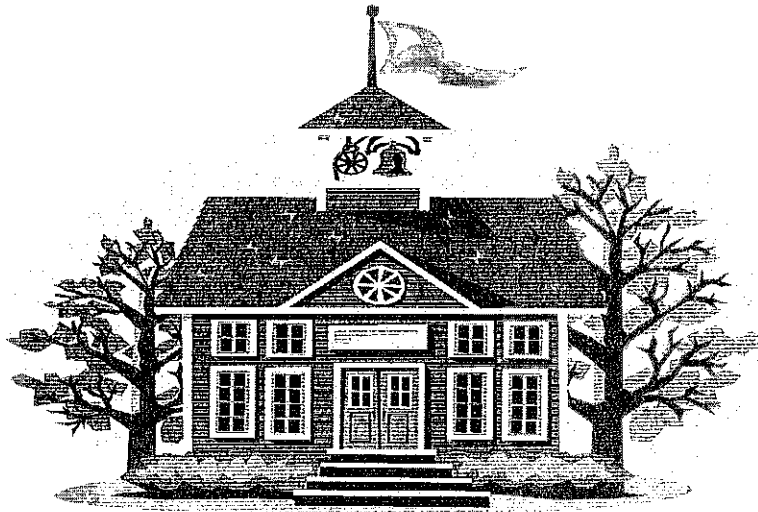


SCHOOL DISTRICT

OF

SPRINGFIELD



**SPRINGFIELD BOARD OF EDUCATION
SPRINGFIELD, NEW JERSEY**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

OF THE

SPRINGFIELD BOARD OF EDUCATION

SPRINGFIELD, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

PREPARED BY

**SPRINGFIELD BOARD OF EDUCATION
FINANCE DEPARTMENT**

SPRINGFIELD SCHOOL DISTRICT

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INTRODUCTORY SECTION

**THE TOWNSHIP OF SPRINGFIELD BOARD OF EDUCATION
P.O. BOX 210
SPRINGFIELD, NEW JERSEY 07081**

**(973) 376-1025 TEL
(973) 912-9229 FAX**

**Michelle Calas
School Business Administrator/
Board Secretary**

December 19, 2025

Honorable President and
Members of the Board of Education
The Township of Springfield School District
County of Union, New Jersey

Dear Board Members:

We are pleased to present to you the Annual Comprehensive Financial Report (ACFR), of the Township of Springfield School District for the fiscal year ended June 30, 2025. This ACFR includes the District's Basic Financial Statements prepared in accordance with Governmental Accounting Standards Board Statement 34. The District has adopted this financial reporting model as required by the State of New Jersey. This reporting model will provide all users of this document with much more useful financial and statistical information. 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 and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive 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 principal officials. The financial section includes the general-purpose financial statements and schedules, 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 Amendment of 1996 and the provisions of the Uniform Guidance and New Jersey OMB Circular 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 of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Township of Springfield School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and account groups of the District are included in this report. The Township of Springfield Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, as well as, special education for handicapped children. The District completed the 2024-2025 fiscal year with an average daily enrollment of 2,186.2 students. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Enrollment	
	Student Enrollment	Percent Change
2024-25	2,186.2	(-.13)%
2023-24	2,189.1	.18%
2022-23	2,185.1	1.02%
2021-22	2,163	(-3.53)%
2020-21	2,242.1	(-1.62)%
2019-20	2,279	1.56%
2018-19	2,244	.27%
2017-18	2,238	(.72)%
2016-17	2,222	(-2.11)%
2015-16	2,270	

2) ECONOMIC CONDITION AND OUTLOOK: Springfield Township School District and the community have enjoyed a relatively stable economic condition and financial outlook over the past decade, however with the two variables of state aid and revenue generation declining, and enrollment stable, the financial impact has begun to negatively impact the school tax levy pushing it to a higher proportion of the total tax levy. This fiscal year saw an increase of state formula aid and it is expected to increase based on senate bill S-2 for the next year. While state formula aid is expected to grow, this assumes that enrollment will remain flat or growing during this time span. We monitor enrollment annually with in-house reports. This practice will continue to best estimate future state formula aid.

3) MAJOR INITIATIVES: Springfield Public Schools continues to work towards its mission to challenge every student through meaningful, engaging experiences to empower all students to flourish and contribute in an evolving world. During the 2024-2025 school year, the district continued critical initiatives to support student learning, including the implementation of a new elementary literacy curriculum and resources for students in grades K-5, continuation of the DIBELS (8th Edition) early literacy screening tool, and continued support for new K-2 and 3-5 mathematics curricula. Expanded training on LinkIt student data system in creating common assessments. In addition, Intervention Manager was implemented to streamline our MTSS process. Hands-on training was provided to teachers in grades 3-5 on the utilization of Project Lead the Way for STEM. Training was provided for Spanish and French teachers on implementing the new World Language programs. The district expanded its full-day preschool program funded through state aid, resulting in new classrooms and staff to support early childhood education. Throughout the district, professional development opportunities were aligned with students' academic needs. In addition to the academic programs, the district supports a robust extracurricular and athletic program. Other initiatives included ongoing facility projects to improve our efficiencies and support the maintenance of our buildings.

4) 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 are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (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.

5) 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 voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service 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 of fund balance at June 30, 2025.

6) 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. These funds are explained in "Notes to the Financial Statements", Note 1.

7) 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 2. 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.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance in property and contents, and fidelity bonds.

9) OTHER INFORMATION:

A) INDEPENDENT AUDIT - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company, CPAs, was selected by the Board's finance committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended by the Single Audit Act Amendments of 1996 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is 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.

10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Township of Springfield School Board for their desire to provide 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,



Rachel Goldberg
Superintendent



Michelle Calas
School Business Administrator/
Board Secretary

**THE TOWNSHIP OF SPRINGFIELD BOARD OF EDUCATION
SPRINGFIELD, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2025**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Laura Gamarekian, President	2026
Kristy Rubin, Vice President	2026
Jerome Fernandez	2025
Dana Kelly	2027
Meredith Murphy	2025
Adriana Silva	2026
Tracey Rinaldi	2027
Hilary Turnbull	2025
Jennifer Wishna	2027

Other Officials

Rachel Goldberg, Superintendent

Michelle Calas, School Business Administrator/Board Secretary

Manuel Vieira, Treasurer

THE TOWNSHIP OF SPRINGFIELD BOARD OF EDUCATION
SPRINGFIELD, NEW JERSEY

CONSULTANTS AND ADVISORS
June 30, 2025

Architects

LAN Associates
445 Godwin Avenue
Midland Park, NJ 07432

Audit Firm

Robert A. Hulsart and Company
2807 Hurley Pond Road
Wall, NJ 07719

Attorneys

Chasan, Lamparello, Mallon and Cappuzzo, PC
300 Lighting Way
Secaucus, NJ 07094

Engineers

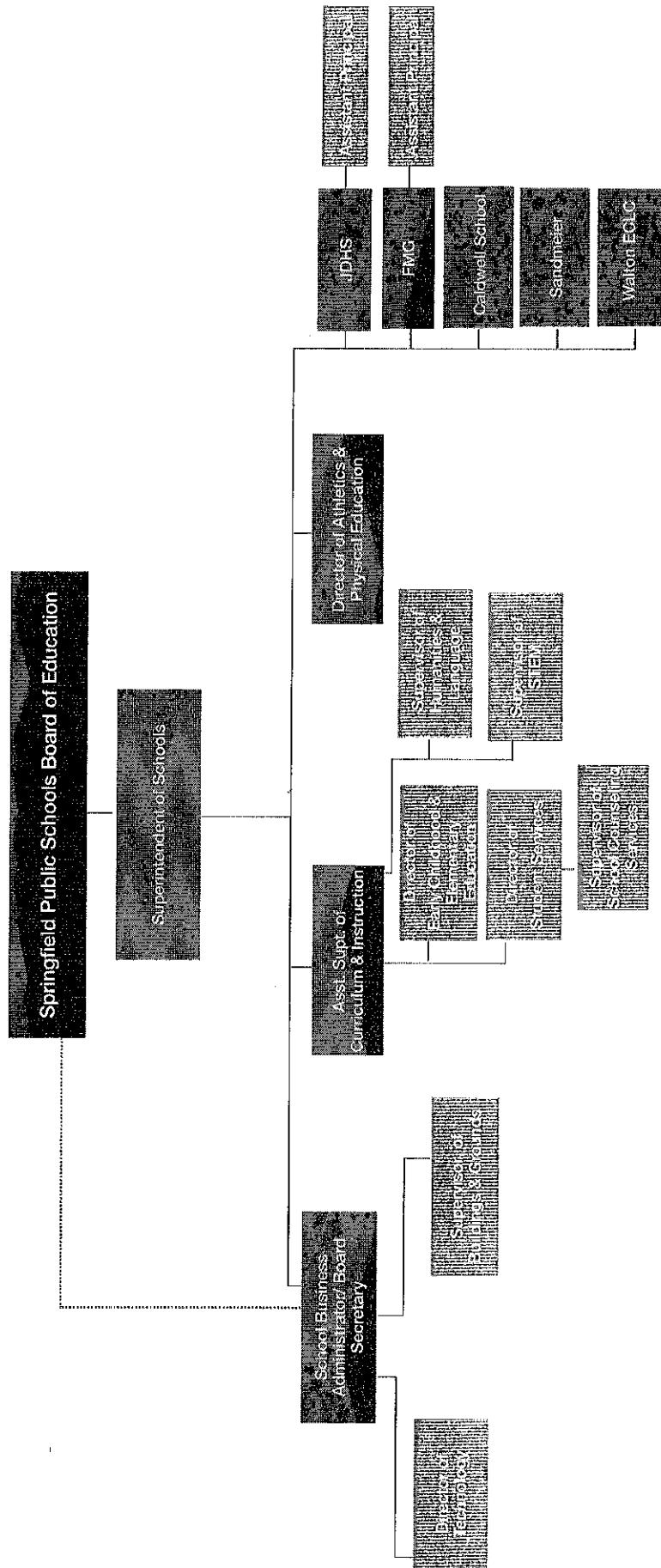
Pennoni Associates, Inc.
105 Fieldcrest Avenue Suite 502
Edison, NJ 08837

LAN Associates
445 Godwin Avenue
Midland Park, NJ 07432

Official Depository

Investor Savings Bank
State of New Jersey - Cash Management Fund

Springfield Public Schools Organization Chart



January 3, 2023

FINANCIAL SECTION

Robert A. Hulsart and Company
CERTIFIED PUBLIC ACCOUNTANTS

8.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
ROBERT A. HULSART, JR., C.P.A., P.S.A.

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(732) 681-4990

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Springfield School District
County of Union
Springfield, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Springfield Board of Education, as of and for the year ended June 30, 2025, and the related Notes to the Financial Statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Springfield Board of Education, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section in our report. We are required to be independent of the Springfield Board of Education, 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 these 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 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 Responsibility 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 generally accepted auditing standards 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; a 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 generally accepted auditing standards 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 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 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 require that the management's discussion and analysis, budgetary comparison information and pension and post-employment benefit trend information as noted 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 Springfield Board of Education's basic financial statements. The combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are 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 and individual non-major fund financial statements, and the schedule 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. 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.

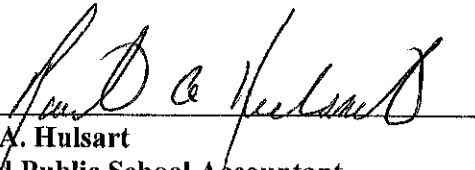
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 19, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY



Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey

December 19, 2025

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

SPRINGFIELD PUBLIC SCHOOL DISTRICT
TOWNSHIP OF SPRINGFIELD
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

The discussion and analysis of Springfield Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Annual Comprehensive Financial Report's (ACFR) Letter of Transmittal which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

Financial Highlights

Key Financial highlights for the 2024-2025 fiscal year are as follows:

- General revenues accounted for \$74,068,449 in revenue. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$5,049,115 to total revenues of \$79,117,564.
- The School District had \$60,168,642 in expenses; only \$5,049,115 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$74,068,449 were adequate to provide for these programs.
- The General Fund had \$58,441,174 in revenues, \$53,978,125 in expenditures. The General Fund's balance increased \$2,282,582 from 2024.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Springfield Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Springfield Public School District, the General Fund is the most significant fund, with the Special Revenue Fund and Capital Project's Fund also having significance.

Using this Annual Comprehensive Financial Report (ACFR)

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during the 2024-2025 fiscal year?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in that position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The School District's activities are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Table 1 provides a summary of the School District's net position comparisons of fiscal year 2025 with 2024.

Table 1
Net Position

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Current and Other Assets	\$ 51,361,021	57,109,878
Capital Assets, Net	<u>40,180,637</u>	<u>14,114,522</u>
Total Assets	<u>\$ 91,541,658</u>	<u>71,224,400</u>
<u>Deferred Outflow of Resources</u>		
Contribution to Pension Plan	<u>\$ 815,761</u>	<u>886,404</u>
<u>Deferred Inflow of Resources</u>		
Pension Deferrals	<u>\$ 828,770</u>	<u>829,324</u>
<u>Liabilities</u>		
Current Liabilities	\$ 9,714,131	6,218,233
Long Term Liabilities	<u>39,264,918</u>	<u>41,462,569</u>
Total Liabilities	<u>\$ 48,979,049</u>	<u>47,680,802</u>
<u>Net Position</u>		
Invested in Capital Assets, Net of Debt	\$ 9,125,637	(18,757,478)
Restricted	18,805,644	50,858,192
Unrestricted	<u>14,618,319</u>	<u>(8,500,036)</u>
Total Net Position	<u>\$ 42,549,600</u>	<u>23,600,678</u>

Table 2 shows the changes in net position for fiscal year 2025. Revenue and expense comparisons to fiscal year 2024.

Table 2
Changes in Net Position

	<u>2025</u>	<u>2024</u>
<u>Revenues</u>		
Program Revenues		
Charges for Services	\$ 2,065,918	1,709,261
Operating Grants and Contributions	2,983,197	3,170,349
General Revenues		
Property Taxes	45,309,743	43,968,078
Grants and Entitlements	15,286,686	13,760,500
Other	<u>13,472,020</u>	<u>2,253,551</u>
Total Revenues	<u>79,117,564</u>	<u>64,861,739</u>
<u>Program Expenses</u>		
Instruction	18,953,321	18,099,166
Support Services		
Pupils and Instructional Staff	11,016,847	10,057,421
General Administration, School Administration, Business	18,564,872	18,587,453
Operations and Maintenance of Facilities	4,849,600	4,081,217
Pupil Transportation	1,791,659	1,719,959
Interest on Debt	1,097,272	1,278,109
Unallocated Depreciation	1,691,606	479,704
Capital Outlay Not Capitalized		2,752,844
Special Schools	89,898	79,261
Enterprise	<u>2,113,567</u>	<u>2,127,045</u>
Total Expenses	<u>60,168,642</u>	<u>59,262,179</u>
Increase/Decrease in Net Position	<u>\$ 18,948,922</u>	<u>5,599,560</u>

Business-Type Activities

Revenues for the District's business-type activities (food service program and after care program) were comprised of charges for services and federal and state reimbursements.

- Food service expenses exceeded revenues by \$190,966.
- Aftercare revenues exceeded expenses by \$478,071.
- Charges for services represent \$2,056,103 of revenue. This represents amount paid by patrons for daily services.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$344,569.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Extracurricular activities includes expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Other includes unallocated depreciation and amortization.

The School Board's Funds

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allow the School Board to demonstrate its stewardship over and accountability for resources received from the Township of Springfield's taxpayer's and other entities, including the State of New Jersey and the Federal Government. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2025, it reported a combined net position balance of \$42,549,600. The Reconciliation of the Statement of Revenue Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities presents the reader with a detailed explanation of the differences between the net change in fund balances and changes in net assets.

The School Board's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in the section of the ACFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

Capital Assets

At June 30, 2025, the School Board had approximately \$40,180,637 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table II below shows the net book value of capital assets at the end of the 2025 fiscal year.

	Governmental Activities	Business Type Activities
Table II		
Capital Assets at June 30, 2025		
Land	\$ 4,436	
Construction in Progress	4,260,344	
Sites	815,659	
Buildings	32,687,112	
Machinery and Equipment	<u>2,172,002</u>	<u>241,084</u>
Total	<u>\$ 39,939,553</u>	<u>241,084</u>

Debt Administration

At June 30, 2025, the School District had \$40,571,661 as outstanding debt. Of this amount \$1,653,732 is for compensated absences, \$6,335,337 is for pension liability, \$31,055,000 is for bonds for school construction; \$1,527,592 is for lease purchase agreements.

Economic Factors and Next Year's Budget

The Springfield Public School District is in very good financial condition presently. Future finances are not without challenges as the community continues to grow and state funding is decreased.

The Township of Springfield is primarily a residential community, with very few ratables. The majority of revenues needed to operate the District are derived from homeowners through property tax assessments and collections.

The \$13,202,572 in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's noncurrent liabilities such as compensated absences, the School Board would have a balance of \$13,202,572.

In conclusion, the Springfield Public School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Michelle Calas, School Business Administrator/Board Secretary at the Springfield Board of Education, P.O. Box 210, Springfield, New Jersey 07081.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

SPRINGFIELD SCHOOL DISTRICT**STATEMENT OF NET POSITION**

Exhibit A-1

JUNE 30, 2025

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 28,990,781	1,598,323	30,589,104
Receivables, Net	1,900,589	43,538	1,944,127
Inventory		22,146	22,146
Restricted Assets:			
Cash and Cash Equivalents	18,805,644		18,805,644
Capital Assets Not Depreciated	4,264,780		4,264,780
Capital Assets, Net	35,674,773	241,084	35,915,857
Total Assets	<u>89,636,567</u>	<u>1,905,091</u>	<u>91,541,658</u>
<u>Deferred Outflow of Resources</u>			
Contribution to Pension Plan	<u>815,761</u>		<u>815,761</u>
<u>Deferred Inflow of Resources</u>			
Pension Deferrals	<u>828,770</u>		<u>828,770</u>
<u>Liabilities</u>			
Deferred Revenue	324,447		324,447
Accounts Payable	7,477,921	248,260	7,726,181
Accrued Interest	356,760		356,760
Noncurrent Liabilities:			
Due Within One Year	1,306,743		1,306,743
Due Beyond One Year	39,264,918		39,264,918
Total Liabilities	<u>48,730,789</u>	<u>248,260</u>	<u>48,979,049</u>
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	8,884,553	241,084	9,125,637
Restricted For:			
Other Purposes	18,805,644		18,805,644
Unrestricted	<u>13,202,572</u>	<u>1,415,747</u>	<u>14,618,319</u>
Total Net Position	<u>\$ 40,892,769</u>	<u>1,656,831</u>	<u>42,549,600</u>

The accompanying notes to financial statements are an integral part of this statement.

SPRINGFIELD SCHOOL DISTRICT

Exhibit A-2
Sheet 1 of 2

STATEMENT OF ACTIVITIES

JUNE 30, 2025

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:						
Instruction:						
Regular	\$ 12,111,354			(12,111,354)		(12,111,354)
Special Education	5,249,485		1,714,699	(3,534,786)		(3,534,786)
Other Instruction	1,592,482			(1,592,482)		(1,592,482)
Support Services:						
Tuition	4,513,648	9,815		(4,503,833)		(4,503,833)
Student & Instruction Related Services	6,503,199		923,929	(5,579,270)		(5,579,270)
School Administrative Services	1,393,297			(1,393,297)		(1,393,297)
General and Business Administrative Services	1,450,605			(1,450,605)		(1,450,605)
Plant Operations and Maintenance	4,849,600			(4,849,600)		(4,849,600)
Pupil Transportation	1,791,659			(1,791,659)		(1,791,659)
Unallocated Benefits	15,720,970			(15,720,970)		(15,720,970)
Special Schools	89,898			(89,898)		(89,898)
Interest on Long-Term Debt	1,097,272			(1,097,272)		(1,097,272)
Unallocated Depreciation	1,691,606			(1,691,606)		(1,691,606)
Total Government Activities	58,055,075	9,815	2,638,628	(55,406,632)	-	(55,406,632)
Business-Type Activities:						
Enterprise Funds	2,113,567	2,056,103	344,569		287,105	287,105
Total Business-Type Activities	2,113,567	2,056,103	344,569	-	287,105	287,105
Total Primary Government	60,168,642	2,065,918	2,983,197	(55,406,632)	287,105	(55,119,527)

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

SPRINGFIELD SCHOOL DISTRICT

**Exhibit A-2
Sheet 2 of 2**

STATEMENT OF ACTIVITIES

JUNE 30, 2025

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purpose, Net	43,737,131		43,737,131
Taxes Levied for Debt Service	1,572,612		1,572,612
Federal and State Aid Not Restricted	15,286,686		15,286,686
Fixed Asset Reassment	12,238,379	51,504	12,289,883
Miscellaneous Income	1,182,137		1,182,137
Total General Revenues	<u>74,016,945</u>	<u>51,504</u>	<u>74,068,449</u>
Change in Net Position	18,610,313	338,609	18,948,922
Net Position - Beginning	<u>22,282,456</u>	<u>1,318,222</u>	<u>23,600,678</u>
Net Position - Ending	<u>\$ 40,892,769</u>	<u>1,656,831</u>	<u>42,549,600</u>

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

FUND FINANCIAL STATEMENTS – B

SPRINGFIELD SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 23,965,461	259,014	23,571,949	1	47,796,425
Interfund Receivable	810,940				810,940
Receivables from Other Governments	933,791	155,858			1,089,649
Total Assets	<u>\$ 25,710,192</u>	<u>414,872</u>	<u>23,571,949</u>	<u>1</u>	<u>49,697,014</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Accounts Payable	\$ 1,928,934	9,526	3,662,325		5,600,785
Payroll Deductions and Withholdings	1,066,196				1,066,196
Interfund Payable			810,940		810,940
Deferred Revenue		324,447			324,447
Total Liabilities	<u>2,995,130</u>	<u>333,973</u>	<u>4,473,265</u>	<u>-</u>	<u>7,802,368</u>
Fund Balance:					
Restricted for:					
Maintenance Reserve	2,500,000				2,500,000
Emergency Reserve	250,000				250,000
Capital Reserve Account	13,085,655				13,085,655
Designated for Subsequent Year's Expenditures - Capital Reserve	500,000				500,000
Designated for Subsequent Year's Expenditures - Maintenance Reserve	900,000				900,000
Designated for Subsequent Year's Expenditures - Excess Surplus	650,000				650,000
Excess Surplus - Current Year	576,666				576,666
Unemployment	84,373				84,373
Student Activity Funds		258,950			258,950
Committed To:					
Other Purposes	1,933,465		8,896,768		10,830,233
Assigned To:					
Designated by the BOE for Subsequent Year's Expenditures	1,000,000				1,000,000
Unassigned:					
Capital Projects Fund			10,201,916		10,201,916
Debt Service Fund				1	1
Special Revenue Fund		(178,051)			(178,051)
General Fund	1,234,903				1,234,903
Total Fund Balances	<u>22,715,062</u>	<u>80,899</u>	<u>19,098,684</u>	<u>1</u>	<u>41,894,646</u>
Total Liabilities and Fund Balance	<u>\$ 25,710,192</u>	<u>414,872</u>	<u>23,571,949</u>	<u>1</u>	

Amounts reported for governmental activities in the Statement of Net Position (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 \$54,166,955 and the accumulated depreciation is \$14,227,402.	39,939,553
Deferred outflow of resources - contributions to the pension plan	815,761
Deferred inflow of resources - acquisition of assets applicable to future reporting periods	(828,770)
Accrued Interest	(356,760)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds	(40,571,661)
Net position of governmental activities	<u>\$ 40,892,769</u>

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

SPRINGFIELD SCHOOL DISTRICT

Exhibit B-2
Sheet 1 of 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 43,737,131			1,572,612	45,309,743
Tuition Charges	9,815				9,815
Rentals	28,356				28,356
Miscellaneous	736,853	416,928			1,153,781
Total Local Sources	44,512,155	416,928	-	1,572,612	46,501,695
State Sources	13,925,581	1,836,571		1,357,667	17,119,819
Federal Sources	3,438	802,057			805,495
Total Revenues	58,441,174	3,055,556	-	2,930,279	64,427,009
<u>Expenditures</u>					
Current:					
Regular Instruction	12,328,204				12,328,204
Special Education Instruction	3,534,786	1,714,699			5,249,485
Other Instruction	1,592,482				1,592,482
Support Services and Undistributed Costs:					
Tuition	4,513,648				4,513,648
Student and Instruction Related Services	5,125,615	1,377,584			6,503,199
School Administrative Services	1,393,297				1,393,297
Other Administrative Services	1,101,056				1,101,056
Technology Information Services	349,549				349,549
Plant Operations and Maintenance	4,849,600				4,849,600
Pupil Transportation	1,791,659				1,791,659
Unallocated Benefits	16,324,939				16,324,939
Special Schools	89,898				89,898
Capital Outlay	983,392	28,435	14,592,199		15,604,026
Debt Service:					
Interest and Other Charges				1,113,278	1,113,278
Total Expenditures	53,978,125	3,120,718	14,592,199	1,817,000	74,621,320

SPRINGFIELD SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

**Exhibit B-2
Sheet 2 of 2**

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,463,049</u>	<u>(65,162)</u>	<u>(14,592,199)</u>	<u>1</u>	<u>(10,194,311)</u>
Other Financing Sources (Uses):					
Transfer to Capital Projects Fund from Capital Reserve	(3,860,467)		3,860,467		-
Transfer from Capital Projects Fund to Capital Reserve	1,680,000		(1,680,000)		-
Accounts Payable - Interest					-
	<u>(2,180,467)</u>	<u>-</u>	<u>2,180,467</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>2,282,582</u>	<u>(65,162)</u>	<u>(12,411,732)</u>	<u>1</u>	<u>(10,194,311)</u>
Net Change in Fund Balances	2,282,582	(65,162)	(12,411,732)	1	(10,194,311)
Fund Balance - July 1	<u>20,432,480</u>	<u>146,061</u>	<u>31,510,416</u>		<u>52,088,957</u>
Fund Balance - June 30	<u>\$ 22,715,062</u>	<u>80,899</u>	<u>19,098,684</u>	<u>1</u>	<u>41,894,646</u>

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

SPRINGFIELD SCHOOL DISTRICTRECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURESAND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Exhibit B-3

TO THE STATEMENT OF ACTIVITIESJUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ (10,194,311)
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:	
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	(1,691,606)
Fixed Assets Additions\Adjustments	27,737,634
Repayment of bond principal and leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	1,921,771
In the statement of activities certain operating activities are measured by the amount earned while in the government funds. Expenses are reported in the amount of financial resources used.	
Compensated Absences	216,850
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	(70,643)
Pension related deferrals	554
Change in net pension liability	674,058
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental fund, interest is reported when due.	16,006
Change in Net Position of Governmental Activities	<u>\$ 18,610,313</u>

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

SPRINGFIELD SCHOOL DISTRICT

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

Exhibit B-4

JUNE 30, 2025

	<u>Enterprise Funds</u>
<u>Assets:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 1,598,323
Accounts Receivable:	
State	3,616
Federal	39,922
Inventory	22,146
Total Current Assets	<u>1,664,007</u>
Noncurrent Assets:	
Equipment	507,151
Accumulated Depreciation	(266,067)
Total Fixed Assets	<u>241,084</u>
Total Assets	<u>\$ 1,905,091</u>
 <u>Liabilities:</u>	
Accounts Payable	<u>\$ 248,260</u>
Total Liabilities	<u>\$ 248,260</u>
 <u>Net Position:</u>	
Investment in Capital Assets	\$ 241,084
Unrestricted	<u>1,415,747</u>
Total Net Position	<u>\$ 1,656,831</u>

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

SPRINGFIELD SCHOOL DISTRICTSTATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Exhibit B-5

PROPRIETARY FUNDSJUNE 30, 2025

	<u>Enterprise Fund</u>
Operating Revenues:	
Daily Sales - Reimbursable Programs	\$ 519,382
Daily Sales - Non-Reimbursable Programs	301,992
Fees/Miscellaneous	1,234,729
Total Operating Revenues	<u>2,056,103</u>
Operating Expenses:	
Salaries and Benefits	1,079,006
Cost of Sales - Reimbursable Programs	364,629
Cost of Sales - Non-Reimbursable Programs	214,147
Supplies and Materials	175,461
Management Fee	64,939
Contracted Services	47,908
Depreciation	31,417
Insurance	45,653
Miscellaneous	90,407
Operating Expenses	<u>2,113,567</u>
Operating Gain/(Loss)	(57,464)
Non-Operating Revenues:	
Interest	3,138
State Sources:	
State School Lunch Program	13,345
State School Lunch Program - NJEIE	3,052
State Breakfast Program	352
State Breakfast Program - NJEIE	422
Federal Sources:	
National School Lunch Program	211,992
HHFKA Lunch Program	13,740
Federal Breakfast Program	16,551
Local Food for Schools	5,595
SEBT	643
Food Distribution Program	75,739
Total Non-Operating Revenues	<u>344,569</u>
Change in Net Position	287,105
Adjustment for Fixed Assets	51,504
Net Position, July 1	<u>1,318,222</u>
Net Position, June 30	<u>\$ 1,656,831</u>

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

SPRINGFIELD SCHOOL DISTRICTSTATEMENT OF CASH FLOWS

Exhibit B-6

PROPRIETARY FUNDSJUNE 30, 2025

	<u>Enterprise Fund</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 2,056,103
Payments to Employees	(1,079,006)
Payments to Suppliers	(739,471)
Net Cash Provided (Used) by Operating Activities	<u>237,626</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	17,171
Federal Sources	248,521
Net Cash Provided by Noncapital Financing Activities	<u>265,692</u>
Cash Flows from Investing Activities:	
Interest Earned	3,138
Net Cash Provided by Noncapital Financing Activities	<u>3,138</u>
Net Increase (Decrease) in Cash and Cash Equivalents	506,456
Cash and Cash Equivalents, July 1	<u>1,091,867</u>
Cash and Cash Equivalents, June 30	<u>\$ 1,598,323</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (57,464)
Depreciation	31,417
Federal Commodities Consumed	75,739
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities	
Decrease/(Increase) in Accounts Receivables	(1,541)
(Decrease)/Increase in Accounts Payable	191,879
Decrease/(Increase) in Inventory	(2,404)
Net Cash Provided (Used) by Operating Activities	<u>\$ 237,626</u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION
SPRINGFIELD SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1: Summary of Significant Accounting Policies

The financial statements of the Board of Education (Board) of the Springfield 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. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Springfield School District is a Type II district located in the County of Union, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades PreK-12. The Springfield School District had an approximate enrollment at June 30, 2025 of 2,225 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government 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

B. Government-Wide Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transaction related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. County tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the county tax levy. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

NOTE 1: Summary of Significant Accounting Policies (Continued)**D. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects Fund: the capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Proprietary Fund Type

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Types

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued):

Fiduciary Fund Types (Continued)

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

E. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. Budgets are prepared using the modified accrual basis of accounting; 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. 6A:23-2.2(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2025 were insignificant.

The Public School Education Act of 1975, limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. Individual transfers were not material in relation to the original appropriations. All uncommitted budget appropriations lapse at year-end.

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 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 year end.

NOTE 1: Summary of Significant Accounting Policies (Continued)**F. 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.

G. Short-Term Interfund Receivables/Payables:

Short-Term interfund receivables/payables represents amounts that are owed, other than charges for good or services rendered to/from a particular fund in the District and that are due within one year.

H. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2025.

I. Capital Assets and Depreciation

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

NOTE 1: Summary of Significant Accounting Policies (Continued)**I. Capital Assets and Depreciation (Continued)**

The District contracted with an outside service company during the 2021-22 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report was updated to include capital assets purchased during the 2024-2025 fiscal year and prior with a historical cost of \$2,000 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

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

	Balance <u>July 1, 2024</u>	<u>Additions</u>	<u>Adjustments</u>	Balance <u>June 30, 2025</u>
Governmental Activities:				
Land	\$ 4,436			4,436
Construction in Progress	<u> </u>	4,260,344	<u> </u>	4,260,344
Total	<u>4,436</u>	<u>4,260,344</u>	<u> </u>	<u>4,264,780</u>
Depreciable Assets:				
Site Improvements	1,665,115	55,574		1,720,689
Buildings	22,248,594	22,353,056		44,601,650
Equipment	<u>2,511,176</u>	<u>1,068,660</u>	<u> </u>	<u>3,579,836</u>
Total	<u>26,424,885</u>	<u>23,477,290</u>	<u> </u>	<u>49,902,175</u>
Less: Accumulated Depreciation:				
Sites Improvements	(823,414)	(81,616)		(905,030)
Buildings	(10,423,114)	(1,491,424)		(11,914,538)
Equipment	<u>(1,289,268)</u>	<u>(118,566)</u>	<u> </u>	<u>(1,407,834)</u>
Total Accumulated Depreciation	<u>(12,535,796)</u>	<u>(1,691,606)</u>	<u> </u>	<u>(14,227,402)</u>
Net Depreciable Assets	<u>13,889,089</u>	<u>21,785,684</u>	<u> </u>	<u>35,674,773</u>
Governmental Activities Capital Assets (Net)	<u>\$ 13,893,525</u>	<u>26,046,028</u>	<u> </u>	<u>39,939,553</u>

NOTE 1: Summary of Significant Accounting Policies (Continued)**I. Capital Assets and Depreciation (Continued)**

	<u>Balance</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2025</u>
Business-Type Activities:				
Buildings & Equipment	\$			
Equipment	<u>455,647</u>	<u>51,504</u>	_____	<u>507,151</u>
	<u>455,647</u>	<u>51,504</u>	_____	<u>507,151</u>
Less: Accumulated Depreciation:				
Equipment	<u>(234,650)</u>	<u>(31,417)</u>	_____	<u>(266,067)</u>
Business-Type Capital Assets (Net)	<u>\$ 220,997</u>	<u>20,087</u>	_____	<u>241,084</u>

Depreciation expense was charged to governmental functions as follow:

Unallocated	<u>\$ 1,691,606</u>
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J. Compensated Absences

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

K. Deferred Revenue

Deferred revenue in the special revenue funds represent cash which has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

L. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve (See Note 10).

NOTE 1: Summary of Significant Accounting Policies (Continued)

M. Net Position

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation 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 creditors, grantors or laws or regulations of other 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 Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted – The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) if employed to previously commit those amounts.

NOTE 1: Summary of Significant Accounting Policies (Continued)

M. Net Position (Continued)

Assigned – The assigned fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

Unassigned – The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order; committed, assigned, then unassigned.

NOTE 2: Cash and Cash Equivalents and Investments

Cash and cash equivalents for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. 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.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

Deposits

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

NOTE 2: Cash and Cash Equivalents and Investments (Continued)

Deposits (Continued)

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the District to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank for cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

As of June 30, 2025, cash and cash equivalents and investments of the District consisted of the following:

	Cash and Cash
	<u>Equivalents</u>
Checking and Money Market Accounts	<u>\$ 49,394,748</u>

The carrying amount of the District's cash and cash equivalents at June 30, 2025 was \$49,394,748 and the bank balance was \$53,535,995. Of the bank balance, \$250,000 was covered by federal depository insurance; \$32,046,435 was covered by a collateral pool maintained by the banks as required by New Jersey statutes; and \$21,239,560 was uninsured.

NOTE 2: Cash and Cash Equivalents and Investments (Continued)**Credit Risk Categories**

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Insured:		
FDIC	\$ 250,000	250,000
GUDPA	32,046,435	25,544,791
Uninsured	21,239,560	30,612,444

As of June 30, 2025, the District did not hold any long-term investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial credit risk.

NOTE 3: General Long-Term Debt

During the fiscal year ended June 30, 2025, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u>			<u>Balance</u>	<u>Long-Term</u>	<u>Amount</u>
	<u>June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2025</u>	<u>Portion</u>	<u>Due</u>
						<u>In one Year</u>
Pension Liability	\$ 7,009,395		(674,058)	6,335,337	6,335,337	
Compensated Absences Payable	1,870,582		(216,850)	1,653,732	1,653,732	
Lease Purchase Agreements	1,632,363		(104,771)	1,527,592	1,415,849	111,743
Bonds Payable	<u>32,872,000</u>		<u>(1,817,000)</u>	<u>31,055,000</u>	<u>29,860,000</u>	<u>1,195,000</u>
	<u>\$ 43,384,340</u>		<u>(2,812,679)</u>	<u>40,571,661</u>	<u>39,264,918</u>	<u>1,306,743</u>

A. Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are of general obligation bonds.

NOTE 3: General Long-Term Debt (Continued)**A. Bonds Payable (Continued)**

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are of general obligation bonds.

Principal and interest due on serial bonds outstanding is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,195,000	1,065,581	2,260,581
2027	1,230,000	1,029,731	2,259,731
2028	1,285,000	992,832	2,277,832
2029	1,340,000	954,281	2,294,281
2030	1,395,000	914,081	2,309,081
2031-2035	7,935,000	3,904,556	11,839,556
2036-2040	9,770,000	2,518,813	12,288,813
2041-2043	<u>6,905,000</u>	<u>559,600</u>	<u>7,464,600</u>
	<u>\$ 31,055,000</u>	<u>11,939,475</u>	<u>42,994,475</u>

B. Lease Purchase Agreements Payable

The District is leasing energy conservation measures equipment under a purchase agreement. The purchase agreement is for a term of fifteen years. The following is a schedule of the future minimum lease payments under the purchase agreement, and the present value of the net minimum lease payments at June 30, 2025:

2014 Energy Savings Improvement Program lease @ 2.84% interest for 20 years maturing on 6/17/2035 with a balance of \$1,527,592 at June 30, 2025.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 154,323	42,580	196,903
2027	159,208	39,351	198,559
2028	164,245	35,889	200,133
2029	169,435	32,182	201,617
2030	930,717	28,220	203,001
2031-2035	<u>198,389</u>	<u>70,504</u>	<u>1,024,830</u>
	<u>\$ 1,776,317</u>	<u>248,726</u>	<u>2,025,043</u>

NOTE 4: Pension Plans

Description of Plans – All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teacher's Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) – The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, 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.

Public Employees' Retirement System (PERS) – The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

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 contribution. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

NOTE 4: Pension Plans (Continued)

Significant Legislation - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Funding Policy – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.78% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

During the year ended June 30, 2025, the State of New Jersey contributed \$7,823,368 to the TPAF for post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,302,423 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. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

Three-Year Trend Information for PERS

<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/25	\$ 663,754	100%	0
6/30/24	646,783	100%	0
6/30/23	667,817	100%	0

NOTE 4: Pension Plans (Continued)**Three-Year Trend Information for TPAF (Paid On-Behalf of the District)**

Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
Funding			
6/30/25	\$ 7,823,368	100%	0
6/30/24	8,022,205	100%	0
6/30/23	7,477,390	100%	0

Public Employees' Retirement System (PERS)**Plan Description**

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

The vesting and benefit provisions are set by N.J.S.A. 43:15A, PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were 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

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.

NOTE 4: Pension Plans (Continued)**Basis of Presentation**

The schedule of employer allocations and the schedule of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology and Reconciliation to Financial Statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2023 through June 30, 2024. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedule of pension amount by employer. The allocation percentages for each group of June 30, 2024 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024.

NOTE 4: Pension Plans (Continued)

A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The Chapter 366, P.L. 2001 legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a County that resulted from the enrollment of prosecutors in the Prosecutors Part. The June 30, 2024 State special funding situation net pension liability amount of \$114.4 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2024, there is no net pension liability associated with this special funding situation there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$53.7 million, for the fiscal year ending June 30, 2024, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2024. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. 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 less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

NOTE 4: Pension Plans (Continued)

For the year ended June 30, 2025, the District recognized pension expense of \$663,754. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 126,908	16,866
Changes of Assumptions	7,870	72,082
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		293,752
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	17,229	446,070
District Contributions Subsequent to the Measurement Date	<u>663,754</u>	<u> </u>
Total	<u>\$ 815,761</u>	<u>828,770</u>

\$815,761 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending**June 30,**

2025	\$ (266,738)
2026	206,394
2027	(118,743)
2028	(68,549)
2029	<u>1,784</u>
	<u>\$ (245,852)</u>

Additional Information

Collective balances at June 30, 2024 and 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective Deferred Outflows of Resources	\$ 815,761	886,404
Collective Deferred Inflows of Resources	828,770	829,324
Collective Net Pension Liability	6,335,337	7,009,395
District's Proportion	.04624%	.04799%

NOTE 4: Pension Plans (Continued)**Components of Net Pension Liability**

The components of the collective net pension liability of the participating employers as of June 30, 2024 were as follows:

	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 30,497,816,419	43,115,494,090	73,613,310,509
Plan Fiduciary Net Position	<u>8,327,580,797</u>	<u>29,413,070,105</u>	<u>37,740,650,902</u>
Net Pension Liability	<u>\$ 22,170,235,622</u>	<u>13,702,423,985</u>	<u>35,872,659,607</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	27.31%	65.23%	48.45%

The collective 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:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75% - 6.55%
	Based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Medial 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 4: Pension Plans (Continued)

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 Investments 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:

Term	Long-	
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market 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%

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.

NOTE 4: Pension Plans (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 was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2024</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	<u>\$ 8,418,105</u>	<u>6,335,337</u>	<u>4,562,913</u>

Teachers Pensions and Annuity Fund (TPAF)**Plan Description**

The State of New Jersey, Teacher's Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contribution, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to the Division's annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. 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, member's beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
1	Members who were 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

NOTE 4: Pension Plans (Continued)

Service retirement benefits of $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ 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. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. 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.

Basis of Presentation

The Schedule of employers and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocation and applied to, presented in the schedule of pension amount by employer and nonemployer are based on the ratio of the State's actual contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2024. Employer and nonemployer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. State legislation had modified the amount that is contributed by the State. 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, State's pension contribution was less than the actuarial determined amount.

NOTE 4: Pension Plans (Continued)

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 or deferred outflows or inflows 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.

Components of Net Pension Liability

The components of the net pension liability of the State as of June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Total Pension Liability	\$ 79,808,368,112	78,240,143,092
Plan Fiduciary Net Position	<u>30,316,295,787</u>	<u>27,130,181,268</u>
Net Pension Liability	<u>\$ 49,492,072,325</u>	<u>51,109,961,824</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 37.99%	 34.68%

State Proportionate Share of Net Pension Liability Attributable to District

	<u>2024</u>	<u>2023</u>
District's Liability	<u>\$ 72,292,076</u>	<u>72,890,872</u>
District's Proportion	.14607%	.14262%

NOTE 4: Pension Plans (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense (benefit) as follows:

Year Ending June 30:	
2025	\$ (5,376,805)
2026	(2,686,631)
2027	(2,888,720)
2028	(2,786,714)
2029	4,371
Thereafter	<u>(49,922)</u>
Total	<u>\$ (13,784,421)</u>

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:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75% - 5.65%
	Based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% 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 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% 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, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

NOTE 4: Pension Plans (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 Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market 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%

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 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.

NOTE 4: Pension Plans (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State as of June 30, 2024 calculated using the discount rate as disclosed above as well as what the State's net pension 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:

	<u>2024</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>85,929,366</u>	<u>72,292,076</u>	<u>60,806,899</u>
	<u>\$ 85,929,366</u>	<u>72,292,076</u>	<u>60,806,899</u>

NOTE 5: Post-Retirement Benefits**General Information about the OPEB Plan****Plan description and benefits provided**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit 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 Pension*. 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.

NOTE 5: Post-Retirement Benefits (Continued)

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.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Additional information on Pensions and OPEB can be accessed at state.nj.us/treasury/pensions/financial-reports.shtml.

Total OPEB Liability

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 20, 2023, with 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:

Total OPEB Liability \$59,650,630,530

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases	2.75% – 4.25%	2.75% - 6.55%	3.25% - 16.25%
	based on years of service	based on years of service	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.

NOTE 5: Post-Retirement Benefits (Continued)

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.

(a) 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 decreased 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 9.50% 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%.

(b) Discount Rate

The discount rate for June 30, 2024 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 reported by the State of New Jersey:

	Total OPEB Liability
Balances at June 30, 2023	\$ 52,361,668,239
Changes for the Year:	
Service Cost	2,152,062,729
Interest	1,963,557,443
Change of Benefit Terms	
Difference Between Expected and Actual Experience	158,934,425
Changes in Assumptions or Other Inputs	4,462,660,491
Member Contributions	51,347,810
Benefit Payments	<u>(1,499,600,607)</u>
Balance at June 30, 2024	<u>\$ 59,650,630,530</u>

There were no changes in benefit terms between the June 30, 2023 measurement date and the June 30, 2024 measurement date.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% percent in 2023 to 3.93% percent in 2024.

NOTE 5: Post-Retirement Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State’s total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (<u>2.93%</u>)	Discount Rate (<u>3.93%</u>)	1% Increase (<u>4.93%</u>)
State of New Jersey’s Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 69,863,663,542</u>	<u>59,650,630,530</u>	<u>51,437,232,141</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey’s Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 49,689,409,509</u>	<u>59,650,630,530</u>	<u>72,625,778,279</u>

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2024, the Board of Education recognized OPEB expense of \$2,832,543 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

NOTE 5: Post-Retirement Benefits (Continued)

In accordance with GASBS No. 75, the Board of Education's proportionate share of school retirees OPEB is zero; there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows or resources. At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 6,378,932,312	11,139,706,892
Assumption Changes	<u>10,004,978,073</u>	<u>11,662,607,882</u>
Total	<u>\$ 16,383,910,385</u>	<u>22,802,314,774</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2025	\$ (2,115,877,507)
2026	(1,774,175,666)
2027	(842,677,045)
2028	221,470,185
2029	(1,537,725,697)
Thereafter	<u>(369,818,659)</u>
	<u>\$ (6,418,804,389)</u>

NOTE 6: 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 right to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

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 as of June 30, 2025, was \$1,653,732.

NOTE 7: Capital Reserve Account

A capital reserve account was established by the Township of Springfield Board of Education by inclusion of \$1 for the accumulation of funds for use as 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-5.1(d) 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 for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance, July 1, 2024	\$ 11,266,122
Increased by:	
Resolution Increase	4,500,000
Transfer from Capital Reserve	1,680,000
Decreased by:	
Budgeted Withdrawal	(2,880,000)
Board Resolution Withdrawal	<u>(980,467)</u>
Ending Balance, June 30, 2025	<u>\$ 13,585,655</u>

*\$500,000 is budgeted for withdrawal in 2025-2026.

NOTE 8: Fund Balance Appropriated

General Fund – Of the \$23,097,978 General Fund fund balance at June 30, 2025, \$1,933,465 is reserved for encumbrances; \$13,085,655 has been placed in the capital reserve; \$250,000 is in emergency reserve; \$2,500,000 is in maintenance reserve; \$576,666 is excess surplus; \$500,000 is designated for subsequent years expenditures – capital reserve; \$84,373 is unemployment; \$1,000,000 is designated for subsequent years; \$650,000 is excess surplus – designated for subsequent year's expenditures; \$900,000 is maintenance reserve for subsequent year's expenditures; and \$1,617,819 is unreserved and undesignated.

NOTE 9: Calculation of Excess Surplus

In accordance with *N.J.S.A. 18A:7F-7*, the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund 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.

NOTE 10: Equity Balance**2% Calculation of Excess Surplus**

2024-25 Total General Fund Expenditures Per the ACFR	\$ 56,651,416
Decreased by:	
On Behalf TPAF Pension and Social Security	<u>(9,125,791)</u>
Adjusted 2024-25 General Fund Expenditures	<u>\$ 47,525,625</u>
2% of Adjusted 2024-25 General Fund Expenditures	<u>\$ 950,513</u>
Enter Greater of Above or \$250,000	\$ 950,513
Increased by Allowable Adjustments	<u>667,306</u>
Maximum Unassigned Fund Balance	<u>\$ 1,617,819</u>

Section 2

Total General Fund – Fund Balance @ 6-30-25	\$ 23,097,978
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Decreased by:

Reserved for Encumbrances	(1,933,465)
Designated for Subsequent Years Expenditures – Capital Reserve	(500,000)
Designated for Subsequent Years Expenditures – Maintenance Reserve	(900,000)
Reserve for Unemployment	(84,373)
Designated for Subsequent Years Expenditures – Excess Surplus	(650,000)
Designated for Subsequent Years Expenditures BOE	(1,000,000)
Other Reserves	<u>(15,835,655)</u>

Total Unassigned Fund Balance	<u>\$ 2,194,485</u>
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Reserved Fund Balance – Excess Surplus	<u>\$ 576,666</u>
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Section 3

Reserved Fund Balance – Excess Surplus - Designated for Subsequent Expenditures	\$ 650,000
Excess Surplus	<u>576,666</u>

	<u>\$ 1,226,666</u>
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Detail of Allowable Adjustments

Non-Public Transportation Aid	\$ 139,166
Extraordinary Aid	<u>528,140</u>

	<u>\$ 667,306</u>
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NOTE 10: Equity Balance (Continued)**Detail of Other Reserved Fund Balance**

Capital Reserve	\$ 13,085,655
Maintenance Reserve	2,500,000
Emergency Reserve	<u>250,000</u>
	<u>\$ 15,835,655</u>

Reserved excess surplus represents a calculation under N.J.S.A. 18A:7F-7 which identifies an amount of surplus under the statute which must be restricted for use in the next succeeding budget. Designated for subsequent year's represents the amount appropriated in the 2024-2025 budget.

Unrestricted is surplus not previously committed or reserved for any other purpose.

NOTE 11: Contingent Liabilities

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect of the financial position of the District.

NOTE 12: Tuition Adjustments

Regulations specify that tuition adjustments for any given school year shall be remitted/received in the two following years after the tuition rate is certified. These adjustments have not been reflected on the June 30, 2025 financial statements.

NOTE 13: Economic Dependency

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the District's programs and activities.

NOTE 14: 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, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

NOTE 14: Risk Management (Continued)

New Jersey Unemployment Compensation Insurance – The District elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>	<u>Reimbursed</u>	<u>Balance</u>
2024-2025	\$ 0	238,675	206,709	84,373
2023-2024	0	183,308	160,890	52,407
2022-2023	0	161,137	167,496	29,989

NOTE 15: General Fund Emergency Reserve Account

The reserve account is to be used to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonable unforeseeable. The emergency reserve balance may not exceed \$250,000 or 1% of the District’s general fund budget up to a maximum of \$100,000 whichever is greater. Withdrawals require the approval of the commissioner unless the withdrawal is necessary to meet an increase in total health costs greater than four percent. Springfield maintained an emergency reserve on June 30, 2025 of \$250,000.

NOTE 16: Subsequent Events

Subsequent events have been evaluated through December 19, 2025, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1
Sheet 1 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 43,737,131		43,737,131	43,737,131	-
Tuition From Summer School	15,000		15,000	9,815	(5,185)
Rentals	85,000		85,000	28,356	(56,644)
Miscellaneous	262,142		262,142	498,178	236,036
Other Restricted Miscellaneous Revenues			-	238,675	238,675
Total Local Sources	<u>44,099,273</u>	<u>-</u>	<u>44,099,273</u>	<u>44,512,155</u>	<u>412,882</u>
State Sources:					
School Choice Aid	512,663		512,663	512,663	-
Special Education Aid	2,516,058		2,516,058	2,516,058	-
Extraordinary Aid	200,000		200,000	728,140	528,140
Security Aid	264,754		264,754	264,754	-
Transportation Aid	666,484		666,484	666,484	-
Non-Public Transportation Aid			-	139,166	139,166
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,768,475	1,768,475
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	6,052,259	6,052,259
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	2,634	2,634
TPAF Social Security Contribution (Reimbursed)			-	1,302,423	1,302,423
Total State Sources	<u>4,159,959</u>	<u>-</u>	<u>4,159,959</u>	<u>13,953,056</u>	<u>9,793,097</u>
Federal Sources:					
Medical Assistance Program (Semi)	45,782		45,782	3,438	(42,344)
Total Revenues	<u>48,305,014</u>	<u>-</u>	<u>48,305,014</u>	<u>58,468,649</u>	<u>10,163,635</u>

SPRINGFIELD SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Distributed Expenditures:					
Regular Programs - Instruction:					
Local Contribution - Transfer to Special Revenue - Inclusion	63,512		63,512	63,512	-
Kindergarten - Salaries of Teachers	628,354	29,081	657,435	589,233	68,202
Grades 1-5 - Salaries of Teachers	3,939,551	142,806	4,082,357	3,794,580	287,777
Grades 6-8 - Salaries of Teachers	2,854,118	20,323	2,874,441	2,785,416	89,025
Grades 9-12 - Salaries of Teachers	4,203,110	(206,582)	3,996,528	3,728,151	268,377
Subtotal	<u>11,688,645</u>	<u>(14,372)</u>	<u>11,674,273</u>	<u>10,960,892</u>	<u>713,381</u>
Regular Programs - Home Instruction:					
Salaries for Instruction	20,000	(10,000)	10,000	5,166	4,834
Purchased Professional Educational Services	53,000	44,820	97,820	83,355	14,465
Subtotal	<u>11,761,645</u>	<u>20,448</u>	<u>11,782,093</u>	<u>11,049,413</u>	<u>732,680</u>
Regular Programs - Undistributed Instruction:					
Purchased Professional Educational Services	3,000	20,518	23,518	15,120	8,398
Other Purchased Services	101,908	47,408	149,316	144,028	5,288
General Supplies	486,296	661,155	1,147,451	1,032,943	114,508
Textbooks	128,914	(19,931)	108,983	84,780	24,203
Miscellaneous Expenses	2,205	515	2,720	1,920	800
Subtotal	<u>722,323</u>	<u>709,665</u>	<u>1,431,988</u>	<u>1,278,791</u>	<u>153,197</u>
Total Regular Programs - Instruction	<u>12,483,968</u>	<u>730,113</u>	<u>13,214,081</u>	<u>12,328,204</u>	<u>885,877</u>

SPRINGFIELD SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Special Education Instruction:					
Learning & Language Disabilities:					
Salaries of Teachers	335,419	24,037	359,456	352,507	6,949
Other Salaries for Instruction	468,620	30,621	499,241	116,021	383,220
General Supplies	6,500	2,026	8,526	5,832	2,694
Total Learning and Language Disabilities	<u>810,539</u>	<u>56,684</u>	<u>867,223</u>	<u>474,360</u>	<u>392,863</u>
Resource Room/Center:					
Salaries of Teachers	2,081,555	94,871	2,176,426	2,033,762	142,664
Other Salaries for Instruction	156,068	6,146	162,214	51,945	110,269
General Supplies	13,175	400	13,575	7,762	5,813
Total Resource Room/Center	<u>2,250,798</u>	<u>101,417</u>	<u>2,352,215</u>	<u>2,093,469</u>	<u>258,746</u>
Autism:					
Salaries of Teachers	280,114	70,346	350,460	295,260	55,200
Other Salaries for Instruction	341,120	12,132	353,252	206,537	146,715
Other Purchased Professional Services	60,000	70,312	130,312	122,553	7,759
General Supplies	10,000	7,100	17,100	14,985	2,115
Total Autism	<u>691,234</u>	<u>159,890</u>	<u>851,124</u>	<u>639,335</u>	<u>211,789</u>
Pre-School Disabilities - Part-Time:					
Purchased Technical Services	6,300	395	6,695	6,695	-
Pre-School Disabilities - Full-Time:					
Salaries of Teachers	174,595	18,842	193,437	167,874	25,563
Other Salaries for Instruction	232,344	(4,673)	227,671	142,070	85,601
Purchased Professional Educational Services	24,959		24,959		24,959
Supplies	2,000	3,936	5,936	5,051	885
Total Pre-School Disabilities - Full-Time	<u>433,898</u>	<u>18,105</u>	<u>452,003</u>	<u>314,995</u>	<u>137,008</u>
Intellectual Disability Severe:					
General Supplies		5,932	5,932	5,932	-

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1

Sheet 4 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Special Education - Instruction	4,192,769	342,423	4,535,192	3,534,786	1,000,406
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	282,534	71,707	354,241	354,241	-
General Supplies	1,000	143	1,143	1,143	-
Total Basic Skills/Remedial - Instruction	283,534	71,850	355,384	355,384	-
Bilingual Education - Instruction:					
Salaries of Teachers	175,404	8,503	183,907	167,966	15,941
General Supplies	3,450		3,450	2,823	627
Total Bilingual Education - Instruction	178,854	8,503	187,357	170,789	16,568
School Sponsored Co-Curricular Activities - Instruction					
Salaries	227,200		227,200	191,884	35,316
School Sponsored Athletics - Instruction					
Salaries	615,998	(19,025)	596,973	522,000	74,973
Purchased Services	105,000	(4,078)	100,922	80,523	20,399
Supplies and Materials	84,500	75,049	159,549	143,265	16,284
Other Objects	65,000	(21,409)	43,591	25,944	17,647
Total School Sponsored Athletics - Instruction	870,498	30,537	901,035	771,732	129,303
Before/After School Programs:					
Salaries of Teachers	24,000		24,000	1,196	22,804
Summer School:					
Salaries	30,000		30,000	13,575	16,425
Supplies	8,000		8,000	2,451	5,549
Total Summer School	38,000	-	38,000	16,026	21,974
Community Service:					
Salaries	98,000	14,809	112,809	85,471	27,338

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1
Sheet 5 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Distributed Expenditures	<u>18,396,823</u>	<u>1,198,235</u>	<u>19,595,058</u>	<u>17,455,472</u>	<u>2,139,586</u>
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's - Within State - Special	833,782	(20,000)	813,782	487,314	326,468
Tuition to County Vocational School:					
Regular	612,000	43,824	655,824	655,824	-
Special	24,000		24,000	16,000	8,000
Tuition to Private School for Handicapped - Within State	3,585,872	(127,132)	3,458,740	3,164,225	294,515
Tuition to Private School for Handicapped and Other LEA's	107,989	26,547	134,536	134,535	1
Tuition - State Facilities	61,944		61,944	55,750	6,194
Total Instruction	<u>5,225,587</u>	<u>(76,761)</u>	<u>5,148,826</u>	<u>4,513,648</u>	<u>635,178</u>
Attendance & Social Work:					
Salaries	15,000	5,000	20,000	16,447	3,553
Other Purchased Services	1,500	1,170	2,670	1,667	1,003
Total Attendance & Social Work	<u>16,500</u>	<u>6,170</u>	<u>22,670</u>	<u>18,114</u>	<u>4,556</u>
Health Services:					
Salaries	411,943	(48,683)	363,260	309,659	53,601
Purchased Professional/Technical Services	182,500	108,310	290,810	275,851	14,959
Supplies and Materials	15,500	8,029	23,529	16,327	7,202
Total Health Services	<u>609,943</u>	<u>67,656</u>	<u>677,599</u>	<u>601,837</u>	<u>75,762</u>
Other Student Support Services - Related Services:					
Salaries	538,375	(10,555)	527,820	526,517	1,303
Purchased Professional/Technical Services	550,000	122,408	672,408	642,655	29,753
Supplies and Materials	4,000		4,000	1,247	2,753
Total Other Student Support Services - Related Services	<u>1,092,375</u>	<u>111,853</u>	<u>1,204,228</u>	<u>1,170,419</u>	<u>33,809</u>

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1

Sheet 6 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Support Services Students - Extra Services:					
Salaries	490,704	124,519	615,223	584,223	31,000
Other Support Student - Regular:					
Salaries of Other Professional Staff	914,664	40,090	954,754	900,024	54,730
Salaries of Secretarial & Clerical	95,138	3,869	99,007	82,679	16,328
Other Purchased Services	330		330		330
Supplies and Materials	8,128	(1,082)	7,046	2,152	4,894
Total Other Support Student - Regular	<u>1,018,260</u>	<u>42,877</u>	<u>1,061,137</u>	<u>984,855</u>	<u>76,282</u>
Other Support Student Services- Special:					
Salaries of Other Professional Staff	686,602	4,417	691,019	612,872	78,147
Salaries of Secretarial & Clerical	97,979	5,086	103,065	81,093	21,972
Purchased Professional Educational Services	66,498	11,330	77,828	65,995	11,833
Other Purchased Professional and Technical Services	23,000	13,855	36,855	24,303	12,552
Other Purchased Services	700	615	1,315	1,185	130
Supplies and Materials	15,000	1,386	16,386	15,557	829
Other Objects	14,000	900	14,900	14,873	27
Total Other Support Student Services- Special	<u>903,779</u>	<u>37,589</u>	<u>941,368</u>	<u>815,878</u>	<u>125,490</u>
Improvement Instructional Services:					
Salaries of Supervisors of Instruction	192,266	7,982	200,248	153,057	47,191
Salaries of Other Professional Staff	297,386	12,885	310,271	273,655	36,616
Salaries of Secretarial & Clerical	66,504	1,796	68,300	22,826	45,474
Other Purchased Services	28,543	520	29,063	19,715	9,348
Total Improvement Instructional Services	<u>584,699</u>	<u>23,183</u>	<u>607,882</u>	<u>469,253</u>	<u>138,629</u>

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1
Sheet 7 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Educational Media/Library:					
Salaries	195,283	(73,742)	121,541	107,403	14,138
Salaries of Technology Coordinators	81,876	(81,639)	237	237	-
Purchased Professional and Technical Services		113,163	113,163	103,806	9,357
Supplies & Materials	97,541	27,209	124,750	95,063	29,687
Total Educational Media/Library	<u>374,700</u>	<u>(15,009)</u>	<u>359,691</u>	<u>306,509</u>	<u>53,182</u>
Staff Training:					
Salaries of Supervisors of Instruction		2,873	2,873	2,873	-
Salaries of Secretarial & Clerical	123,114	(2,873)	120,241	120,193	48
Purchased Professional/Educational Serv.	53,700	1,825	55,525	22,413	33,112
Other Purchased Services	56,000	44	56,044	27,684	28,360
Supplies & Materials	6,000		6,000	914	5,086
Other Objects	1,500		1,500	450	1,050
Total Staff Training	<u>240,314</u>	<u>1,869</u>	<u>242,183</u>	<u>174,527</u>	<u>67,656</u>
Support Services - General Administration:					
Salaries	317,671	(5,527)	312,144	312,144	-
Legal Services	115,000	43,575	158,575	158,575	-
Audit Fee	22,000	1,750	23,750	21,250	2,500
Architectural/Engineering Services	20,000	88,420	108,420	5,000	103,420
Other Purchased Professional Services	60,000	(19,300)	40,700	35,500	5,200
Purchased Technical Services	23,416	(6,678)	16,738	16,738	-
Communications/Telephone	74,700	(11,712)	62,988	19,381	43,607
Other Purchased Services	82,519	(18,895)	63,624	59,109	4,515
Supplies & Materials	26,951	(3,015)	23,936	22,122	1,814
Miscellaneous Expenditures		1,630	1,630	1,630	-
BOE Membership Dues and Fees	20,000	(1,414)	18,586	18,580	6
Total Support Services - General Administration	<u>762,257</u>	<u>68,834</u>	<u>831,091</u>	<u>670,029</u>	<u>161,062</u>

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1
Sheet 8 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services - School Administration:					
Salaries of Principals/Vice Principals	1,034,849	35,293	1,070,142	971,452	98,690
Salaries of Secretarial & Clerical	348,242	24,181	372,423	360,271	12,152
Other Purchased Services	12,150	1,132	13,282	5,992	7,290
Supplies & Materials	43,000	22,775	65,775	52,172	13,603
Other Objects	6,314		6,314	3,410	2,904
Total Support Services - School Administration	<u>1,444,555</u>	<u>83,381</u>	<u>1,527,936</u>	<u>1,393,297</u>	<u>134,639</u>
Technology Information Service:					
Salaries	374,602	(27,307)	347,295	347,295	-
Unused Vacation Pay to Terminated/Retired Staff		2,254	2,254	2,254	-
Purchased Technical Services		74,550	74,550		74,550
Total Technology Information Service	<u>374,602</u>	<u>49,497</u>	<u>424,099</u>	<u>349,549</u>	<u>74,550</u>
Required Maintenance - Facilities:					
Salaries	438,430	(36,046)	402,384	386,064	16,320
Unused Vacation Pay to Terminated/Retired Staff		19,145	19,145	19,145	-
Cleaning, Repair & Maintenance Services	854,435	1,146,351	2,000,786	1,194,793	805,993
General Supplies	72,500	(19,494)	53,006	45,795	7,211
Total Allowable Maintenance Facilities	<u>1,365,365</u>	<u>1,109,956</u>	<u>2,475,321</u>	<u>1,645,797</u>	<u>829,524</u>

SPRINGFIELD SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Operations & Maintenance:					
Salaries	1,251,388	(112,489)	1,138,899	1,130,399	8,500
Salaries of Non-Instructional Aides	122,000	30,555	152,555	152,555	-
Purchased Professional/Technical Serv.	27,500	164,685	192,185	116,340	75,845
Cleaning, Repair & Maintenance Services	405,718	(96,369)	309,349	293,628	15,721
Lease - ESIP	150,375		150,375	150,375	-
Water and Sewage	55,000	5,239	60,239	60,239	-
Insurance	407,265	(11,523)	395,742	395,742	-
General Supplies	124,500	1,027	125,527	121,369	4,158
Natural Gas	380,000	(9,033)	370,967	290,395	80,572
Energy (Heat & Electricity)	380,000	(18,332)	361,668	340,065	21,603
Vehicle Fuel	25,000		25,000	12,563	12,437
Other Objects	9,400	(520)	8,880	5,370	3,510
Total Other Operations & Maintenance	<u>3,338,146</u>	<u>(46,760)</u>	<u>3,291,386</u>	<u>3,069,040</u>	<u>222,346</u>
Upkeep of Grounds:					
Salaries	128,965	(2,230)	126,735	126,616	119
Purchased Professional/Technical Serv.	9,000	(9,000)	-	-	-
Supplies	25,000	(7,353)	17,647	4,837	12,810
Total Upkeep of Grounds	<u>162,965</u>	<u>(18,583)</u>	<u>144,382</u>	<u>131,453</u>	<u>12,929</u>
Total Operations & Maintenance	<u>4,866,476</u>	<u>1,044,613</u>	<u>5,911,089</u>	<u>4,846,290</u>	<u>1,064,799</u>
Security:					
Purchased Professional and Technical Services	6,000	720	6,720	3,310	3,410

SPRINGFIELD SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Student Transportation:					
Salaries of Transportation Aides	103,367	12,054	115,421	115,421	-
Salaries for Pupil Transportation - Regular	200,970	9,986	210,956	174,171	36,785
Salaries for Pupil Transportation - Special	292,525	17,222	309,747	301,701	8,046
Salaries Other Than Between Home and School	120,000	8,146	128,146	19,670	108,476
Pupil Transportation Maintenance and Repair	100,000	5,266	105,266	105,266	-
Aid In Lieu	350,000	(935)	349,065	287,097	61,968
Contracted Services Other - Vendors	100,000	734	100,734	35,331	65,403
Special Education - Vendors	27,890	18,540	46,430	39,281	7,149
Contracted Services Special Ed. Joint Agreement	500,000	10,017	510,017	449,097	60,920
Contracted Services(Reg.Students) ESCs & CTSA's	900,000	21,635	921,635	187,397	734,238
Miscellaneous Purchased Services	23,000		23,000	21,035	1,965
Supplies	60,000	255	60,255	51,264	8,991
Other Objects	5,500		5,500	4,928	572
Total Student Transportation	<u>2,783,252</u>	<u>102,920</u>	<u>2,886,172</u>	<u>1,791,659</u>	<u>1,094,513</u>
Central Services:					
Salaries	409,901		409,901	405,675	4,226
Miscellaneous Purchased Services	3,500	(2,583)	917	917	-
Supplies & Materials	8,000	13,176	21,176	20,433	743
Miscellaneous Expenditures	3,895	107	4,002	4,002	-
Total Central Services	<u>425,296</u>	<u>10,700</u>	<u>435,996</u>	<u>431,027</u>	<u>4,969</u>

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1
Sheet 11 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures-Employee Benefits:					
Other Retirement Contrib. - Social Security	580,000		580,000	463,869	116,131
Other Retirement Contrib. - PERS	718,622	(11,500)	707,122	663,754	43,368
Other Retirement Contrib. - Regular	37,920	1,035	38,955	38,955	-
Workman's Compensation	238,688		238,688	163,480	75,208
Unemployment	88,000	15,500	103,500	310,209	(206,709)
Health Benefits	7,338,553	(738,899)	6,599,654	5,164,299	1,435,355
Tuition Reimbursements	60,000		60,000	14,869	45,131
Other Employee Benefits	449,343	1,176	450,519	301,849	148,670
Unused Sick Pay to Terminated/Retired Staff		77,864	77,864	77,864	-
Total Unallocated Benefits	<u>9,511,126</u>	<u>(654,824)</u>	<u>8,856,302</u>	<u>7,199,148</u>	<u>1,657,154</u>
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,768,475	(1,768,475)
On-Behalf T.P.A.F Pension Contr. - Normal Cost (Non-Budgeted)			-	6,052,259	(6,052,259)
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	2,634	(2,634)
TPAF Social Security Contribution (Reimbursed)			-	1,302,423	(1,302,423)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,125,791</u>	<u>(9,125,791)</u>
Total Undistributed Expenditures	<u>30,730,425</u>	<u>1,029,787</u>	<u>31,760,212</u>	<u>35,449,363</u>	<u>(3,689,151)</u>
Total General Current Expense	<u>49,127,248</u>	<u>2,228,022</u>	<u>51,355,270</u>	<u>52,904,835</u>	<u>(1,549,565)</u>

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-1
Sheet 12 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital Outlay					
Equipment-Grades 1-5		87,003	87,003	73,635	13,368
Equipment-Grades 6-8		38,945	38,945	38,945	-
Equipment-Grades 9-12		119,007	119,007	112,507	6,500
Equipment- School Sponsored - Other Instructional		8,531	8,531		8,531
Equipment-Undistributed Expenditures-Administrative Info		37,052	37,052	37,052	-
Equipment-Undistributed Expenditures-Required Maintenance	48,000	(40,297)	7,703	7,703	-
School Buses- Regular		167,865	167,865	167,865	-
School Buses- Special		69,534	69,534		69,534
Architectural/Engineering Services	130,000	(6,218)	123,782	73,026	50,756
Other Purchased Professional and Technical Services		74,265	74,265	21,000	53,265
Construction Services	375,000	174,239	549,239	394,064	155,175
Assessment for Debt Service on SDA Funding	57,595		57,595	57,595	-
Total Capital Outlay	<u>610,595</u>	<u>729,926</u>	<u>1,340,521</u>	<u>983,392</u>	<u>357,129</u>
Transfer of Funds to Charter School	<u>67,171</u>	<u>25,241</u>	<u>92,412</u>	<u>89,898</u>	<u>2,514</u>
Total Current Expense	<u>49,805,014</u>	<u>2,983,189</u>	<u>52,788,203</u>	<u>53,978,125</u>	<u>(1,189,922)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(1,500,000)	(2,983,189)	(4,483,189)	4,490,524	8,973,713
Other Financing Sources (Uses):					
Transfer from Capital Reserve to Capital Projects	(2,880,000)		(2,880,000)	(2,880,000)	-
Transfer from Capital Reserve to Capital Projects	-		-	(800,000)	(800,000)
Transfer from Capital Reserve to Capital Projects	-		-	(180,467)	(180,467)
Transfer from Capital Projects to Capital Reserve			-	1,680,000	1,680,000
Total Other Financing Sources (Uses)	<u>(2,880,000)</u>	<u>-</u>	<u>(2,880,000)</u>	<u>(2,180,467)</u>	<u>699,533</u>
Total Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)	(4,380,000)	(2,983,189)	(7,363,189)	2,310,057	9,673,246

SPRINGFIELD SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Fund Balance, July 1	<u>20,787,921</u>		<u>20,787,921</u>	<u>20,787,921</u>	
Fund Balance, June 30	<u>\$ 16,407,921</u>	<u>(2,983,189)</u>	<u>13,424,732</u>	<u>23,097,978</u>	<u>9,673,246</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 13,085,655	
Maintenance Reserve				2,500,000	
Emergency Reserve				250,000	
Designated for Subsequent Year's Expenditures - Capital Reserve				500,000	
Designated for Subsequent Year' Expenditures - Maintenance Reserve				900,000	
Designated for Subsequent Year' Expenditures - Excess Surplus				650,000	
Excess Surplus - Current Year				576,666	
Committed Fund Balance:					
Year End Encumbrances				1,933,465	
Unemployment Compensation				84,373	
Assigned Fund Balances:					
Designated for Subsequent Year's Expenditures				1,000,000	
Unassigned Fund Balance				<u>1,617,819</u>	
				23,097,978	
Reconciliation to Governmental Funds Statement (GAAP):					
Final State Aid Payments not Recognized on GAAP Basis				<u>(382,916)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 22,715,062</u>	

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-2

Sheet 1 of 2

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	\$ 416,928		416,928	416,928	-
State Sources	1,847,602		1,847,602	1,847,602	-
Federal Sources:					
Title I, Part A	101,212		101,212	101,212	-
Title IIA, Part A	50,502		50,502	50,502	-
Title III, Part A	28,422		28,422	28,422	-
Title IV, Part A	14,123		14,123	14,123	-
IDEA Part B, Basic	507,881		507,881	507,881	-
IDEA Part B, Preschool	19,875		19,875	19,875	-
High Impact Tutoring	40,642		40,642	40,642	-
Perkins Computer Science	23,193		23,193	23,193	-
ARP Mental Health	861		861	861	-
ARP ESSER Beyond School	3,282		3,282	3,282	-
Total Federal Sources	789,993	-	789,993	789,993	-
Total Revenues	3,054,523	-	3,054,523	3,054,523	-

SPRINGFIELD SCHOOL DISTRICT

Exhibit C-2

Sheet 2 of 2

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Instruction:					
Salaries of Teachers	799,924		799,924	799,924	-
Other Salaries	177,236		177,236	177,236	-
Tuition	513,804		513,804	513,804	-
General Supplies	171,621		171,621	171,621	-
Total Instruction	<u>1,662,585</u>	<u>-</u>	<u>1,662,585</u>	<u>1,662,585</u>	<u>-</u>
Support Services:					
Salaries	475,093		475,093	475,093	-
Employee Benefits	454,522		454,522	454,522	-
Purchased Professional Services	51,242		51,242	51,242	-
Other Purchased Services	45,629		45,629	45,629	-
General Supplies	7,683		7,683	7,683	-
Other Objects	3,481		3,481	3,481	-
Student Activities	339,934		339,934	339,934	-
Total Support Services	<u>1,377,584</u>	<u>-</u>	<u>1,377,584</u>	<u>1,377,584</u>	<u>-</u>
Facilities Acquisition and Construction Services:					
Non Instructional Equipment	28,435		28,435	28,435	-
Total Expenditures	<u>3,068,604</u>	<u>-</u>	<u>3,068,604</u>	<u>3,068,604</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(14,081)</u>	<u>-</u>	<u>(14,081)</u>	<u>(14,081)</u>	<u>-</u>
Fund Balance, July 1	<u>273,031</u>		<u>273,031</u>	<u>273,031</u>	
Fund Balance, June 30	<u>\$ 258,950</u>	<u>-</u>	<u>258,950</u>	<u>258,950</u>	<u>-</u>
Recapitulation:					
Restricted:					
Student Activities				<u>258,950</u>	
Total Fund Balance				<u>\$ 258,950</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SPRINGFIELD SCHOOL DISTRICTREQUIRED SUPPLEMENTARY INFORMATION

Exhibit C-3

BUDGETARY COMPARISON SCHEDULENOTE TO RSIFOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 58,468,649	3,055,243
Difference - budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized		51,394
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	355,441	126,970
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(382,916)</u>	<u>(178,051)</u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 58,441,174</u>	<u>3,055,556</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 53,978,125	3,069,324
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.		51,394
Total Expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 53,978,125</u>	<u>3,120,718</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR PENSIONS (GASB 68) – L**

SPRINGFIELD SCHOOL DISTRICT

Exhibit L-1

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - PERS

LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Pension Liability	0.04624%	0.04799%	0.04930%	0.04925%	0.05129%	0.04920%	0.05120%	0.05240%	0.05210%	0.05150%
District's Proportionate Share of the Net Pension Liability	<u>\$ 6,335,337</u>	<u>7,009,395</u>	<u>7,503,073</u>	<u>5,896,918</u>	<u>8,429,399</u>	<u>8,869,130</u>	<u>10,088,654</u>	<u>12,210,119</u>	<u>15,417,392</u>	<u>11,562,575</u>
District's Covered-Employee Payroll	\$ 3,688,106	3,730,780	3,690,064	3,527,821	3,529,633	3,610,625	3,535,541	3,500,512	3,520,559	3,574,451
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	58.21%	53.23%	49.18%	59.82%	41.87%	40.71%	35.04%	28.67%	22.83%	30.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.45%	48.45%	46.41%	42.90%	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%

SPRINGFIELD SCHOOL DISTRICT

Exhibit L-2

SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS

LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 646,783	667,817	652,236	605,824	565,470	478,789	509,660	485,917	462,455	442,833
Contributions in Relation to the Contractually Required Contribution	646,783	667,817	652,236	605,824	565,470	478,789	509,660	485,917	462,455	442,833
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-
District's Covered-Employee Payroll	\$ 3,688,106	3,730,780	3,609,064	3,527,821	3,529,633	3,610,625	3,535,541	3,500,512	3,520,559	3,574,451
Contributions as a Percentage of Covered-Employee Payroll	17.54%	17.90%	18.07%	17.17%	16.02%	13.26%	14.42%	13.88%	13.14%	12.39%

SPRINGFIELD SCHOOL DISTRICT

Exhibit L-3

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - TPAF

LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability	\$ -	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>72,292,076</u>	<u>72,890,872</u>	<u>73,052,085</u>	<u>69,958,280</u>	<u>99,074,872</u>	<u>89,817,351</u>	<u>92,684,178</u>	<u>99,987,252</u>	<u>115,689,436</u>	<u>92,705,011</u>
Total	<u>\$ 72,292,076</u>	<u>72,890,872</u>	<u>73,052,085</u>	<u>69,958,280</u>	<u>99,074,872</u>	<u>89,817,351</u>	<u>92,684,178</u>	<u>99,987,252</u>	<u>115,689,436</u>	<u>92,705,011</u>
District's Covered-Employee Payroll	\$ 16,906,708	16,989,574	17,184,854	16,302,142	16,331,200	16,000,642	15,857,647	15,814,051	15,318,384	15,262,559
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	23.39%	23.31%	23.52%	23.30%	16.48%	17.81%	17.11%	15.82%	13.24%	16.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	32.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

SPRINGFIELD SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS
TEACHER'S PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS

L-4

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

SPRINGFIELD SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III**

L-5

FOR THE FISCAL YEAR ENDED JUNE 30, 2025**Public Employee's Retirement System (PERS)**

Changes in Benefit Terms – None

Changes in Assumptions – The discount rate remained at 7.00% as of June 30, 2023, and as of June 30, 2024, in accordance with Paragraph 44 of GASB Statement No. 67.

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms – None

Changes in Assumption – The discount rate remained at 7.00% as of June 30, 2023, and as of June 30, 2024, in accordance with Paragraph 44 of GASB Statement No. 67.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR OPEB (GASB 75) - M**

SPRINGFIELD SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Exhibit M-1

LAST SEVEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's Proportionate Share of OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate of the Net OPEB Liability	\$ -	-	-	-	-	-	-
<u>State's OPEB Liability Attributable to the District</u>							
Service Cost	\$ 2,925,034	2,913,132	3,910,764	4,406,674	2,536,378	2,362,540	2,631,984
Interest	2,538,286	2,377,017	1,728,035	2,034,868	1,953,674	2,362,307	2,520,312
Change of Benefit Terms				(83,492)	-	-	
Benefit Payments	(1,938,530)	(1,852,924)	(1,711,669)	(1,602,906)	(1,520,024)	(1,658,054)	(1,590,361)
Member Contributions	66,377	60,915	54,911	52,022	46,072	49,149	54,965
Difference between Expected and Actual Experience	257,298	(1,347,429)	274,243	(13,754,244)	14,333,225	(9,383,569)	(5,844,701)
Change of Assumptions	5,768,870	136,038	(17,492,133)	77,389	15,948,844	805,346	(6,825,145)
Net Change in Total OPEB Liability	<u>9,617,335</u>	<u>2,286,749</u>	<u>(13,235,849)</u>	<u>(8,869,689)</u>	<u>33,298,169</u>	<u>(5,462,281)</u>	<u>(9,052,946)</u>
Total Attributable OPEB Liability - Beginning	<u>67,492,891</u>	<u>65,206,142</u>	<u>78,441,991</u>	<u>87,311,680</u>	<u>54,013,511</u>	<u>59,475,792</u>	<u>68,528,738</u>
Total Attributable OPEB Liability - Ending	<u>\$ 77,110,226</u>	<u>67,492,891</u>	<u>65,206,142</u>	<u>78,441,991</u>	<u>87,311,680</u>	<u>54,013,511</u>	<u>59,475,792</u>
District's Covered Payroll	\$ 20,594,814	20,784,790	20,790,918	19,860,833	19,860,833	19,393,187	19,314,563
District's Contribution	None	None	None	None	None	None	None
District's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of OPEB Liability as a Percentage of the District's Covered-Employee Payroll	374.42%	324.72%	313.63%	394.96%	439.62%	278.52%	307.93%

* - Information not available

Source: GASB 75 report on State of New Jersey Health Benefits Program; District Records.

Note: This schedule is required by GASB 75 to show information for a 10 year period. However, information is only currently available for six years. Additional years will be presented as they become available.

SPRINGFIELD SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION****FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Exhibit M-2

Change of Benefit Terms

Refer to Note 5 - Notes to Financial Statements.

Difference Between Expected and Actual Experience

The change in the liability from June 30, 2023 to June 30, 2024 is due to changes in the census, claims and premiums experience.

Changes of Assumptions

The Discount Rate changed from 3.65% as of June 30, 2023 to 3.93% as of June 30, 2024.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

SPRINGFIELD SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Title I</u>	<u>Title IIA</u>	<u>Title III</u>	<u>Title IV</u>	<u>I.D.E.A. Basic Flow-Thru</u>	<u>I.D.E.A. Pre-School</u>	<u>High Impact Tutoring</u>	<u>Non-Public Technology</u>	<u>Non-Public Nursing</u>	<u>Non-Public Textbooks</u>	<u>Non-Public Security</u>
Revenues:											
Federal Sources	\$ 101,212	50,502	29,142	14,123	507,881	19,875	40,642				
State Sources								686	1,820	716	2,532
Local Sources											
Total Revenues	101,212	50,502	29,142	14,123	507,881	19,875	40,642	686	1,820	716	2,532
Expenditures:											
Instruction:											
Salaries of Teachers	53,426	1,785	9,474	3,600	11,495	1,500	25,459				
Other Salaries											
Tuition					495,544	18,260					
General Supplies	39,140		17,567				3,450			716	
Total Instruction	92,566	1,785	27,041	3,600	507,039	19,760	28,909	-	-	716	-
Support Services:											
Salaries		6952		1087			7,661				
Employee Benefits	4,088	669	773	358	842	115	4,072				
Purchased Professional Educational Services	978			6,338				686	1,820		2,532
Other Purchased Services	3,580	37,615	1,328								
General Supplies				2,740							
Other Objects		3,481									
Student Activities											
Total Support Services	8,646	48,717	2,101	10,523	842	115	11,733	686	1,820	-	2,532
Facilities Acquisition and Construction Services:											
Non-Instructional Services											
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	101,212	50,502	29,142	14,123	507,881	19,875	40,642	686	1,820	716	2,532
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1											
Fund Balance, June 30	\$ -	-	-	-	-	-	-	-	-	-	-

SPRINGFIELD SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Perkins Computer Science</u>	<u>A.R.P E.S.S.E.R Beyond School</u>	<u>A.R.P E.S.S.E.R Mental Health</u>	<u>Preschool Education</u>	<u>SDA Emergent Needs</u>	<u>State Bar Assoc.</u>	<u>NJSIG Safety Grant</u>	<u>Student Activities</u>	<u>Total 2025</u>
Revenues:									
Federal Sources	23,193	3,282	861						790,713
State Sources				1,841,848					1,847,602
Local Sources				86,923		1,046	3,106	325,853	416,928
Total Revenues	<u>23,193</u>	<u>3,282</u>	<u>861</u>	<u>1,928,771</u>	<u>-</u>	<u>1,046</u>	<u>3,106</u>	<u>325,853</u>	<u>3,055,243</u>
Expenditures:									
Instruction:									
Salaries of Teachers	699	3,282	861	688,343					799,924
Other Salaries				177,236					177,236
Tuition									513,804
General Supplies	22,440			87,982		1,046			172,341
Total Instruction	<u>23,139</u>	<u>3,282</u>	<u>861</u>	<u>953,561</u>	<u>-</u>	<u>1,046</u>	<u>-</u>	<u>-</u>	<u>1,663,305</u>
Support Services:									
Salaries				459,393					475,093
Employee Benefits	54			443,551					454,522
Purchased Professional Educational Services				38,888					51,242
Other Purchased Services							3,106		45,629
General Supplies				4,943					7,683
Other Objects									3,481
Student Activities								339,934	339,934
Total Support Services	<u>54</u>	<u>-</u>	<u>-</u>	<u>946,775</u>	<u>-</u>	<u>-</u>	<u>3,106</u>	<u>339,934</u>	<u>1,377,584</u>
Facilities Acquisition and Construction Services:									
Instructional Services				28,435					28,435
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,435</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,435</u>
Total Expenditures	<u>23,193</u>	<u>3,282</u>	<u>861</u>	<u>1,928,771</u>	<u>-</u>	<u>1,046</u>	<u>3,106</u>	<u>339,934</u>	<u>3,069,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,081)</u>	<u>(14,081)</u>
Fund Balance, July 1								273,031	273,031
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>258,950</u>	<u>258,950</u>

SPRINGFIELD SCHOOL DISTRICT

Exhibit E-2

SPECIAL REVENUE FUNDSCHEDULE OF PRESCHOOL EDUCATION AIDBUDGETARY BASISFOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 688,343	688,343	-
Other Salaries of Instruction	177,236	177,236	-
General Supplies	88,312	87,982	330
Total Instruction	<u>953,891</u>	<u>953,561</u>	<u>330</u>
Support Services:			
Salaries of Program Supervisor	98,266	98,266	-
Salaries of Program Directors	84,385	84,385	-
Salaries of Other Professional Staff	31,921	31,921	-
Salaries of Secretarial and Clerical Staff	56,746	56,746	-
Other Salaries	29,398	29,398	-
Salaries of Community Involvement Specialists	44,677	44,677	-
Salaries of Master Teachers	114,000	114,000	-
Employee Benefits	512,260	443,550	68,710
Maintenance	38,888	38,888	-
Travel	1,000		1,000
Non-Instructional Supplies	5,000	4,943	57
Total Support Services	<u>1,016,541</u>	<u>946,774</u>	<u>69,767</u>
Facilities Acquisition and Construction Services:			
Instructional Equipment	28,435	28,435	-
Total Facilities Acquisition and Construction Services	<u>28,435</u>	<u>28,435</u>	<u>-</u>
Total Expenditures	<u>\$ 1,998,867</u>	<u>1,928,770</u>	<u>70,097</u>

Calculation of Budget & Carryover

Total Revised 2024-25 Preschool Education Aid Allocation	\$ 1,841,848
Add: Actual PEA Carryover (June 30, 2024)	260,005
Add: Transfer from General Fund Budget	<u>63,512</u>
Total Preschool Education Aid Funds Available for 2024-25 Budget	2,165,365
Less: 2024-25 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	<u>(1,998,867)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2025	\$ 166,498
Add: June 30, 2025 Unexpended Preschool Education Aid	<u>70,097</u>
2024-25 Carryover - Preschool Education Aid Program	<u>\$ 236,595</u>
2024-25 Preschool Education Aid Carryover Budgeted for Preschool Programs 2025-26	<u>\$ 166,498</u>

CAPITAL PROJECTS FUND – F

SPRINGFIELD SCHOOL DISTRICTCAPITAL PROJECTS FUND

Exhibit F-1

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES INFUND BALANCE - BUDGETARY BASISFOR THE YEAR ENDED JUNE 30, 2025

Revenues and Other Financing Sources:	
Transfer from Capital Reserve	\$ 3,860,467
Transfer to Capital Reserve	(1,680,000)
Interest on Investments	1,075,212
Total Revenues and Other Financing Sources	<u>3,255,679</u>
Expenditures:	
Other Purchased Professional and Technical Services	450,626
Construction Services	14,141,573
Total Expenditures and Other Financing Uses	<u>14,592,199</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,336,520)
Other Financing Sources/(Uses):	
Accounts Payable - Interest	<u>(1,075,212)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources/(Uses)	(12,411,732)
Fund Balance - Beginning	<u>31,510,416</u>
Fund Balance - Ending	<u>\$ 19,098,684</u>

*There is \$10,080 of old balances that are not associated with any current projects.

SPRINGFIELD SCHOOL DISTRICT

Exhibit F-1a

CAPITAL PROJECTS FUNDSCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,AND PROJECT STATUS - BUDGETARY BASISENERGY SAVINGS IMPROVEMENT PROGRAMFROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<u>Revenues and Other Financing Sources</u>				
Transfer from Capital Reserve	\$ 324,137		324,137	324,137
Total Revenues	<u>324,137</u>	<u>-</u>	<u>324,137</u>	<u>324,137</u>
<u>Expenditures and Other Financing Uses</u>				
Other Purchased Prof. and Tech. Services	39,405		39,405	45,473
Construction Services	238,089		238,089	278,664
Total Expenditures	<u>277,494</u>	<u>-</u>	<u>277,494</u>	<u>324,137</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 46,643</u>	<u>-</u>	<u>46,643</u>	<u>-</u>
<u>Additional Project Information</u>				
Original Authorized Cost		\$ 324,137		
Percentage Increase Over Original Authorized Cost		0		
Percentage Completion		86%		
Original Target Completion Date		N/A		
Revised Target Completion Date		N/A		

SPRINGFIELD SCHOOL DISTRICT

Exhibit F-2a

CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,

AND PROJECT STATUS - BUDGETARY BASIS

VARIOUS PROJECTS

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

Various Project Balances June 30, 2025

	Revised Authorized Cost
	<u>\$ 1,496,200</u>

PROPRIETARY FUNDS – G

SPRINGFIELD SCHOOL DISTRICTSTATEMENT OF NET POSITION

Exhibit G-1

ENTERPRISE FUNDSJUNE 30, 2025

	<u>Food Service Program</u>	<u>Aftercare Program</u>	<u>Total</u>
<u>Assets:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 255,770	1,342,553	1,598,323
Accounts Receivable:			
State	3,616		3,616
Federal	39,922		39,922
Inventory	22,146		22,146
Total Current Assets	<u>321,454</u>	<u>1,342,553</u>	<u>1,664,007</u>
Noncurrent Assets			
Equipment	507,151		507,151
Accumulated Depreciation	(266,067)		(266,067)
Total Fixed Assets	<u>241,084</u>	<u>-</u>	<u>241,084</u>
Total Assets	<u>\$ 562,538</u>	<u>1,342,553</u>	<u>1,905,091</u>
<u>Liabilities:</u>			
Accounts Payable	\$ 181,114	67,146	248,260
Total Liabilities	<u>\$ 181,114</u>	<u>67,146</u>	<u>248,260</u>
<u>Net Position:</u>			
Investment in Capital Assets	\$ 241,084		241,084
Unrestricted	140,340	1,275,407	1,415,747
Total Net Position	<u>\$ 381,424</u>	<u>1,275,407</u>	<u>1,656,831</u>

SPRINGFIELD SCHOOL DISTRICTSCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Exhibit G-2

ENTERPRISE FUNDSJUNE 30, 2025

	<u>Food Service Program</u>	<u>Aftercare Program</u>	<u>Total</u>
Operating Revenues:			
Daily Sales - Reimbursable Programs	\$ 519,382		519,382
Daily Sales - Non-Reimbursable Programs	301,992		301,992
Fees/Miscellaneous	48,816	1,185,913	1,234,729
Total Operating Revenues	<u>870,190</u>	<u>1,185,913</u>	<u>2,056,103</u>
Operating Expenses:			
Salaries and Benfits	502,743	576,263	1,079,006
Cost of Sales - Reimbursable Programs	364,629		364,629
Cost of Sales - Non-Reimbursable Programs	214,147		214,147
Supplies and Materials	95,272	80,189	175,461
Management Fee	64,939		64,939
Contracted Services	47,908		47,908
Depreciation	31,417		31,417
Insurance	45,653		45,653
Miscellaneous	39,017	51,390	90,407
Operating Expenses	<u>1,405,725</u>	<u>707,842</u>	<u>2,113,567</u>
Operating Gain/(Loss)	(535,535)	478,071	(57,464)
Non-Operating Revenues:			
Interest	3,138		3,138
State Sources:			
State School Lunch Program	13,345		13,345
State School Lunch Program - NJEIE	3,052		3,052
State Breakfast Program	352		352
State Breakfast Program - NJEIE	422		422
Federal Sources:			
National School Lunch Program	211,992		211,992
HHFKA Lunch Program	13,740		13,740
Federal Breakfast Program	16,551		16,551
Local Food for Schools	5,595		5,595
SEBT	643		643
Food Distribution Program	75,739		75,739
Total Non-Operating Revenues	<u>344,569</u>	<u>-</u>	<u>344,569</u>
Change in Net Position	(190,966)	478,071	287,105
Adjustment for Fixed Assets	51,504		51,504
Net Position, July 1	<u>520,886</u>	<u>797,336</u>	<u>1,318,222</u>
Net Position, June 30	<u>\$ 381,424</u>	<u>1,275,407</u>	<u>1,656,831</u>

SPRINGFIELD SCHOOL DISTRICT**SCHEDULE OF CASH FLOWS****Exhibit G-3****ENTERPRISE FUNDS****JUNE 30, 2025**

	<u>Food Service Program</u>	<u>Aftercare Program</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 870,190	1,185,913	2,056,103
Payments to Employees	(502,743)	(576,263)	(1,079,006)
Payments to Suppliers	(622,029)	(117,442)	(739,471)
Net Cash Provided (Used) by Operating Activities	<u>(254,582)</u>	<u>492,208</u>	<u>237,626</u>
Cash Flows from Noncapital Financing Activities:			
State Sources	17,171		17,171
Federal Sources	248,521		248,521
Net Cash Provided by Noncapital Financing Activities	<u>265,692</u>	<u>-</u>	<u>265,692</u>
Cash Flows from Investing Activities:			
Interest Earned	3,138		3,138
Net Cash Provided by Noncapital Financing Activities	<u>3,138</u>	<u>-</u>	<u>3,138</u>
Net Increase (Decrease) in Cash and Cash Equivalents	14,248	492,208	506,456
Cash and Cash Equivalents, July 1	<u>241,522</u>	<u>850,345</u>	<u>1,091,867</u>
Cash and Cash Equivalents, June 30	<u>\$ 255,770</u>	<u>1,342,553</u>	<u>1,598,323</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (535,535)	478,071	(57,464)
Depreciation	31,417		31,417
Federal Commodities Consumed	75,739		75,739
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities			
Decrease/(Increase) in Inventory	(1,541)		(1,541)
(Decrease)/Increase in Accounts Payable	177,742	14,137	191,879
Decrease/(Increase) in Accounts Receivable	(2,404)		(2,404)
Net Cash Provided (Used) by Operating Activities	<u>\$ (254,582)</u>	<u>492,208</u>	<u>237,626</u>

FIDUCIARY FUND – H

N/A

LONG-TERM DEBT – I

SPRINGFIELD SCHOOL DISTRICT

Exhibit I-1

LONG-TERM LIABILITIES

SCHEDULE OF SERIAL BONDS

JUNE 30, 2025

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2024</u>	<u>Retired</u>	<u>Balance June 30, 2025</u>
			<u>Date</u>	<u>Amount</u>				
2014 ESIP	12/17/2014	\$ 2,375,000	6/17/2026	\$ 111,743	2.84%	\$ 1,825,500	104,772	1,720,728
Lease Purchase			6/17/2027	119,857				
			6/17/2028	128,356				
			6/17/2029	137,253				
			6/17/2030	146,561				
			6/17/2031	156,299				
			6/17/2032	166,487				
			6/17/2033	177,141				
			6/17/2034	188,281				
			6/17/2035	195,612				
2023 School Bonds	5/9/2023	32,872,000	5/15/2026	1,195,000	3.000%	32,872,000	1,817,000	31,055,000
			5/15/2027	1,230,000	3.000%			
			5/15/2028	1,285,000	3.000%			
			5/15/2029	1,340,000	3.000%			
			5/15/2030	1,395,000	3.000%			
			5/15/2031	1,460,000	3.000%			
			5/15/2032	1,520,000	3.000%			
			5/15/2033	1,585,000	3.000%			
			5/15/2034	1,650,000	3.000%			
			5/15/2035	1,720,000	3.125%			
			5/15/2036	1,800,000	3.250%			
			5/15/2037	1,875,000	3.375%			
			5/15/2038	1,950,000	3.500%			
			5/15/2039	2,025,000	4.000%			
			5/15/2040	2,120,000	4.000%			
	5/15/2041	2,210,000	4.000%					
	5/15/2042	2,305,000	4.000%					
	5/15/2043	2,390,000	4.000%					
						<u>\$ 34,697,500</u>	<u>1,921,772</u>	<u>32,775,728</u>

SPRINGFIELD SCHOOL DISTRICT

LONG-TERM LIABILITIES

Exhibit I-2

SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

JUNE 30, 2025

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance July 1, 2024</u>	<u>Paid Current Year</u>	<u>Amount Outstanding June 30, 2025</u>
Equipment Lease Computers	8/14/2019	\$ 2,099,895	0.000%	<u>\$ 1,632,363</u>	<u>(104,771)</u>	<u>1,527,592</u>

SPRINGFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Exhibit I-3

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 1,572,611		1,572,611	1,572,612	1
State Sources:					
Type II State Aid	<u>1,357,667</u>		<u>1,357,667</u>	<u>1,357,667</u>	
Total Revenues	<u>2,930,278</u>	<u>-</u>	<u>2,930,278</u>	<u>2,930,279</u>	<u>1</u>
Expenditures:					
Regular Debt Service:					
Interest	1,113,278		1,113,278	1,113,278	
Principal	<u>1,817,000</u>		<u>1,817,000</u>	<u>1,817,000</u>	-
Total Regular Debt Service	<u>2,930,278</u>	<u>-</u>	<u>2,930,278</u>	<u>2,930,278</u>	-
Total Expenditures	<u>2,930,278</u>	<u>-</u>	<u>2,930,278</u>	<u>2,930,278</u>	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	1	1
Fund Balance July 1					-
Fund Balance June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>

STATISTICAL SECTION

(Unaudited)

Township of Springfield Board of Education
Net Position by Component,
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)

Exhibit J-1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Invested in capital assets, net of related debt	\$ 27,929,260	31,559,627	36,113,780	39,991,608	42,366,887	43,830,390	5,711,036	(22,946,257)	(18,978,475)	8,884,553
Restricted	8,059,385	6,015,972	4,671,760	4,965,711	5,424,111	7,161,553	12,068,686	12,151,652	50,858,192	18,805,644
Unrestricted	(11,044,621)	(10,428,670)	(10,590,151)	(11,111,266)	(9,552,807)	(8,041,114)	(8,821,523)	27,412,394	(9,597,261)	13,202,572
Total governmental activities net Position	\$ 24,944,024	27,146,929	30,195,389	33,846,053	38,238,191	42,950,829	8,958,199	16,617,789	22,282,456	40,892,769
Business-type activities										
Invested in capital assets, net of related debt	\$ -		166,317	154,058	212,598	192,648	114,950	184,423	220,997	241,084
Restricted										
Unrestricted	741,005	851,495	773,264	926,699	615,403	445,492	561,300	1,135,938	1,097,225	1,415,747
Total business-type activities net Position	\$ 741,005	851,495	939,581	1,080,757	828,001	638,140	676,250	1,320,361	1,318,222	1,656,831
District-wide										
Invested in capital assets, net of related debt	\$ 27,926,260	31,559,627	36,280,097	40,145,666	42,579,485	44,023,038	5,825,986	(22,761,834)	(18,757,478)	9,125,637
Restricted	8,059,385	6,015,972	4,671,760	4,965,711	5,424,111	7,161,553	12,068,686	12,151,652	50,858,192	18,805,644
Unrestricted	(10,303,626)	(9,577,175)	(9,818,887)	(10,184,567)	(8,937,404)	(7,595,622)	(8,260,223)	28,548,332	(8,500,036)	14,618,319
Total district net Position	\$ 25,682,019	27,998,424	31,134,970	34,926,810	39,066,192	43,588,969	9,634,449	17,938,150	23,600,678	42,549,600

Township of Springfield Board of Education
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Exhibit J-2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction										
Regular	\$ 15,167,374	16,045,867	16,071,665	16,518,532	16,964,705	17,334,828	11,793,015	11,508,613	11,404,431	12,111,354
Special education	6,112,962	5,887,225	7,243,994	7,738,550	8,192,110	8,981,388	4,902,769	4,644,243	5,294,516	5,249,485
Other special education	614,758	582,521	588,525	614,609	643,638	678,947	1,455,603	1,379,769	1,400,219	1,592,482
Other instruction	992,785	1,015,813	1,088,776	1,099,970	1,086,355	922,466				
Support Services:										
Tuition	2,461,704	2,768,824	3,363,319	3,299,975	3,076,302	3,607,085	3,790,141	4,145,401	4,204,732	4,513,648
Student & instruction related services	4,192,695	4,602,063	4,706,182	4,918,047	4,712,963	5,163,055	5,487,368	5,782,399	5,852,689	6,503,199
General and Business Administrative Services	961,219	725,227	792,368	860,910	869,487	847,449	1,422,821	1,345,538	1,341,895	1,393,297
School administrative services	1,755,917	1,819,159	1,839,326	1,895,051	1,953,079	2,020,611	1,224,950	1,243,070	1,474,257	1,450,605
Other Administrative Services										
Plant operations and maintenance	5,019,593	4,803,903	4,760,820	4,759,032	4,997,267	5,284,159	4,385,642	4,354,441	4,081,217	4,849,600
Pupil transportation	1,885,257	2,192,414	2,129,808	2,198,022	1,947,639	2,227,113	2,424,839	2,115,226	1,719,959	1,791,659
Business and Other Support Services	593,572	644,048	660,349	693,564	717,866	614,391				
Special Schools	69,810	54,887	85,416	67,461	90,631	22,007	33,188	63,118	79,261	89,898
Proportionate share of pension plan expense	(157,494)	997,672	398,831	305,027	(499,842)	(390,707)				
Capital Outlay							1,236,132	2,685,629	2,752,844	
Unallocated Benefits							13,593,760	15,429,002	15,771,301	15,720,970
Interest on long-term debt	175,947	176,498	157,307	129,121	99,665	76,597	51,700	206,380	1,278,109	1,097,272
Compensated Absences	(106,222)	(106,222)	161,211	22,905	32,604	31,389				
ARRA - ESF										
ARRA - GSF										
Education Jobs										
Unallocated depreciation							186,265	386,292	479,704	1,691,606
Total governmental activities expenses	<u>39,739,877</u>	<u>42,209,899</u>	<u>44,045,897</u>	<u>45,120,776</u>	<u>44,884,469</u>	<u>47,420,778</u>	<u>51,988,193</u>	<u>55,289,121</u>	<u>57,135,134</u>	<u>58,055,075</u>
Business-type activities:										
Food service	705,519	747,840	811,933	894,439	683,726	489,134	1,235,958	1,294,836	2,127,045	2,113,567
Child Care	696,653	748,509	805,997	795,483	779,923	269,642	602,711	497,608		
Total business-type activities expense	<u>1,402,172</u>	<u>1,496,349</u>	<u>1,617,930</u>	<u>1,689,902</u>	<u>1,463,649</u>	<u>758,776</u>	<u>1,838,669</u>	<u>1,792,444</u>	<u>2,127,045</u>	<u>2,113,567</u>
Total district expenses	<u>\$ 41,142,049</u>	<u>43,706,248</u>	<u>45,663,827</u>	<u>46,810,678</u>	<u>46,348,118</u>	<u>48,179,554</u>	<u>53,826,862</u>	<u>57,081,565</u>	<u>59,262,179</u>	<u>60,168,642</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 80,550	100,508	162,734	41,256	7,700	83,621	19,890	17,465	11,400	9,815
Plant operations and maintenance	20,950	22,950	144,051	143,438	91,555	80,161				
Pupil transportation	12,919	18,313	15,385	22,372	9,290	5,100				
Business and other support services										
Operating grants and contributions	4,366,543	4,902,783	5,467,683	6,185,824	6,418,858	7,984,931	1,950,677	2,147,066	2,806,272	2,638,626
Capital grants and contributions	389,350									
Total governmental activities program revenues	<u>4,870,312</u>	<u>4,944,554</u>	<u>5,779,853</u>	<u>6,392,890</u>	<u>6,527,403</u>	<u>8,153,813</u>	<u>1,970,567</u>	<u>2,164,531</u>	<u>2,817,672</u>	<u>2,648,443</u>
Business-type activities:										
Charges for services:										
Food service	608,166	634,016	681,348	737,700	535,216	5,065	163,914	818,808		
Child care	767,246	765,709	844,010	806,853	504,832	38,352	588,210	1,068,732	1,697,861	2,056,103
Operating grants and contributions	185,837	197,748	212,106	229,582	159,597	524,380	1,182,285		364,077	344,569
Capital grants and contributions										
Total business type activities program revenues	<u>1,561,249</u>	<u>1,597,473</u>	<u>1,737,464</u>	<u>1,774,135</u>	<u>1,199,645</u>	<u>567,797</u>	<u>1,934,409</u>	<u>1,887,540</u>	<u>2,061,938</u>	<u>2,400,672</u>
Total district program revenues	<u>\$ 6,431,561</u>	<u>6,542,027</u>	<u>7,517,317</u>	<u>8,167,025</u>	<u>7,727,048</u>	<u>8,721,610</u>	<u>3,904,976</u>	<u>4,052,071</u>	<u>4,879,610</u>	<u>5,049,115</u>
Net (Expense)/Revenue										
Governmental activities	\$ (34,869,565)	(37,265,345)	(38,266,044)	(38,727,886)	(38,357,066)	(39,266,965)	(33,992,630)	(53,124,590)	(54,317,462)	(55,406,632)
Business-type activities	159,077	101,124	119,534	84,233	(264,004)	(190,979)	38,110	555,733	(65,107)	287,105
Total district-wide net expense	<u>\$ (34,710,488)</u>	<u>(37,164,221)</u>	<u>(38,146,510)</u>	<u>(38,643,653)</u>	<u>(38,621,070)</u>	<u>(39,457,944)</u>	<u>(33,954,520)</u>	<u>(52,568,857)</u>	<u>(54,382,569)</u>	<u>(55,119,527)</u>

Township of Springfield Board of Education
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Exhibit J-2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 36,640,363	37,362,178	38,098,213	38,848,752	39,614,068	40,406,349	41,214,475	42,038,766	42,879,540	43,737,131
Taxes levied for debt service	987,800	979,250	975,250	965,652	955,600	940,100	954,300	937,300	1,088,538	1,572,612
Unrestricted grants and contributions	1,485,976	1,692,153	1,836,571	2,259,675	2,384,052	2,744,590	11,820,132	12,457,087	13,760,500	15,286,686
Tuition										
Investment earnings	95,163	108,570	124,366	155,443	123,526	26,834				
Miscellaneous income	234,404	428,655	289,348	280,291	493,687		869,120	1,267,693	2,253,551	1,182,137
Capital lease payments	355,746	691,608	640,579	376,171	370,885	370,884				
Fixed asset adjustment		(2,115,831)	(1,290,681)	(920,681)	(1,788,798)	(1,285,765)	(38,833,031)	4,083,334		12,238,379
GASB #68 Prior Period Adjustment-Pension Plan Section 1701 Adjustment				(124,987)						
Lease Purchase Payments	143,902	424,667	598,172	580,919	595,914	490,778				
Other										
Transfers										
Total governmental activities	39,943,354	39,471,250	41,271,818	42,421,235	42,748,934	43,693,770	16,024,996	60,784,180	59,982,129	74,016,945
Business-type activities:										
Investment earnings	7,711	9,365	11,239	14,257	11,248	1,118				
Miscellaneous Income							(57,630)	88,378	-	51,504
Total business-type activities	7,711	9,365	11,239	14,257	11,248	1,118	(57,630)	88,378	-	51,504
Total district-wide	\$ 39,951,065	39,480,615	41,283,057	42,435,492	42,760,182	43,694,888	15,967,366	60,872,558	59,982,129	74,068,449
Change in Net Position										
Governmental activities	\$ 5,073,789	2,205,905	3,005,774	3,693,349	4,392,138	4,426,805	(33,992,630)	7,659,590	5,664,667	18,610,313
Business-type activities	166,788	110,489	130,773	98,490	(252,756)	(189,861)	38,110	644,111	(65,107)	338,609
Total district	\$ 5,240,577	2,316,394	3,136,547	3,791,839	4,139,382	4,236,944	(33,954,520)	8,303,701	5,599,560	18,948,922

Township of Springfield Board of Education
Fund Balances, Governmental Funds,
Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

Exhibit J-3

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund										
Restricted	\$ 3,360,928	4,974,262	4,625,400	4,955,629	5,414,029	7,099,751	8,611,189	11,893,187	15,456,886	18,546,694
Committed			1,233,058	1,210,801	2,788,455	2,835,916	2,883,682	1,713,958	2,983,186	1,933,465
Assigned	3,450,497	2,514,767	196,250	707,505	84,860	221,649	288,328	532,067	761,643	1,000,000
Unreserved	<u>770,362</u>	<u>888,576</u>	<u>1,007,596</u>	<u>769,704</u>	<u>899,981</u>	<u>1,874,685</u>	<u>1,964,136</u>	<u>1,415,018</u>	<u>1,230,765</u>	<u>1,234,903</u>
Total General fund	<u>\$ 7,581,787</u>	<u>8,377,605</u>	<u>7,062,304</u>	<u>7,643,639</u>	<u>9,187,325</u>	<u>12,032,001</u>	<u>13,747,335</u>	<u>15,554,230</u>	<u>20,432,480</u>	<u>22,715,062</u>
All Other Governmental Funds										
Reserved, reported in:										
Capital projects fund	\$ 1,753,792	420,319	46,360	1,724	1,724	1,724	46,643		31,510,416	19,098,684
Assigned, reported in:										
Capital projects fund	47,220	96,179								
Unreserved, reported in:										
Special revenue fund							238,844	111,014	146,061	80,899
Capital projects fund	(345,959)	(396,027)	403,133	8,356	8,356	8,356	10,080	33,077,653		
Debt service fund				2	2	2	2			1
Permanent fund										
Total all other governmental funds	<u>\$ 1,455,053</u>	<u>120,471</u>	<u>449,493</u>	<u>10,082</u>	<u>10,082</u>	<u>10,082</u>	<u>295,569</u>	<u>33,188,667</u>	<u>31,656,477</u>	<u>19,179,584</u>

**Township of Springfield Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years (Unaudited)**

Exhibit J-4

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	\$ 36,640,363	38,341,428	39,073,463	39,814,404	40,569,668	41,346,449	42,168,775	42,976,066	43,968,078	45,309,743
Tuition charges	80,550	100,508	162,734	41,256	7,700		19,890	17,465	11,400	9,815
Interest earnings	95,163	108,570	124,366	155,443	123,526	26,770				
Transportation Fees	12,919	18,313	15,385	22,372	9,290	5,100	2,550	8,500		
Rental Facilities	20,950	22,950	144,051	143,438	91,555	80,161			4,492	28,356
Other Local Revenue	234,405	428,655	289,348	280,291	493,687	193,435	1,100,777	1,259,193	3,031,601	1,153,781
State sources	5,611,421	5,808,370	6,619,389	7,742,778	8,179,937	9,675,595	11,805,178	13,533,369	15,078,922	17,119,819
Federal sources	630,448	586,566	674,865	702,721	622,973	944,176	1,731,424	1,070,784	1,487,850	805,495
Total revenue	43,326,219	45,415,360	47,103,601	48,902,703	50,098,336	52,271,686	56,828,594	58,865,377	63,582,343	64,427,009
Expenditures										
Instruction										
Regular Instruction	11,233,057	11,115,512	11,225,557	11,308,606	11,434,732	12,191,628	11,793,015	11,508,613	11,404,431	12,328,204
Special education instruction	2,846,913	2,798,169	3,167,434	3,277,410	3,501,456	3,639,883	4,902,769	4,644,243	5,294,516	5,249,485
Other special instruction	363,631	301,787	299,584	310,133	320,458	329,502				
Vocational education						728,329				
Other instruction	853,270	859,850	929,365	930,817	906,810		1,455,603	1,379,769	1,400,219	1,592,482
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition	2,461,704	2,768,824	3,363,319	3,299,975	3,076,302	3,607,086	3,790,141	4,145,401	4,204,732	4,513,648
Student & instruction related services	4,651,167	5,060,868	5,213,132	5,470,263	5,128,724	4,502,993	5,487,368	5,782,399	5,852,689	6,503,199
General administrative services	845,607	596,456	661,839	722,587	723,351	692,138	1,149,174	1,345,538	1,341,895	-
School Administrative services	1,305,381	1,312,546	1,328,082	1,352,740	1,377,218	1,399,374	1,422,821	1,042,667	1,163,779	1,393,297
Other Administrative services							75,776	200,403	310,478	1,101,056
Plant operations and maintenance	4,042,941	3,712,113	3,613,014	3,541,083	3,704,504	3,886,337	4,385,642	4,354,441	4,081,217	4,849,600
Pupil transportation	1,438,810	1,693,331	1,619,691	1,656,730	1,372,826	1,605,876	2,424,839	2,115,226	1,719,959	1,791,659
Business and Other Support Services	5,704,239	5,920,288	6,296,851	6,539,496	7,049,953	381,427				349,549
Unallocated employee benefits	3,665,032	4,147,048	4,736,394	5,385,552	5,724,611	13,885,676	15,758,701	16,224,972	16,944,060	16,324,939
Capital outlay	4,712,220	6,452,596	6,074,952	3,807,289	3,187,474	1,858,849	1,236,132	3,293,294	4,567,967	15,604,026
Special Schools	69,810	54,887	85,416	67,461	90,631	22,007	33,188	63,118	79,261	89,898
Debt service:										
Principal	987,800	979,250	975,250	965,650	955,600	860,000	900,000	910,000		1,817,000
Interest and other charges						80,100	54,300	27,300	1,088,538	1,113,278
Total expenditures	45,181,582	47,773,525	49,589,880	48,635,792	48,554,650	49,671,205	54,869,469	57,037,384	59,453,741	74,621,320
Excess (Deficiency) of revenues over (under) expenditures	(1,855,363)	(2,358,165)	(2,486,279)	266,911	1,543,686	2,600,481	1,959,125	1,827,993	4,128,602	(10,194,311)
Other Financing sources (uses)										
Capital leases (non-budgeted)		1,819,400	-	-	-	-	-	-	-	-
Sale/Leaseback Proceeds	1,500,000		1,500,000							
Accounts Payable - Interest									(782,542)	
Par amount of Bonds								32,872,000		
Prior Year Adjustment				(124,987)			58			
Transfers in	554	1,387	827,570	335,150	699,287					
Transfers out	(554)	(1,387)	(827,570)	(335,150)	(699,287)					
Total other financing sources (uses)	1,500,000	1,819,400	1,500,000	(124,987)	-	-	58	32,872,000	(782,542)	-
Net change in fund balances	\$ (355,363)	(538,765)	(986,279)	141,924	1,543,686	2,600,481	1,959,183	34,699,993	3,346,060	(10,194,311)

**Township of Springfield Board of Education
General Fund Other Local Revenue by Source
Last Ten Years
Unaudited**

Exhibit J-5

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Transportation Fees</u>	<u>Rental of Facilities</u>	<u>Miscellaneous</u>	<u>Total</u>
2025	9,815			28,356	1,153,781	1,191,952
2024	11,400			4,492	3,031,601	3,047,493
2023	17,465	230,915	8,500	7,479	752,890	1,017,249
2022	19,890	25,432	2,550	85,250	566,201	699,323
2021		26,720	5,100	80,161	64	112,045
2020	7,700	123,243	9,290	91,555	493,686	725,474
2019	41,256	154,843	22,372	143,438	280,291	642,200
2018	162,734	121,476	15,385	144,051	289,348	732,994
2017	100,508	107,183	18,313	22,950	428,655	677,609
2016	80,550	94,609	12,919	20,950	234,405	443,433

Township of Springfield School District
Assessed and Estimated Actual Value of Taxable Property
Unaudited

Exhibit J-6

<u>Year Ended</u> <u>December 31,</u>	<u>Net Assessed</u> <u>Valuations</u>	<u>Estimated Full</u> <u>Cash Valuations</u>	<u>% of Net Assessed</u> <u>to Estimated Full</u> <u>Cash Valuations</u>
2015	1,112,380,558.00	2,481,884,333.00	44.82%
2016	1,112,422,694.00	2,408,884,136.00	46.18%
2017	1,108,844,532.00	2,469,037,034.00	44.91%
2018	1,111,262,920.00	2,647,218,506.00	41.98%
2019	1,112,290,224.00	2,872,453,197.00	38.72%
2020	1,116,079,842.00	2,883,927,240.00	38.70%
2021	1,121,573,400.00	3,051,070,185.00	36.76%
2022	4,014,021,784.00	4,014,021,784.00	100.00%
2023	3,894,575,783.00	3,950,675,373.30	98.58%
2024	3,891,451,533.00	4,167,775,016.60	93.37%

Township of Springfield School District
 Property Tax Rates - Direct and Overlapping Governments
 Per \$100 of Assessed Valuation
 Unaudited

Exhibiti J-7

Assessment Year	Township of Springfield School District	Regional High School	Springfield Township	Open Spaces	Union County	Total
2015	3.38	-	2.11	0.03	1.17	6.69
2016	3.45	-	2.14	0.03	1.14	6.77
2017	3.52	-	2.19	0.03	1.16	6.91
2018	3.59	-	2.23	0.03	1.25	7.10
2019	3.59	-	2.31	0.04	1.27	7.33
2020	3.71	-	2.23	0.04	1.27	7.243
2021	3.757		2.264	0.041	1.293	7.355
2022	1.071		0.661	0.013	0.397	2.142
2023	1.129		0.782	0.015	0.41	2.336
2024	1.164		0.802	0.016	0.393	2.375
2025	1.181		0.828	0.016	0.386	2.411

Township of Springfield School District
 SCHEDULE OF PRINCIPAL TAXPAYERS
 For year ended December 31, 2024

Exhibit J-8

Taxpayer	Assessed Valuation 2024	As a % of District's Net Assessed Valuation
Springfield Gardens LLC	71,100,000.00	1.83%
Summit Hill at Springfield	49,000,000.00	1.26%
Short Hills Club Village	46,055,900.00	1.18%
East Coast General Green	42,389,400.00	1.09%
Baltusrol Golf Club	38,000,000.00	0.98%
Skyline Ridge Developers, LLC	35,455,600.00	0.91%
170 Route 22 LLC	32,925,800.00	0.85%
Short Hills Club Village	27,944,000.00	0.72%
Briant Park Commons	27,646,200.00	0.71%
Springfield 92 Millburn Ave Urban Renewal	27,000,000.00	0.69%
	\$ 397,516,900.00	10.22%

Township of Springfield School District
Municipal Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Exhibit J-9

<u>Year Ended</u> <u>December 31,</u>	<u>Total Tax</u> <u>Levy</u>	<u>Current Tax</u> <u>Collections</u>	<u>Percent of Tax</u> <u>Levy Collected</u>
2014	73,380,892	72,720,341	99.10%
2015	74,764,109	74,247,824	99.31%
2016	75,728,611	75,131,292	99.21%
2017	77,051,930	76,522,316	99.31%
2018	78,749,481	78,695,180	99.93%
2019	80,857,230	80,210,868	99.20%
2020	82,398,713	81,766,406	99.23%
2021	84,205,051	83,670,684	99.37%
2022	87,446,175	86,969,946	99.46%
2023	91,359,143	89,230,532	97.67%
2024	92,778,537	92,207,856	99.38%

Springfield Public Schools
Ratios of Outstanding Debt by Type

Exhibit J-10

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Capital</u> <u>Leases</u>	<u>Lease Purchase</u> <u>ESIP</u>	<u>Total</u> <u>District</u>	<u>Percentage of</u> <u>Personal</u> <u>Income</u>	<u>Per</u> <u>Capita</u>
2016	\$5,975,000	\$360,727	\$3,098,244	\$9,433,971	0.85%	541
2017	\$5,175,000	\$1,758,519	\$2,872,956	\$9,806,475	0.88%	553
2018	\$4,355,000	\$1,117,940	\$2,732,071	\$8,205,011	0.74%	468
2019	\$3,520,000	\$741,769	\$2,608,164	\$6,869,933	0.62%	393
2020	\$2,870,000	\$370,884	\$2,480,291	\$5,521,175	0.49%	318
2021	\$1,810,000	\$874,198	\$2,348,333	\$5,032,531	0.45%	296
2022	\$910,000	\$679,251	\$2,212,166	\$3,801,417	0.09%	225
2023	\$0	\$419,529	\$2,071,662	\$2,491,191	0.06%	148
2024	\$32,872,000	\$0	\$1,926,691	\$34,798,691	0.89%	2049
2025	\$31,055,000	\$0	\$1,776,316	\$32,831,316		

Borough of Springfield School District
 Ratios of Net General Bonded Debt Outstanding

Exhibit J-11

General Bonded Debt Outstanding

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage Actual Taxable Value of Property</u>	<u>Per Capita</u>
2013	\$ 8,285,000.00		\$ 8,285,000.00	1,107,981,757.00	488
2014	\$ 7,530,000.00		\$ 7,530,000.00	1,111,606,018.00	447
2015	\$ 6,760,000.00		\$ 6,760,000.00	1,112,380,558.00	393
2016	\$ 5,975,000.00		\$ 5,975,000.00	1,112,422,694.00	341
2017	\$ 5,175,000.00		\$ 5,175,000.00	1,108,844,532.00	297
2018	\$ 4,355,000.00		\$ 4,355,000.00	1,111,262,920.00	246
2019	\$ 3,520,000.00		\$ 3,520,000.00	1,112,290,224.00	201
2020	\$ 2,670,000.00		\$ 2,670,000.00	1,116,079,842.00	153
2021	\$ 1,810,000.00		\$ 1,810,000.00	1,121,573,400.00	104
2022	\$ 910,000.00		\$ 910,000.00	4,014,021,784.00	54
2023	\$ - /		\$ -	3,894,575,783.00	0
2024	\$ 32,872,000.00		\$ 32,872,000.00	3,891,451,533.00	1951

Township of Springfield School District
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
For year ended June 30, 2024
Unaudited

Exhibit J-12

Net Direct Debt of School District as of June 30, 2025	\$32,831,316
Net Overlapping Debt of School District:	
Township of Springfield (100%)	-
County of Union - Township's share (9.63061%)	-
	<hr/>
Total Direct and Overlapping Bonded Debt as of June 30, 2025	<u>\$ 32,831,316.00</u>

Township of Springfield School District
COMPUTATION OF LEGAL DEBT MARGIN
For year ended June 30, 2025
Unaudited

Exhibit J-13

Equalized Valuation Basis	2023	3,950,675,373.30
	2024	<u>4,167,775,016.60</u>
		<u>8,118,450,389.90</u>
Average equalized valuation of taxable property		4,059,225,194.95
Debt limit (4% of average equalization value)	162,369,007.80	
Net Bonded School Debt as of June 30, 2025	32,831,316.00	
School Borrow Margin Available		<u>129,537,691.80</u>

Borough of Springfield School District
 Demographic and Economic Statistics
 Last Ten Years

Exhibit J-14

<u>Year</u>	<u>Population</u>	Personal Income (thousands of dollars)	Union County Per Capita Personal Income	Unemployment Rate
2012	16,984		\$ 49,932	3.5
2013	16,862		\$ 52,281	6.8
2014	17,193		\$ 53,816	4.5
2015	17,502		\$ 54,382	3.8
2016	17,447		\$ 57,306	3.4
2017	17,726		\$ 60,089	4.6
2018	17,517		\$ 60,406	4.1
2019	17,464		\$ 68,555	3.6
2020	17,378		\$ 70,955	9.5
2021	16,979		\$ 77,007	7.0
2022	16,872		\$ 78,440	4.0
2023	16,846		\$ 82,502	4.7
2024	16,984			4.9

Borough of Springfield Public Schools
Principal Employers,
2024

Exhibit J-15

<u>Employer</u>	<u>Employees</u>
Springfield Public Schools	360
Springfield Township	177

Township of Springfield School District Exhibit J-16
 Full-time Equivalent District Employees by Function/Program
 30-Jun-25
 Unaudited

<u>Function/Program</u>	<u>2025</u>
Instruction	
Regular Education	138
Special Education	106
Other Special Instruction	2
Vocational	-
Other Instruction	4
NonPublic Schools Program	-
Adult/Continuing Education Programs	-
Support Services	
Student and Instruction Related Services	23
General and Business Administrative Services	8
School Administrative Services	17
Other Administrative Service	-
Central Services	-
Administrative Information Technology	4
Plant Operations and Maintenance	25
Transportation	13
Other Support Services	-
Special Schools	-
Food Service	-
Before/Aftercare, Childcare	20
	360

Township of Springfield School District
 Operating Statistics
 For the Year Ended June 30, 2025
 Unaudited

Exhibit J-17

Fiscal Year	COMPLETE	% Change	Operating Expenditures *1	Cost Per Pupil	% Change	Teaching Staff *2	Pupi:/Teacher Ratio			Avg. Daily *3 Enrollment (ADE)	Avg. Daily *4 Attendance (ADA)	% change in Avg. Daily Enrollment	% change in Avg. Daily Attendance
	Enrollment*						Elementary	Middle	High				
2025	2,225	-0.38%	49,610,285	22,297	12.45%	232	21:1	23:1	23:1	2,186.2	2,057.7	-0.13%	94.12%
2024	2,234	0.11%	44,285,117	19,828	-2.28%	212	21:1	23:1	23:1	2,189.1	2,054.2	0.18%	93.84%
2023	2,231	1.80%	45,269,709	20,291	2.24%	203	21:1	22:1	23:1	2,185.1	2,021.8	1.02%	92.53%
2022	2,192	-0.50%	43,494,444	19,847	7.66%	207	20:1	20:1	23:1	2,163.0	2,025.0	-3.53%	93.62%
2021	2,203	-2.00%	40,601,949	18,434	0.61%	207	20:1	20:1	23:1	2,242.1	2,169.5	-1.62%	96.76%
2020	2,248	-0.47%	41,179,908	18,323	-3.77%	207	20:1	20:1	23:1	2,279.0	2,112.2	1.56%	92.68%
2019	2,258	-1.07%	42,995,120	19,041	2.17%	207	20:1	20:1	23:1	2,244.0	2,109.0	0.27%	93.98%
2018	2,283	1.56%	42,539,678	18,637	3.83%	207	20:1	20:1	23:1	2,238.0	2,127.0	0.72%	95.04%
2017	2,248	-2.24%	40,341,679	17,950	12.44%	207	20:1	20:1	23:1	2,222.0	2,118.0	-2.11%	95.32%
2016	2,299	-0.48%	36,699,525	15,963	-5.18%	207	20:1	21:1	23:1	2,270.0	2,170.0	-1.00%	95.59%
2015	2,310	-2.47%	38,887,895	16,835	7.84%	207	20:1	21:1	23:1	2,293.0	2,191.0	-0.78%	95.55%

*Based on October 15th count

Township of Springfield School District
School Building Information
Last Ten Fiscal Years

Exhibit J-18

District Building

District Building		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025*</u>
Walton	Sq Ft	81,577.00	81,577.00	81,577.00	81,577.00	81,577.00	81,577.00	81,577.00	81,577.00	81,577.00	81,577.00
	Capacity	590.65	590.65	590.65	590.65	590.65	590.65	590.65	590.65	590.65	590.65
	Enrollment	640.00	605.00	651.00	624.00	593.50	565.00	569.84	547.29	542.65	513.99
Sandmeier	Sq Ft	42,422.00	42,422.00	42,422.00	42,422.00	42,422.00	42,422.00	42,422.00	42,422.00	42,422.00	42,422.00
	Capacity	321.30	321.30	321.30	321.30	321.30	321.30	321.30	321.30	321.30	321.30
	Enrollment	288.00	270.00	265.00	263.00	258.30	225.00	226.15	253.57	278.14	276.85
Caldwell	Sq Ft	39,245.00	39,245.00	39,245.00	39,245.00	39,245.00	39,245.00	39,245.00	39,245.00	39,245.00	39,245.00
	Capacity	227.70	227.70	227.70	227.70	227.70	227.70	227.70	227.70	227.70	227.70
	Enrollment	261.00	268.00	261.00	256.00	265.30	226.00	227.37	219.98	234.71	277.94
FMG	Sq Ft	89,846.00	89,846.00	89,846.00	89,846.00	89,846.00	89,846.00	89,846.00	89,846.00	89,846.00	89,846.00
	Capacity	661.45	661.45	661.45	661.45	661.45	661.45	661.45	661.45	661.45	661.45
	Enrollment	518.00	511.00	478.00	514.00	547.00	540.00	539.45	514.12	490.24	476
JDHS	Sq Ft	195,417.00	195,417.00	195,417.00	195,417.00	195,417.00	195,417.00	195,417.00	195,417.00	195,417.00	195,417.00
	Capacity	655.35	655.35	655.35	655.35	655.35	655.35	655.35	655.35	655.35	655.35
	Enrollment	605.00	569.00	593.00	587.00	615.20	578.00	600.23	650.15	643.37	641.4

*Number of Schools at June 30, 2025

Elementary	3
Middle Sch	1
High Sch	1

Source School Register Summary (ADE)

Township of Springfield School District
General Fund
Schedule of Required Maintenance For School Facilities
30-Jun-25
Unaudited

Exhibit J-19

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

<u>* School Facilities</u>	<u>School Number</u>	<u>2025</u>
Jonathan Dayton High School	010	748,622.00
Edward V. Walton	050	216,473.00
Florence M. Guadineer	060	408,764.00
James Caldwell	070	162,210.00
Thelma L. Sandmeier	090	109,727.00
Total School Facilities		<u>1,645,796.00</u>

* School Facilities as Defined Under EFCFA.
(N.J.A.C. 6A:26-1.2 amd N.J.A.C. 6:24-1.3)

Township of Springfield School District

Insurance Schedule

Exhibit J-20

30-Jun-25

Unaudited

<u>Type of Policy</u>	<u>Coverage</u>	<u>Deductible</u>
Multi Peril Package Policy		
Utica Insurance		
Property - Building & Contents	\$192,892,619	5,000.00
Liability - General Aggregate	\$3,000,000	
Liability - Products/Completed Operations	3,000,000.00	
Liability - Personal & Advertising Injury	1,000,000.00	
Liability - Fire	1,000,000.00	
Liability - Medical Expense Limit	10,000.00	
Liability - Employee Benefit Programs Aggregate	3,000,000.00	1,000.00
Liability - Employee Benefit Programs Each Loss	1,000,000.00	1,000.00
Liability - Abuse or Molestation Aggregate	3,000,000.00	
Liability - Abuse or Molestation Each Loss	1,000,000.00	
Liability - Employment related practices each claim	1,000,000.00	10,000.00
Liability - Employment related practices aggregate	1,000,000.00	10,000.00
Crime - Employee Dishonesty	1,000,000.00	500.00
Crime - Forgery	100,000.00	500.00
Crime - Money and Securities Inside	25,000.00	500.00
Crime - Money and Securities Outside	25,000.00	500.00
Crime - Computer and Funds Transfer Fraud	100,000.00	0.00
Inland Marine - Electronic Data Processing Hardware (software incld)	3,643,542.00	1,000.00
Automobile Policy		
Utica Insurance		
Bodily Injury & Property	1,000,000.00	-
Comprehensive Deductible	-	1000.00
Collision Deductible	-	1,000.00
Errors & Omissions Liability		
Utica Insurance		
Each Claim	1,000,000.00	5,000.00
Aggregate	3,000,000.00	5,000.00
Workers Compensation		
NJSIG		
Each Accident; Each Employee	3,000,000.00	
Umbrella		

Utica Insurance		
Limit	20,000,000.00	10,000.00
Excess Liability (NJUEP)		
Hudson Insurance Company	10,000,000.00	
Great American	10,000,000.00	
Allied World	10,000,000.00	
Student Accident		
Zurich (Bollinger)		
Compulsory Coverage	6,000,000.00	500.00
Bonds		
Selective		
Treasurer	285,000.00	
Board Secretary	260,422.00	
Travel Accident		
Chubb		
Member (per week)	1,500.00	
Environmental Site Liability		
Lloyds (Beazley)		
Each Incident	1,000,000.00	10,000.00
Cyber Liability		
Cowbell		
Aggregate	3,000,000.00	25,000.00
Flood		
Voyagers Indemnity- 139 Mountian Avenue		
Building	1,000,000.00	10,000.00
Contents	500,000.00	10,000.00

SINGLE AUDIT SECTION

Robert A. Hulsart and Company
CERTIFIED PUBLIC ACCOUNTANTS

120.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
ROBERT A. HULSART, JR., C.P.A., P.S.A.
RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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

K-1

Honorable President and Members
of the Board of Education
Springfield School District
County of Union
Springfield, New Jersey

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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Springfield Board of Education, County of Union, 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 Springfield Board of Education, County of Union, State of New Jersey's basic financial statements, and have issued our report thereon dated December 19, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Springfield Board of Education, County of Union, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Springfield Board of Education, County of Union, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Springfield Board of Education, County of Union, and State of New Jersey's internal control.

A *deficiency in internal control* exists when the design or operation of a control 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 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.

Our consideration of internal control was for the limited purposes 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Springfield Board of Education, County of Union, State of New Jersey's financial statements are free from material misstatement, we performed tests of it compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

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 entity'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,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey**

December 19, 2025

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE), AND
NEW JERSEY OMB'S CIRCULAR 15-08

K-2

Honorable President and Members
 of the Board of Education
 Springfield School District
 County of Union
 Springfield, New Jersey

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the Township of Springfield School District's compliance with the types of compliance requirements described 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 Township of Springfield School District's major federal and state programs for the year ended June 30, 2025. The Township of Springfield School District'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 Township of Springfield School District 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 in accordance with the auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 NJ 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 Township of Springfield 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 opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Township of Springfield School District's compliance with the 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 its 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 have occurred, whether due to fraud or error, and express an opinion on the Township of Springfield School District'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*, the Uniform Guidance and NJ 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 Township of Springfield School District's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Township of Springfield School District'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 Township of Springfield School District'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 NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Township of Springfield School District'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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal or state 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 or state 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 purposes described in the Auditor's Responsibilities for the Audit of Compliance paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 have not been 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 NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322**

**Robert A. Hulsart and Company
Wall Township, New Jersey**

December 19, 2025

SPRINGFIELD SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Schedule A
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Federal Grantor/ Pass-Through Grantor/ Project Title	Federal CFDA Number	Federal Fain Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2024	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2025				
					From	To						(Accounts Receivable)	Deferred Revenue	Due to Grantor		
General Fund:																
Medicaid Assistance Program	93.778	2405NJ5MAP	N/A	\$ 3,438	07/01/2025	06/30/2025	\$ -		3,438	(3,438)						
U.S. Department of Agriculture Passed Through State Department of Education:																
National School Lunch Program	10.555	241NJ304N1099	N/A	211,992	07/01/2024	06/30/2025			177,592	(211,992)		(34,400)				
National School Lunch Program	10.555	231NJ304N1099	N/A	188,282	07/01/2023	06/30/2024	(32,630)		32,630							
School Breakfast Program	10.553	231NJ304N1099	N/A	16,674	07/01/2023	06/30/2024	(3,542)		3,542							
School Breakfast Program	10.553	241NJ304N1099	N/A	16,552	07/01/2024	06/30/2025			13,260	(16,552)		(3,292)				
HHFKA	10.555	241NJ304N1099	N/A	13,740	07/01/2024	06/30/2025			11,509	(13,740)		(2,231)				
HHFKA	10.555	231NJ304N1099	N/A	12,862	07/01/2023	06/30/2024	(2,209)		2,209							
Local Food for Schools	10.555	241NJ304N1099	N/A	5,595	07/01/2024	06/30/2025			5,595	(5,595)						
SEBT	10.555	241NJ304N1099	N/A	643	07/01/2024	06/30/2025			643	(643)						
Food Distribution Program	10.550	241NJ304N1099	N/A	75,739	07/01/2024	06/30/2025			75,739	(75,739)						
Total U.S. Department of Agriculture							(38,381)	-	322,719	(324,261)	-	(39,923)	-	-	-	-
U.S. Department of Education Passed Through State Department of Education:																
Title I	84.010	S101A230030	N/A	87,011	07/01/2023	09/30/2024	(9,782)		9,782							
Title I	84.010	S101A240030	N/A	156,003	07/01/2024	06/30/2025			90,950	(101,212)		(10,262)				
Title IA	84.367	S367A240029	N/A	52,171	07/01/2024	06/30/2025			42,997	(50,502)		(7,505)				
Title IA	84.367	S367A230029	N/A	38,973	07/01/2023	09/30/2024	(11,230)		11,230							
Title III	84.365	S365A240030	N/A	30,912	07/01/2024	06/30/2025			20,656	(26,800)		(6,144)				
Title III	84.365	S365A230030	N/A	25,827	07/01/2023	09/30/2024	(1,630)		1,630							
Title III Immigrant	84.365	S365A240030	N/A	4,172	07/01/2024	06/30/2025			714	(2,342)		(1,628)				
Title IV	84.424	S424A230031	N/A	10,254	07/01/2023	09/30/2024	(3,689)		3,689							
Title IV	84.424	S424A220031	N/A	14,966	07/01/2024	06/30/2025			8,212	(14,123)		(5,911)				
IDEA Part B Basic	84.027	H173A230114	N/A	563,139	07/01/2023	09/30/2024	(59,391)		59,391							
IDEA Part B Basic	84.027	H173A240114	N/A	547,386	07/01/2024	06/30/2025			402,394	(507,881)		(105,487)				
IDEA Part B Preschool	84.173	H027A240100	N/A	19,875	07/01/2024	06/30/2025			1,500	(19,875)		(18,375)				
IDEA Part B Preschool	84.173	H027A230100	N/A	21,083	07/01/2023	09/30/2024	(2,356)		2,356							
High Impact Tutoring	84.425V	S425V210031	N/A	111,795	10/11/2023	07/31/2024	(72,406)		113,048	(40,642)						
Computer Science Perkins			N/A	23,193	07/01/2024	06/30/2025			23,193	(23,193)						
ACSERS	20.019	S4250200027	N/A	141,315	07/01/2023	09/30/2024	(40,202)		40,202							
ARP ESSER Homeless	84.425W	S425U210027	N/A	319	03/13/2020	09/30/2024	(319)		319							
ARP ESSER II	84.425U	S425U210027	N/A	1,023,460	03/13/2020	09/30/2024	(286,144)		286,144							
ARP ESSER Accel. Learning	84.425U	S425U210027	N/A	181,540	03/13/2020	09/30/2024	(25,991)		25,991							
ARP ESSER Afterschool	84.425U	S425U210027	N/A	40,000	03/13/2020	09/30/2024	(32,163)		35,445	(3,282)						
ARP ESSER Mental Health	84.425U	S425U210027	N/A	45,000	03/13/2020	09/30/2024	(27,059)		27,920	(861)						
Total U.S. Department of Education							(572,362)	-	1,207,763	(790,713)	-	(155,312)	-	-	-	-
Total Federal Financial Assistance							\$ (610,743)	-	1,533,920	(1,118,412)	-	(195,235)	-	-	-	-

See Accompanying Notes to Schedules of Financial Assistance.

SPRINGFIELD SCHOOL DISTRICT

Schedule B

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

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FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program State Department of Education:	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2024				Budgetary Expenditures Pass Through Funds	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2025			MEMO			
			From	To	Deferred Income (Accts Receivable)	Due To Grantor	Carryover (Walkover) Amount	Cash Received				Intergovernmental (Accounts Receivable)	Deferred Revenue Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures		
Special Education Aid	25-495-034-5120-089	\$ 2,316,058	7/1/2024	6/30/2025	\$ -			2,316,058	(2,316,058)						(243,291)	2,516,058		
School Choice	25-495-034-5120-068	512,663	7/1/2024	6/30/2025				512,663	(512,663)						(49,590)	512,663		
Security Aid	24-495-034-5120-084	264,754	7/1/2024	6/30/2025				264,754	(264,754)						(25,580)	264,754		
Transportation Aid	24-495-034-5120-014	666,484	7/1/2024	6/30/2025				666,484	(666,484)						(64,455)	666,484		
Extraordinary Aid	25-495-034-5120-044	728,140	7/1/2022	6/30/2023					(728,140)				(728,140)			728,140		
Extraordinary Aid	24-495-034-5120-044	788,890	7/1/2025	6/30/2024	(788,890)			788,890										
Non-Public Transportation	25-100-034-5120-068	139,166	7/1/2024	6/30/2025					(139,166)				(139,166)			139,166		
Non-Public Transportation	24-100-034-5120-068	130,585	7/1/2023	6/30/2024	(130,585)			130,585										
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	25-495-034-5094-001	1,768,475	7/1/2024	6/30/2025				1,768,475	(1,768,475)							1,768,475		
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	25-495-034-5094-002	6,052,259	7/1/2024	6/30/2025				6,052,259	(6,052,259)							6,052,259		
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	25-495-034-5094-004	2,634	7/1/2024	6/30/2025				2,634	(2,634)							2,634		
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	25-100-034-5095-003	1,302,423	7/1/2024	6/30/2025				1,233,938	(1,302,423)				(66,485)			1,302,423		
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	24-100-034-5095-003	1,221,757	7/1/2023	6/30/2024	(60,975)			60,975										
					(980,450)			13,999,715	(13,953,056)				(933,791)			(382,916)	13,953,056	
Special Revenue:																		
Preschool Education Aid	24-495-034-5120-086	1,841,848	7/1/2024	6/30/2025				1,841,848	(1,841,848)						(178,051)	1,841,848		
Non-Public Textbooks	25-495-034-5120-064	716	7/1/2024	6/30/2025				716	(716)							716		
Non-Public Nursing	25-495-034-5120-070	1,820	7/1/2024	6/30/2025				1,820	(1,820)							1,820		
Non-Public Nursing	24-495-034-5120-070	1,800	7/1/2023	6/30/2024	39						39							
Non-Public Security	24-495-034-5120-084	2,870	7/1/2024	6/30/2025				2,870	(2,532)							338		
Non-Public Technology	25-495-034-5120-373	686	7/1/2024	6/30/2025				686	(686)							686		
Non-Public Technology	24-495-034-5120-373	735	7/1/2023	6/30/2024	315						315							
Total Special Revenue					334			1,847,940	(1,847,602)							338	(178,051)	1,847,602
State Department of Agriculture:																		
National School Lunch Program (State Share)	24-100-010-3330-023	14,215	7/1/2023	6/30/2024	(2,495)			2,495										
National School Lunch Program (State Share)	25-100-010-3330-023	13,345	7/1/2024	6/30/2025				11,199	(13,345)				(2,146)			13,345		
NJEIE - Lunch	24-100-010-3330-023	705	7/1/2023	6/30/2024	(120)			120										
NJEIE - Lunch	25-100-010-3330-023	3,052	7/1/2024	6/30/2025				1,837	(3,052)				(1,215)			3,052		
NJEIE - Breakfast	24-100-010-3330-023	17	7/1/2023	6/30/2024	(13)			13										
NJEIE - Breakfast	25-100-010-3330-023	422	7/1/2024	6/30/2025				220	(422)				(202)			422		
National School Breakfast Program (State Share)	24-100-010-3330-023	602	7/1/2023	6/30/2024	(126)			126										
National School Breakfast Program (State Share)	25-100-010-3330-023	352	7/1/2024	6/30/2025				299	(352)				(53)			352		
Total State Department of Agriculture					(2,754)			16,309	(17,171)				(3,616)				17,171	
Debt Service Fund:																		
Debt Service Aid	25-195-034-5120-017	1,357,667	7/1/2024	6/30/2025				1,357,667	(1,357,667)								1,357,667	
Total State Financial Assistance					\$ (982,850)			1,357,667	14,506,297	(15,817,829)			354	(937,407)		338	(560,967)	17,175,496
Less: State Financial Assistance Not Subject to Major Program Determination:																		
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	25-495-034-5094-001		7/1/2024	6/30/2025					1,768,475									
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	25-495-034-5094-002		7/1/2024	6/30/2025					6,052,259									
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	25-495-034-5094-004		7/1/2024	6/30/2025					2,634									
Total State Financial Assistance Subject to Major Program Determination									\$ (7,994,461)									

See Accompanying Notes to Schedules of Financial Assistance.

BOARD OF EDUCATION

K-5

SPRINGFIELD SCHOOL DISTRICT**NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE****JUNE 30, 2025****NOTE 1: General**

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Springfield School District. The Board of Education is defined in Note 1(A) to the Board's general-purpose 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 schedule 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 using the modified accrual basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting and than recorded in the special revenue fund which are presented using the budgetary basis of accounting. These bases of accounting are described in the Note 1(C) to the Board's general-purpose financial statements.

NOTE 3: Relationship to General Purpose Financial Statements

The general-purpose 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 last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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 last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

NOTE 3: Relationship to General Purpose Financial Statements

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>State Assistance</u>					
Actual Amounts (Budgetary)					
“Revenues” from the Schedule					
of Expenditures of State					
Financial Assistance	\$ 13,953,056	1,847,602	1,357,667	17,171	17,175,496
Difference – Budget to “GAAP”					
Grant Accounting Budgetary					
Basis Differs from GAAP					
in that Encumbrances are					
Recognized as Expenditures					
and the Related Revenue					
is Recognized		40,050			40,050
The Last State Aid Payment					
Is Recognized as Revenue					
for Budgetary Purposes,					
and Differs from GAAP					
Which does not Recognize					
This Revenue Until the					
Subsequent Year When the					
State Recognizes the Related					
Expense (GASB 33)	<u>(27,475)</u>	<u>(51,081)</u>	<u> </u>	<u> </u>	<u>(78,556)</u>
Total State Revenue as Reported					
on the Statement of Revenues,					
Expenditures and Changes in					
Fund Balances	<u>\$ 13,925,581</u>	<u>1,836,571</u>	<u>1,357,667</u>	<u>17,171</u>	<u>17,136,990</u>

NOTE 3: Relationship to General Purpose Financial Statements (Continued)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>Federal Assistance</u>				
Actual Amounts (Budgetary) "Revenues" from the Schedule of Expenditures of Federal Awards	\$ 3,438	790,713	324,261	1,118,412
Difference – Budget to "GAAP" Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized	_____	<u>11,344</u>	_____	<u>11,344</u>
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 3,438</u>	<u>802,057</u>	<u>324,261</u>	<u>1,129,756</u>

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: 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 of 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.

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

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Part 1 - Summary of Auditor's Results

Financial Statement Section

Unmodified

(A) Type of auditor's report issued:

(B) Internal control over financial reporting:

1) Material weakness(es) identified? _____ Yes x No

2) Were reportable conditions(s) identified that were not considered to be material weaknesses? _____ Yes x No

(C) Noncompliance material to general purpose financial statements noted? _____ Yes x No

Federal Awards Section

Internal control over compliance

1) Material weakness(es) identified? _____ Yes x No

2) Reportable conditions(s) 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 section .510(a) of Circular A-133? _____ Yes x No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

84.027	IDEA Part B Basic (Special Education Cluster)
84.173	IDEA Preschool (Special Education Cluster)
10.555	National School Lunch
10.555	National School Breakfast
10.555	HHFRA
10.555	Local Foods for Schools
10.555	SEBT
10.550	Food Distribution Program

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

Auditee qualified as low-risk auditee? x Yes _____ No

TOWNSHIP OF SPRINGFIELD SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Part 1 - Summary of Auditor's Results (Continued)

State Awards Section

(J) Dollar threshold used to determine Type A programs: \$750,000

(K) Auditee qualified as low-risk auditee? x Yes No

(L) Type of auditor's report on compliance for major programs: Unmodified

(M) Internal control over compliance:

(1) Material Weakness(es) identified? Yes x No

(2) Were reportable condition(s) identified that were not considered to material weaknesses? Yes x No

(N) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 04-04? Yes x No

(O) Identification of major programs:

Program/Account Number(s)

Name of State Program

25-495-034-5120-089
25-495-034-5120-068
25-495-034-5120-084
25-495-034-5120-086
25-100-034-5095-003

Special Education Aid
School Choice Aid
Security Aid
Preschool Education Aid
Reimbursed TPAF Social Security

TOWNSHIP OF SPRINGFIELD SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2025***Part 2 - Schedule of Financial Statement Findings***

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the general purpose financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Recommendation: N/A

TOWNSHIP OF SPRINGFIELD SCHOOL DISTRICTSCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2025*Part 3 - Schedule of Federal and State Award Findings and Questioned Costs*

This section identifies audit findings required to be reported by Title 2 U.S. Code of Federal Regulations Part 200 and OMB Circular Letter 15-08.

FEDERAL AWARDS

Finding: None

Federal program information: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

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

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Part 3 - Schedule of Federal and State Award Findings and Questioned Costs

STATE AWARDS

Finding: None

State program information: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Recommendation: N/A

Management's response: N/A

TOWNSHIP OF SPRINGFIELD SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prior Audit Findings:

No prior year audit findings.