,828	7/1/23	6/30/24	(3,325)	3,325							
National School Lunch Program	10.555	251NJ304N1199	N/A	124,834	7/1/24	6/30/25		100,994	(124,834)		(124,834)		(23,840)		
National School Lunch Program	10.555	241NJ304N1099	N/A	128,607	7/1/23	6/30/24	(5,584)	5,584							
School Snack Program	10.555	251NJ304N1199	N/A	8,718	7/1/24	6/30/25		7,205	(8,718)		(8,718)		(1,513)		
Summer-EBT Administrative Cost	10.646	202424N180341	N/A	322	7/1/23	6/30/24	(322)	322							
Summer-EBT Administrative Cost	10.646	202424N180341	N/A	301	7/1/24	6/30/25			(301)		(301)		(301)		
Local Food dor Schools Coop Agreement Prog	10.185			191				191	(191)		(191)				
Non-Cash Assistance:															
Food Distribution Program	10.565	Unknown	N/A	22,939	7/1/24	6/30/25		22,939	(22,283)		(22,283)			656	
Food Distribution Program	10.565	Unknown	N/A	22,474	7/1/23	6/30/24	91		(91)		(91)				
Total Enterprise Fund							(9,140)	186,183	(213,764)		(213,764)		(37,377)	656	
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
E.S.E.A:															
Title I, Part A	84.010	S010A250030	ESEA5350-25	428,395	7/1/24	9/30/25		303,989	(379,903)		(379,903)		(75,914)		
Title I, Part A	84.010	S010A240030	ESEA5350-24	408,934	7/1/23	9/30/24	(24,440)	24,440							
Title I, Part A	84.010	S010A230030	ESEA5350-23	409,450	7/1/22	9/30/23	927					(927)			
Title II, Part A Teachers and Principals	84.367A	S367A250029	ESEA5350-25	35,522	7/1/24	9/30/25		9,519	(11,173)		(11,173)		(1,654)		
Title II, Part A Teachers and Principals	84.367A	S367A240029	ESEA5350-24	44,512	7/1/23	9/30/24	(1,258)	1,258							
Title II, Part A Teachers and Principals	84.367A	S367A220029	ESEA5350-22	40,613	7/1/21	9/30/22	12,431								12,431
Title III A English Language Acquisition	84.365	S365A250030	ESEA5350-25	1,762	7/1/24	9/30/25		802	(800)		(800)	(2)			
Title IV	84.424A	S424A250031	ESEA5350-25	28,513	7/1/24	9/30/25		23,904	(29,999)		(29,999)		(6,095)		
Title IV	84.424A	S424A230031	ESEA5350-23	31,458	7/1/22	9/30/23	3,365					(3,365)			
Title IV	84.424A	S424A220031	ESEA5350-22	20,000	7/1/21	9/30/22	183								183
IDEA Cluster:															
I.D.E.A. Part B Basic	84.027A	H027A250100	IDEA5350-25	189,763	7/1/24	9/30/25		151,812	(189,763)		(189,763)		(37,951)		
I.D.E.A. Part B, Pre-school	84.173A	H173A250114	IDEAPS5350-25	7,524	7/1/24	9/30/25		6,019	(7,524)		(7,524)		(1,505)		
Education Stabilization Fund:															
CRRSA:															
ESSER II	84.425D	S425D230027	CRRSA 5350-23	1,464,711	3/13/20	9/30/23	18,938					(18,938)			
ARP:															
ESSER III	84.425U	S425U240027	ARP 5350-24	3,291,844	3/13/20	9/30/24	(914,070)	1,053,307	(139,237)		(139,237)				
Accel. Learning	84.425U	S425U240027	ARP 5350-24	76,607	3/13/20	9/30/24		3,564							3,564
Summer	84.425U	S425U240027	ARP 5350-24	40,000	3/13/20	9/30/24		25,851	(19,193)		(19,193)				6,658
ARP Homeless Children and Youth	84.425W	S425W240031	ARP 5350-24	12,895	4/23/21	9/30/24	(1,254)					1,254			
Total Special Revenue Fund							(905,178)	1,604,465	(777,592)		(777,592)	(21,978)	(123,119)		22,836
Total Federal Financial Awards							$ (918,966)	$ 1,808,770	$ (1,005,313)		$ (1,005,313)	$ (21,978)	$ (160,979)	$ 656	$ 22,836

(A) There were no awards passed through to subreciepents.

EXHIBIT K-4

CITY OF VENTNOR SCHOOL DISTRICT
(A Component Unit of the City of Ventnor)
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE - Schedule B
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2024 (Accounts Receivable)	Balance at June 30, 2024 Unearned Revenue	Carryover Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2025 (Accounts Receivable)	Balance at June 30, 2025 Unearned Revenue	Balance at June 30, 2025 Due To Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education:														
General Fund:														
Special Education Aid	25-495-034-5120-089	285,643	7/1/24	6/30/25				$ 271,879	$ (285,643)	$ (13,764)		*	$ (13,764)	$ (285,643)
Special Education Aid	24-495-034-5120-089	397,522	7/1/23	6/30/24	$ (27,260)			27,260						
Transportation Aid	24-495-034-5120-014	417,427	7/1/23	6/30/24				397,313	(417,427)	(20,114)		*	(20,114)	(417,427)
Transportation Aid	23-495-034-5120-014	417,427	7/1/22	6/30/23	(28,626)			28,626						
Security Aid	25-495-034-5120-084	344,749	7/1/24	6/30/25				328,137	(344,749)	(16,612)		*	(16,612)	(344,749)
Security Aid	24-495-34-5120-84	344,749	7/1/23	6/30/24	(23,642)			23,642						
Extraordinary Aid	25-495-034-51200-44	148,001	7/1/24	6/30/25					(148,001)	(148,001)		*		(148,001)
Extraordinary Aid	24-495-034-5120-044	85,411	7/1/23	6/30/24	(85,411)			85,411						
Non-public Transportation Aid	25-495-034-5120-014	19,614	7/1/24	6/30/25					(19,614)	(19,614)		*		(19,614)
Non-public Transportation Aid	24-49034-5120-014	17,267	7/1/23	6/30/24	(17,267)			17,267						
Stabilized School Budget Aid	N/A	50,346	7/1/24	6/30/25				50,346	(50,346)			*		(50,346)
Reimbursed TPAF Social Security Contrib	25-495-034-5094-003	515,777	7/1/24	6/30/25				490,568	(515,777)	(25,209)		*		(515,777)
Reimbursed TPAF Social Security Contrib	24-495-034-5094-003	527,740	7/1/23	6/30/24	(25,820)			25,820						
On-Behalf TPAF Pension Contribution	25-495-034-5094-002	2,592,656	7/1/24	6/30/25				2,592,656	(2,592,656)			*		(2,592,656)
On-Behalf TPAF Post Retirement Medical	25-495-034-5094-001	757,576	7/1/24	6/30/25				757,576	(757,576)			*		(757,576)
On-Behalf Long-term Disability	25-495-034-5094-004	885	7/1/24	6/30/25				885	(885)			*		(885)
Total General Fund					(208,026)			5,097,386	(5,132,674)	(243,314)			(50,490)	(5,132,674)
Special Revenue Fund:														
Preschool Education Aid	25-495-034-5120-086	1,345,235	7/1/24	6/30/25			$184,118	1,218,269	(1,052,021)	(126,966)	$ 477,332	*	(126,966)	(1,052,021)
Preschool Education Aid	24-495-034-5120-086	1,285,740	7/1/23	6/30/24	(121,431)	$184,118	(184,118)	121,431						
NJ Clean Energy Grant	N/A		7/1/21	6/30/23	(19,500)					(19,500)				
High Impact Tutoring Competitive	E2400227	37,999	10/11/23	8/31/24		7,469			(6,468)		1,001	*		(6,468)
Total Special Revenue Fund					(140,931)	191,587		1,339,700	(1,058,489)	(146,466)	478,333		(126,966)	(1,058,489)
Capital Projects Fund:														
NJSDA	G5-6913	581,935	7/1/24	Closing					(19,840)	(19,840)				(19,840)
									(19,840)	(19,840)				(19,840)
State Department of Agriculture:														
Enterprise Fund:														
State School Breakfast Program	25-100-010-3350-023	5,062	7/1/24	6/30/25				4,054	(5,062)	(1,008)		*		(5,062)
State School Breakfast Program	24-100-010-3350-023	1,606	7/1/23	6/30/24	(103)			103						
State School Lunch Program	25-100-010-3350-023	9,107	7/1/24	6/30/25				7,441	(9,107)	(1,666)		*		(9,107)
State School Lunch Program	24-100-010-3350-023	8,174	7/1/23	6/30/24	(344)			344						
Summer-EBT Administrative Cost	N/A	321	7/1/23	6/30/24	(321)			321						
Summer-EBT Administrative Cost	N/A	301	7/1/24	6/30/25					(301)	(301)		*		(301)
Total Enterprise Fund					(768)			12,263	(14,470)	(2,975)				(14,470)
Total State Financial Assistance					$ (349,725)	$191,587	$	$ 6,449,349	$ (6,225,473)	$ (412,595)	$ 478,333	$	$ (177,456)	$ (6,225,473)
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution	25-495-034-5094-002	2,592,656	7/1/24	6/30/25				$ 2,592,656	$ (2,592,656)					
On-Behalf TPAF Post Retirement Medical	25-495-034-5094-001	757,576	7/1/24	6/30/25				757,576	(757,576)					
On-Behalf Long-term Disability	25-495-034-5094-004	885	7/1/24	6/30/25				885	(885)					
Total State Financial Assistance - Major Program Determination								$ 3,098,232	$ (2,874,356)					

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

EXHIBIT K-5

VENTNOR BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2025

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Ventnor School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey Treasury Circular OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $29,038 for the general fund and $699,808 for the special revenue fund. See Note A (Notes to Required Supplemental Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

EXHIBIT K-5

VENTNOR BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2025
(Continued)

NOTE 3: RELATIONSHIP TO GOVERNMENT FINANCIAL STATEMENTS (CONT'D)

	Federal	State	Total
General Fund	$ 13,957	$ 5,161,712	$ 5,175,669
Special Revenue Fund	1,503,654	956,660	2,460,314
Food Service Fund	213,673	14,470	228,143
Total Awards & Financial Assistance	$ 1,731,284	$ 6,132,842	$ 7,864,126

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING

The Ventnor School District had no outstanding loans as of June 30, 2025.

NOTE 6: OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2025. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2025.

NOTE 7: SCHOOLWIDE PROGRAM FUNDS

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

NOTE 8: MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results Section of the Schedule of Findings and Questioned Cost.

NOTE 9: ADJUSTMENTS

There were five adjustments totaling $21,978 reflected on Schedule A of Federal Awards and none on Schedule B for State Financial Assistance.

EXHIBIT K-6

CITY OF VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness (es) identified? _____ yes ___X___ no
2) Significant deficiencies identified? ___X___ yes _____ no

Noncompliance material to basic financial statements noted? _____ yes ___X___ no

Federal Awards

Internal control over major programs:

1) Material weakness (es) identified? _____ yes ___X___ no
2) Significant deficiencies identified? _____ yes ___X___ no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a)? _____ yes ___X___ no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
84.010	S010A250030	Title I, Part A

Dollar threshold used to distinguish between type A and type B programs (section .518): $ 750,000

Auditee qualified as low-risk auditee? ___X___ yes _____ no

EXHIBIT K-6

VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)

Section I - Summary of Auditor's Results (continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs: $ 750,000

Auditee qualified as low-risk auditee? X yes _____ no

Internal control over major programs:

1) Material weakness (es) identified? _____ yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable? _____ yes X no

Identification of major programs:

GMIS Number(s)	Name of State Program
25-495-034-5120-086	Preschool Education Aid

EXHIBIT K-6

VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

Finding No. 2025-1 (AMR Finding 2025-1)

Criteria or Specific Requirement
N.J.S.A. 18A: 17-9 requires that accurate monthly reconciliations of all bank accounts are prepared prior to the completion of the Board Secretary's monthly report.

Condition
Food Service bank reconciliations were not prepared in accordance with N.J.S.A. 18A: 17-9.

Context
Formal bank reconciliations were not prepared for the food service bank account during the 2024-25 School Year.

Effect or Potential Effect
That controls over the financial accounts may not be effective to reduce the likelihood that errors could occur and not be detected.

Cause
An individual responsible for reconciliation duties of the food service bank account was not assigned during the 2024-25 School Year.

Recommendation
The School District should review and implement internal controls to ensure food service bank reconciliations are prepared in accordance with N.J.S.A. 18A: 17-9.

View of Responsible Officials and Planned Corrective Action
The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

EXHIBIT K-6

VENTNOR SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Section III - Federal Awards and State Financial Assistance
Findings and Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

FEDERAL AWARDS

Finding: None
Information on the federal program:
Criteria or specific requirement:
Condition:
Questioned Costs:
Effect:
Cause:
Recommendation:
Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None
Information on the state program:
Criteria or specific requirement:
Condition:
Questioned Costs:
Context:
Effect:
Cause:
Recommendation:
Management's response:

EXHIBIT K-7

VENTNOR SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a) (b) and New Jersey OMB's Treasury Circular 15-08.

STATUS OF PRIOR - YEAR FINDINGS

There were no prior year findings.