

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**

Holmdel, New Jersey  
County of Monmouth

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2024**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE  
HOLMDEL TOWNSHIP SCHOOL DISTRICT  
HOLMDEL, NEW JERSEY**

**YEAR ENDED JUNE 30, 2024**

**PREPARED BY DISTRICT FINANCE OFFICER  
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY  
MICHAEL R. PETRIZZO**



## TABLE OF CONTENTS

	PAGE
<b>INTRODUCTORY SECTION</b> (First Section)	
Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
<b>FINANCIAL SECTION</b> (Second Section)	
Independent Auditor's Report	11
<b>REQUIRED SUPPLEMENTARY INFORMATION – PART I</b>	
Management's Discussion and Analysis	17
<b>BASIC FINANCIAL STATEMENTS</b>	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	29
A-2 Statement of Activities	30
B. Fund Financial Statements:	
B-1 Balance Sheet	35
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	36
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	37
Proprietary Funds:	
B-4 Statement of Net Position	41
B-5 Statement of Revenues, Expenditures and Changes in Fund Net Position	42
B-6 Statement of Cash Flows	43
Fiduciary Funds:	
B-7 Statement of Fiduciary Assets and Liabilities	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to Basic Financial Statements	49
<b>REQUIRED SUPPLEMENTARY INFORMATION – PART II</b>	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	89
C-2 Budgetary Comparison Schedule – Special Revenue Fund	94
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	97
<b>REQUIRED SUPPLEMENTARY INFORMATION – PART III</b>	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	103
L-2 Schedule of the School District Contributions - PERS	104
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF	105

## TABLE OF CONTENTS

	PAGE
M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)	
M-1 Schedule of Changes in the Net OPEB Liability and Related Ratios - OPEB	109
Notes to the Required Supplementary Information - Part III	113
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
D. School Based Budget Schedules Fund (if applicable):	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues & Expenditures - Special Revenue Fund – Budgetary Basis	121
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	127
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	128
F-2a Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Window Replacement - Various Schools	129
F-2b Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Site Improvements	130
F-2c Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - ESIP Lighting & Other Capital Project Upgrades - Various Schools	131
F-2d Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - MClA Capital Equipment Lease - 2019	132
F-2e Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - MClA Capital Equipment Lease - 2021	133
F-2f Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - MClA Capital Equipment Lease - 2023	134
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	N/A
G-2 Combining Schedule of Revenues, Expenses & Changes in in Fund Net Position	N/A
G-3 Combining Schedule of Cash Flows	N/A
Internal Service Fund –	
G-4 Combining Schedule of Net Position	N/A
G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
H-3 Student Activity Agency Fund - Schedule of Receipts & Disbursements	N/A
H-4 Payroll Agency Fund - Schedule of Receipts & Disbursements	N/A

**TABLE OF CONTENTS**

	PAGE
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds Payable	139
I-2 Schedule of Financed Purchases Payable	140
I-3 Debt Service Fund - Budgetary Comparison Schedule	141
I-4 Schedule of Early Retirement Incentive Plan Loans Payable	N/A

**STATISTICAL SECTION (Unaudited)**  
(Third Section)

Financial Trends:	
J-1 Net Position by Component	147
J-2 Changes in Net Position	148
J-3 Fund Balances – Governmental Funds	150
J-4 Changes in Fund Balances – Governmental Funds	151
J-5 General Fund - Other Local Revenue by Source	152
Revenue Capacity:	
J-6 Assessed Value & Actual Value of Taxable Property	155
J-7 Direct and Overlapping Property Tax Rates	156
J-8 Principal Property Taxpayers	157
J-9 Property Tax Levies and Collections	158
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	161
J-11 Ratios of Net General Bonded Debt Outstanding	162
J-12 Ratios of Overlapping Governmental Activities Debt	163
J-13 Legal Debt Margin Information	164
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	167
J-15 Principal Employers	168
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	171
J-17 Operating Statistics	172
J-18 School Building Information	173
J-19 Schedule of Required Maintenance	174
J-20 Insurance Schedule	175

**SINGLE AUDIT SECTION**  
(Fourth Section)

K-1 Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	179
K-2 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with Uniform Guidance and New Jersey OMB Circular Letter 15-08	181
K-3 Schedule of Expenditures of Federal Awards, Schedule A	185
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	187
K-5 Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	189
K-6 Schedule of Findings and Questioned Cost - Part I	191
K-7 Summary Schedule of Prior Year Audit Findings	195

*This page intentionally left blank*



**INTRODUCTORY SECTION**

*This page intentionally left blank*



# HOLMDEL TOWNSHIP PUBLIC SCHOOLS

*"A COMMITMENT TO EXCELLENCE"*

January 15, 2025

Honorable President and Members  
of the Board of Education  
Holmdel Township School District  
County of Monmouth, New Jersey

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Holmdel Township School District for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Holmdel Township School District. 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, 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 district as of June 30, 2024, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

### Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions 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 New Jersey OMB's Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

### **REPORTING ENTITY AND ITS SERVICES**

The Holmdel Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include general and vocational education as well as special education programs and services for students with disabilities. The District is comprised of two elementary schools, one middle school and one high school. The District's full time student enrollment as of October 15, 2023 was 2,883.

### **ECONOMIC CONDITION AND OUTLOOK**

The District's tax base is expected to remain stable due to its above-average wealth levels and continued development. The tax level has remained relatively stable in recent years due to savings realized from benefits, energy efficiencies and an increase in state aid funding. The District is required to meet federal and state student learning standards and special education requirements. The District has mitigated reliance on local property taxes by increasing revenue through enterprise fund initiatives and continued savings from energy conservation programs, and federal, state and county purchasing consortiums. The District anticipates maintaining its strong financial position given ongoing expenditure management, moderate but consistent increases, and forward-looking financial planning.

### **MAJOR INITIATIVES**

The District successfully completed the Holmdel 2020 Initiative, which was a \$40.3 million school referendum project focused on academic, athletic and infrastructure improvements to all four schools, but the greatest enhancement was the expansion and renovation of the middle and high school into a state-of-the-art 7th-12th grade facility that supports the transformation of the adolescents who enter it as 7th graders into future-ready young adults. The Holmdel 2020 Initiative allowed the District to create a more appropriately flexible, student-centered, technology rich complex that will inspire and promote innovation at every turn, optimize the pace and focus of learning for all students and maintain our community's commitment to excellence in academics, athletics and the arts. As a continued commitment to excellence, District goal number two for the 2023/2024 academic year, was to finalize research process with respect to aligning the middle and high school schedules thereby creating a later start time for a prospective implementation for September 2024. As a result of this process, the District has decided to move forward with this initiative noting several positive implications for our students, including addressing sleep deprivation among high school learners, easing scheduling challenges for parents with children in different schools, and providing additional opportunities for Indian Hill school students to engage in after-school and extracurricular activities.

## **INTERNAL ACCOUNTING CONTROLS**

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general 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 delivered; and (2) the valuation of costs and benefits require 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 evaluations by the district management.

As part of the School 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.

## **BUDGETARY CONTROLS**

In addition to internal accounting controls, the School 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 cancelled or included as re-appropriations of fund balance in the subsequent year.

## **ACCOUNTING SYSTEM AND REPORTS**

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The School District's accounting system is organized on the basis of funds. The funds are explained in "Notes to Financial Statements", Note 1.

## **FINANCIAL POLICIES**

The intent of the Board of Education is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

**OTHER INFORMATION**

*INDEPENDENT AUDIT*

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman Frenia Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting 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.

**ACKNOWLEDGEMENTS**

We would like to express our appreciation to the members of the Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have accomplished without the efficient and dedicated services of our business office staff.

Respectfully Submitted,

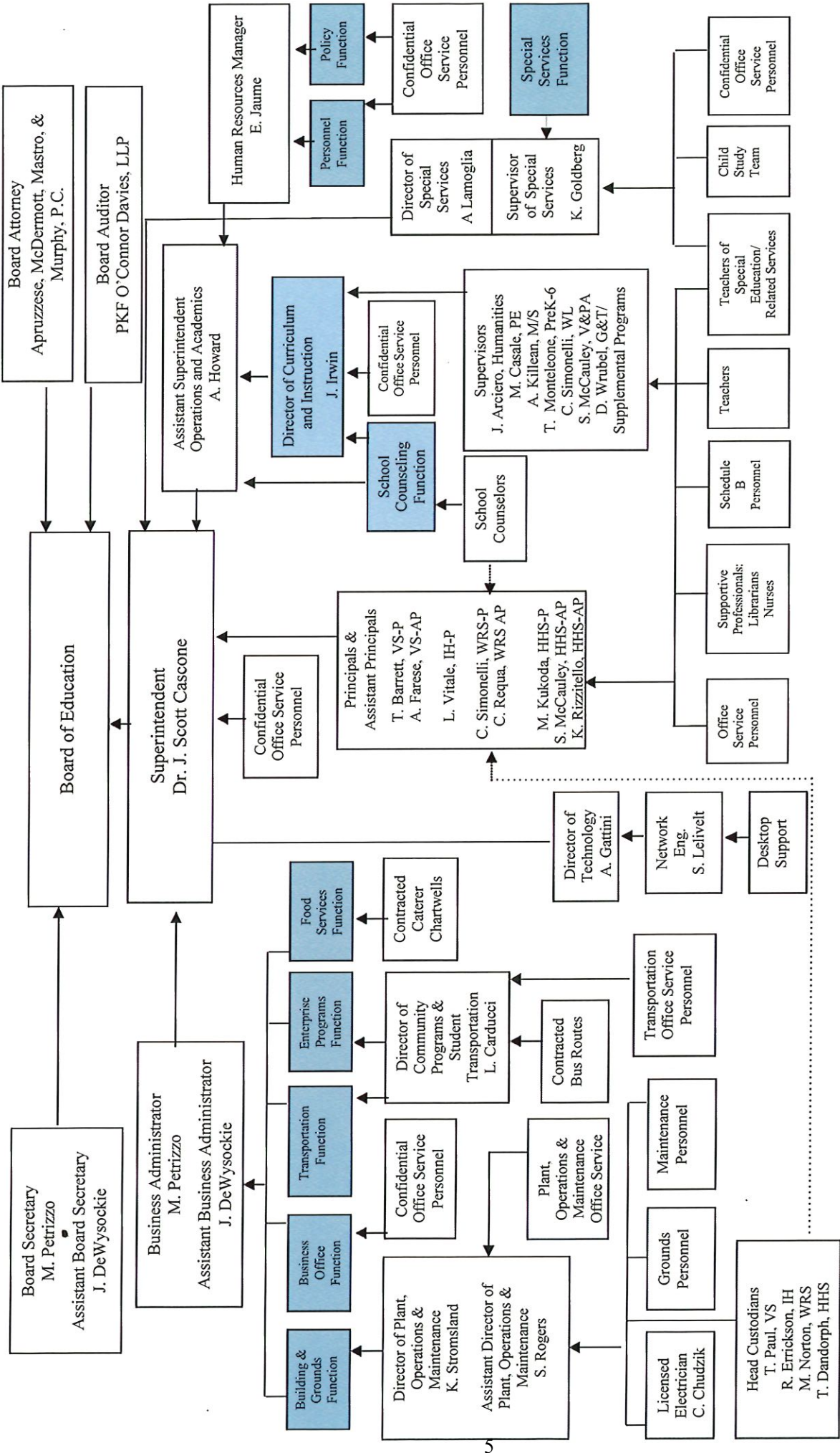


Dr. J. Scott Cascone  
Superintendent of Schools



Deborah Donnelly  
Business Administrator/Board Secretary

HOLMDEL TOWNSHIP BOARD OF EDUCATION ORGANIZATIONAL CHART



↑ Direct Reporting  
 ↑ Secondary Reporting

Board Members  
 T. Wall, President, C. DiMare, Vice President  
 J. Buckley, S. Collur, A. Libecchi, A. LoPresti, J. Mann, P. Reddy, K. Tuccillo

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
HOLMDEL, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2024**

**Members of the Board of Education**

**TERM EXPIRES**

Terence Wall, President	2024
Chris DiMare, Vice President	2025
John Buckley	2025
Surekha Collur	2024
Anthony Libecci	2026
Alison LoPresti	2026
Jeffrey Mann	2025
Peter Reddy	2026
Kimberly Tuccillo	2024

**Other Officials**

Dr. J. Scott Cascone, Superintendent of Schools

Mr. Michael R. Petrizzo, School Business Administrator/Board Secretary

Mr. Kyle Trent, Attorney, Apruzzese, McDermott, Mastro & Murphy, P.C., Board Attorney



**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
HOLMDEL, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2024**

**AUDITOR/AUDIT FIRM**

Holman Frenia Allison, P. C.  
1985 Cedar Bridge Avenue  
Lakewood, New Jersey 08701

**ATTORNEY**

Kyle J. Trent  
Apruzzese, McDermott, Mastro & Murphy, P.C.  
25 Independence Blvd. 3rd Floor  
Warren, NJ 07059

**OFFICIAL DEPOSITORY**

Bank of America  
Hazlet Branch, Route 35  
Hazlet, New Jersey 07730

**ARCHITECT**

Spiezle Architectural Group  
1395 Yardville Hamilton Square Road  
Hamilton Township, New Jersey 08691

*This page intentionally left blank*

**FINANCIAL SECTION**

Second Section

*This page intentionally left blank*



Certified Public Accountants + Advisors

1985 Cedar Bridge Ave., Suite 3 • Lakewood, NJ 08701 • 732.797.1333

194 East Bergen Place • Red Bank, NJ 07701 • 732.747.0010

[www.hfacpas.com](http://www.hfacpas.com)

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Holmdel Township School District  
County of Monmouth  
Holmdel, NJ 07733

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Holmdel Township School District (hereafter referred to as the "School District"), County of Monmouth, State of New Jersey, as of and for the fiscal year ended, June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District as of June 30, 2024, 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; and in compliance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

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

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

## **Auditor's Responsibility**

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 opinion. 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*, and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

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

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

## ***Required Supplementary Information***

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

## ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. 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 January 15, 2025 on our consideration of the School District’s internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District’s internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Brian J. Waldron  
Certified Public Accountant  
Public School Accountant, No. 2600

Lakewood, New Jersey  
January 15, 2025

*This page intentionally left blank*



**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

*This page intentionally left blank*

## HOLMDEL TOWNSHIP SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2024

This section of the Holmdel Township Districts's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2023-2024) and the prior fiscal year (2022-2023) is required to be presented in the MD&A.

#### FINANCIAL HIGHLIGHTS

Key financial highlights for 2024 are as follows:

- In total, net position of governmental activities decreased \$2,355,215, which represents a 7.43% decrease from 2023. Total net position of business-type activities increased \$109,462, which represents a 30.30% increase from 2023.
- General revenues accounted for \$69,832,025 in revenue or 72.35% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$24,544,924 or 25.43% of total revenue of \$96,521,897.
- Total assets and deferred outflows of governmental activities decreased by \$5,880,532 as cash and cash equivalents increased by \$748,522, receivables increased by \$226,656, restricted cash and cash equivalents decreased by \$2,160,165, and total capital assets decreased by \$3,868,844.
- Total liabilities and deferred inflows of governmental activities decreased by \$3,525,317 as non-current liabilities due beyond one year increased by \$13,089,849.
- The District had \$96,732,164 in governmental activity expenses; only \$24,544,924 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$69,832,025 were adequate to provide for these programs, resulting in an decrease in net position for governmental activities of \$2,355,215.
- In the governmental funds, the general fund had \$80,901,938 in revenues and \$82,757,462 in expenditures and \$49,915 in other financing uses. The general fund's fund balance decreased by \$1,935,439 over 2023.

## USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Holmdel Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

**Fund Financial Statements.** A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

### ***Proprietary Funds***

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

### ***Fiduciary Funds***

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District had no fiduciary funds to report during the year.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

**Other Information.** The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

### **Government-Wide Financial Analysis**

The District's financial position is the result of several types of financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2024 and 2023, respectively:

**Net Position**  
**June 30, 2024**

	Governmental Activities		Business-Type Activities	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Assets</b>				
Current and Other				
Assets	\$ 5,760,290	\$ 7,158,757	\$ 447,684	\$ 386,971
Capital Assets, Net	77,190,419	81,059,263	113,553	65,780
Total Assets	<u>82,950,709</u>	<u>88,218,020</u>	<u>561,237</u>	<u>452,751</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows				
Relating to Pension	1,944,377	2,557,598	-	-
Total Deferred Outflows of Resources	<u>1,944,377</u>	<u>2,557,598</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
Long-Term Liabilities	50,959,489	37,869,640	-	-
Other Liabilities	3,120,039	17,978,711	90,535	91,511
Total Liabilities	<u>54,079,528</u>	<u>55,848,351</u>	<u>90,535</u>	<u>91,511</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows				
Relating to Pension	1,460,771	3,217,265	-	-
Total Deferred Inflows of Resources	<u>1,460,771</u>	<u>3,217,265</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in				
Capital Assets	42,005,680	44,221,847	113,553	65,780
Restricted	2,432,749	4,484,324	-	-
Unrestricted	(15,083,642)	(16,996,169)	357,149	295,460
Total Net Position	<u>\$ 29,354,787</u>	<u>\$ 31,710,002</u>	<u>\$ 470,702</u>	<u>\$ 361,240</u>

The District's largest net position component is the Net Investment in Capital Assets portion as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position decreased \$2,051,575 from the prior year to \$42,005,680 at June 30, 2024.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The \$(15,083,642) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2024 and 2023. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	<b><u>June 30, 2024</u></b>		
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
<b>Revenues:</b>			
Program Revenues:			
Operating Grants and Contributions	\$ 24,544,924	\$ 2,144,948	\$ 26,689,872
General Revenues:			
Property Taxes	61,515,723	-	61,515,723
Federal and State Aid	6,909,846	-	6,909,846
Miscellaneous	1,406,456	-	1,406,456
<b>Total Revenues</b>	<b>\$ 94,376,949</b>	<b>\$ 2,144,948</b>	<b>\$ 96,521,897</b>
<b>Expenses:</b>			
Instructional Services	59,442,720	-	59,442,720
Support Services	36,165,699	2,035,486	38,201,185
Transfer to Charter Schools	79,915	-	79,915
Interest and Other Charges	1,043,830	-	1,043,830
<b>Total Expenses</b>	<b>96,732,164</b>	<b>2,035,486</b>	<b>98,767,650</b>
<b>Change in Net Position</b>	<b>(2,355,215)</b>	<b>109,462</b>	<b>(2,245,753)</b>
Net Position, Beginning	31,710,002	361,240	32,071,242
<b>Net Position, Ending</b>	<b>\$ 29,354,787</b>	<b>\$ 470,702</b>	<b>\$ 29,825,489</b>
<b><u>June 30, 2023</u></b>			
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ 227,245	\$ -	\$ 227,245
Operating Grants and Contributions	3,477,002	1,901,630	5,378,632
Capital Grants and Contributions	135,475	-	135,475
General Revenues:			
Property Taxes	59,219,063	-	59,219,063
Federal and State Aid	21,673,667	-	21,673,667
Miscellaneous	449,155	34,966	484,121
<b>Total Revenues</b>	<b>85,181,607</b>	<b>1,936,596</b>	<b>87,118,203</b>
<b>Expenses:</b>			
Instructional Services	49,104,408	-	49,104,408
Support Services	36,412,670	2,003,799	38,416,469
Interest and Other Charges	1,127,589	-	1,127,589
<b>Total Expenses</b>	<b>86,644,667</b>	<b>2,003,799</b>	<b>88,648,466</b>
<b>Change in Net Position</b>	<b>(1,463,060)</b>	<b>(67,203)</b>	<b>(1,530,263)</b>
Net Position, Beginning	33,173,062	428,443	33,601,505
<b>Net Position, Ending</b>	<b>\$ 31,710,002</b>	<b>\$ 361,240</b>	<b>\$ 32,071,242</b>

## Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

## Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2024 and 2023 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	<b>June 30, 2024</b>			
	Amount	Percent Of Total	Increase (Decrease) From 2023	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 30,711,610	34.26%	\$ (20,825)	-0.07%
Undistributed	54,506,338	60.81%	2,374,250	4.55%
Capital Outlay	950,434	1.06%	(2,500,008)	-72.45%
Debt Service:				
Principal	2,240,000	2.50%	(270,000)	-10.76%
Interest	1,228,237	1.37%	(21,136)	-1.69%
<b>Total</b>	<b>\$ 89,636,619</b>	<b>100%</b>	<b>\$ (437,719)</b>	<b>-0.49%</b>

	<b>June 30, 2023</b>			
	Amount	Percent Of Total	Increase (Decrease) From 2022	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 30,732,435	34.12%	\$ 951,743	3.20%
Undistributed	52,132,088	57.88%	3,700,301	7.10%
Capital Outlay	3,450,442	3.83%	(130,132)	-3.63%
Debt Service:				
Principal	2,510,000	2.79%	55,000	2.24%
Interest	1,249,373	1.39%	(87,961)	-6.58%
<b>Total</b>	<b>\$ 90,074,338</b>	<b>100%</b>	<b>\$ 4,488,951</b>	<b>5.24%</b>

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

## General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2023-2024 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.



Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2023-2024 year.

**Proprietary Funds.** The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of \$76,978 in 2023-2024 as compared to a change in net position of \$13,755 in 2022-2023. The food service fund required no contributions from the Board in 2022-2023 or in the 2023-2024 year. The Board has made significant changes to the varieties of offerings to appeal to the grade levels at each school.

**Capital Assets**

At June 30, 2024 the District has capital assets of \$77,303,972, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2024</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 5,122,300	\$ -
Construction In Progress	368,954	-
Buildings and Improvements	69,819,154	-
Machinery and Equipment	1,880,011	113,553
Total	<u>\$ 77,190,419</u>	<u>\$ 113,553</u>
	<u>June 30, 2023</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 5,122,300	\$ -
Construction In Progress	239,342	-
Buildings and Improvements	73,461,196	-
Machinery and Equipment	2,236,425	65,780
Total	<u>\$ 81,059,263</u>	<u>\$ 65,780</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

**Debt Administration and Other Obligations**

At June 30, 2024 and 2023, the District’s outstanding debt issues included \$33,115,000 and \$35,053,000 respectively of general obligation bonds and \$706,809 and \$800,722 respectively in compensated absences payable.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

### **Economic Factors and Subsequent Year's Budgets**

For the 2023-2024 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 30% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 70% of total revenue is from local tax levy.

The \$(15,083,642) 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 non-capital liabilities (compensated absences, etc.), the School Board would have that much in value.

The School Board anticipates a slight decrease in enrollment for the 2023-2024 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy or (c) seek alternative sources of funding.

In general, the Holmdel Township School district has consistently committed itself to sound, conservative fiscal management, providing the most efficient and effective education possible given the demands and challenges associated with the need to improve students' academic performance.

### **Requests for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to School Business Administrator/Board Secretary at Holmdel Township School District, 65 McCampbell Road, Holmdel, NJ 07733.

**BASIC FINANCIAL STATEMENTS**

*This page intentionally left blank*

**A. Government-Wide Financial Statements**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 966,139	\$ 358,456	\$ 1,324,595
Receivables, Net (Note 4)	2,711,667	89,228	2,800,895
Restricted Cash & Cash Equivalents	2,025,072	-	2,025,072
Other Current Assets	57,412	-	57,412
Capital Assets, Net (Note 5):			
Non-Depreciable	5,491,254	-	5,491,254
Depreciable	71,699,165	113,553	71,812,718
Total Assets	<u>82,950,709</u>	<u>561,237</u>	<u>83,511,946</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to Pensions (Note 8)	1,944,377	-	1,944,377
Total Deferred Outflow of Resources	<u>1,944,377</u>	<u>-</u>	<u>1,944,377</u>
<b>LIABILITIES</b>			
Accounts Payable	1,217,410	3,211	1,220,621
Due to Other Governments	1,338,215	-	1,338,215
Payroll Deductions and Withholdings Payable	1,095	-	1,095
Unearned Revenue	95,267	89,223	184,490
Accrued Interest	451,008	-	451,008
Internal Balances	1,899	(1,899)	-
Other Liabilities	15,145	-	15,145
Noncurrent Liabilities (Note 7):			
Due Within One Year	2,551,889	-	2,551,889
Due in More Than One Year	48,407,600	-	48,407,600
Total Liabilities	<u>54,079,528</u>	<u>90,535</u>	<u>54,170,063</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to Pensions (Note 8)	1,460,771	-	1,460,771
Total Deferred Inflow of Resources	<u>1,460,771</u>	<u>-</u>	<u>1,460,771</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	42,005,680	113,553	42,119,233
Restricted for:			
Capital Projects (Note 3)	1,712,794	-	1,712,794
Debt Service	1	-	1
Maintenance Reserve (Note 3)	300,127	-	300,127
Unemployment Reserve	142,945	-	142,945
Student Activities	245,616	-	245,616
Scholarship	31,266	-	31,266
Unrestricted (Deficit) (Note 18)	(15,083,642)	357,149	(14,726,493)
Total Net Position	<u>\$ 29,354,787</u>	<u>\$ 470,702</u>	<u>\$ 29,825,489</u>

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

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 42,121,187	\$ -	\$ 16,100,517	\$ (26,020,670)	\$ -	\$ (26,020,670)
Special Education Instruction	13,204,490	-	4,502,436	(8,702,054)	-	(8,702,054)
Other Instruction	4,117,043	-	1,404,651	(2,712,392)	-	(2,712,392)
Support Services:						
Tuition	1,244,571	-	109,066	(1,135,505)	-	(1,135,505)
Student & Instruction Related Services	13,244,845	-	1,315,180	(11,929,665)	-	(11,929,665)
General Administrative	903,163	-	78,956	(824,207)	-	(824,207)
School Administrative Services	2,294,985	-	200,735	(2,094,250)	-	(2,094,250)
Central Services	1,262,997	-	110,404	(1,152,593)	-	(1,152,593)
Administrative Info. Technology	93,792	-	4,015	(89,777)	-	(89,777)
Plant Operations & Maintenance	10,385,446	-	424,219	(9,961,227)	-	(9,961,227)
Pupil Transportation	6,735,900	-	294,745	(6,441,155)	-	(6,441,155)
Charter Schools	79,915	-	-	(79,915)	-	(79,915)
Interest & Other Charges	1,043,830	-	-	(1,043,830)	-	(1,043,830)
Total Governmental Activities	96,732,164	-	24,544,924	(72,187,240)	-	(72,187,240)
Business-Type Activities:						
Food Service	1,312,536	1,389,514	-	-	76,978	76,978
Other Enterprise Fund	722,950	755,434	-	-	32,484	32,484
Total Business-Type Activities	2,035,486	2,144,948	-	-	109,462	109,462
Total Primary Government	\$ 98,767,650	\$ 2,144,948	\$ 24,544,924	\$ (72,187,240)	\$ 109,462	\$ (72,077,778)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				59,041,186	-	59,041,186
Property Taxes, Levied for Debt Service				2,474,537	-	2,474,537
Federal & State Aid Restricted				1,430,826	-	1,430,826
Federal & State Aid Not Restricted				5,479,020	-	5,479,020
Tuition Charges				361,174	-	361,174
Miscellaneous				1,045,282	-	1,045,282
Total General Revenues				69,832,025	-	69,832,025
Change In Net Position				(2,355,215)	109,462	(2,245,753)
Net Position - Beginning				31,710,002	361,240	32,071,242
Net Position - Ending				\$ 29,354,787	\$ 470,702	\$ 29,825,489

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



## **B. Fund Financial Statements**

*This page intentionally left blank*

## **Governmental Funds**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2024**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 1,453,799	\$ -	\$ -	\$ 1	\$ 1,453,800
Receivables, Net:					
Interfund Receivable	19,730	38,913	-	-	58,643
Due from Other Governments:					
Federal	-	721,318	-	-	721,318
State	1,127,323	-	169,986	-	1,297,309
Other	285,407	229,254	-	-	514,661
Other Accounts Receivable	-	-	178,379	-	178,379
Other Current Assets	57,412	-	-	-	57,412
Restricted Cash & Cash Equivalents	2,025,072	-	-	-	2,025,072
<b>Total Assets</b>	<b>\$ 4,968,743</b>	<b>\$ 989,485</b>	<b>\$ 348,365</b>	<b>\$ 1</b>	<b>\$ 6,306,594</b>
<b>LIABILITIES &amp; FUND BALANCES</b>					
Cash Deficit	\$ -	\$ 418,956	\$ 68,705	\$ -	\$ 487,661
Accounts Payable	1,033,502	174,059	9,849	-	1,217,410
Intergovernmental Payable:					
State	1,272	3,772	-	-	5,044
Other	-	819	-	-	819
Interfund Payable	40,812	19,730	-	-	60,542
Payroll Deductions and Withholdings Payable	1,095	-	-	-	1,095
Unearned Revenue	-	95,267	-	-	95,267
Other Liabilities	-	-	15,145	-	15,145
<b>Total Liabilities</b>	<b>1,076,681</b>	<b>712,603</b>	<b>93,699</b>	<b>-</b>	<b>1,882,983</b>
Fund Balances:					
Restricted for:					
Capital Reserve	1,582,000	-	-	-	1,582,000
Maintenance Reserve	300,127	-	-	-	300,127
Unemployment Reserve	142,945	-	-	-	142,945
Student Activities	-	245,616	-	-	245,616
Scholarship	-	31,266	-	-	31,266
Capital Projects	-	-	130,794	-	130,794
Debt Service	-	-	-	1	1
Assigned to:					
Designated for Subsequent Year Expenditures	850,000	-	-	-	850,000
Other Purposes	905,732	-	123,872	-	1,029,604
Unassigned	111,258	-	-	-	111,258
<b>Total Fund Balances</b>	<b>3,892,062</b>	<b>276,882</b>	<b>254,666</b>	<b>1</b>	<b>4,423,611</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 4,968,743</b>	<b>\$ 989,485</b>	<b>\$ 348,365</b>	<b>\$ 1</b>	

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 \$127,110,193 and the accumulated depreciation is \$49,919,774.	77,190,419
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows Related to Pensions	1,944,377
Deferred Inflows Related to Pensions	(1,460,771)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(451,008)
Accrued pension contributions for the June 30, 2024 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(1,332,352)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(50,959,489)
<b>Net Position of Governmental Activities</b>	<b>\$ 29,354,787</b>

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2024**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 59,041,186	\$ -	\$ -	\$ 2,474,537	\$ 61,515,723
Tuition Charges	361,174	-	-	-	361,174
Miscellaneous	575,274	470,008	808,640	-	1,853,922
Total Local Sources	59,977,634	470,008	808,640	2,474,537	63,730,819
State Sources	20,913,890	961,288	-	622,186	22,497,364
Federal Sources	10,414	1,543,458	-	-	1,553,872
Total Revenues	80,901,938	2,974,754	808,640	3,096,723	87,782,055
Expenditures:					
Instruction:					
Regular Instruction	20,026,194	1,736,312	-	-	21,762,506
Special Education Instruction	6,822,270	-	-	-	6,822,270
Other Instruction	2,126,834	-	-	-	2,126,834
Support Services:					
Tuition	932,771	-	-	-	932,771
Attendance & Social Work Services	174,162	-	-	-	174,162
Health Services	620,612	-	-	-	620,612
Student & Instruction Related Services	7,874,400	1,260,647	-	-	9,135,047
General Administrative	677,443	-	-	-	677,443
School Administrative Services	1,721,120	-	-	-	1,721,120
Central Services	947,371	-	-	-	947,371
Administrative Information Technology	70,837	-	-	-	70,837
Plant Operations & Maintenance	7,264,291	-	-	-	7,264,291
Pupil Transportation	5,050,651	-	-	-	5,050,651
Unallocated Benefits	12,683,287	-	-	-	12,683,287
On Behalf TPAF Pension and Social Security Contributions	15,228,746	-	-	-	15,228,746
Capital Outlay	164,958	-	785,476	-	950,434
Debt Service:					
Principal	302,000	-	-	1,938,000	2,240,000
Interest & Other Charges	69,515	-	-	1,158,722	1,228,237
Total Expenditures	82,757,462	2,996,959	785,476	3,096,722	89,636,619
Excess/(Deficiency) of Revenues Over Expenditures	(1,855,524)	(22,205)	23,164	1	(1,854,564)
Other Financing Sources (Uses):					
Transfer of Funds to Charter Schools	(79,915)	-	-	-	(79,915)
Total Other Financing Sources (Uses)	(79,915)	-	-	-	(79,915)
Net Changes in Fund Balances	(1,935,439)	(22,205)	23,164	1	(1,934,479)
Fund Balance, July 1	5,827,501	299,087	231,502	-	6,358,090
Fund Balance, June 30	\$ 3,892,062	\$ 276,882	\$ 254,666	\$ 1	\$ 4,423,611

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

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

Total Net Changes in Fund Balances - Governmental Funds (B-2)	\$	(1,934,479)
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 depreciation exceeded capital outlays in the period.		
Depreciation Expense	\$	(4,816,964)
Capital Outlay		950,434
Loss on Disposal of Capital Assets		<u>(2,314)</u>
		(3,868,844)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		1,717,007
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		2,347,826
Issuance from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
Lease Proceeds		(801,132)
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
Amortization of Premiums		37,093
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		
		53,401
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>93,913</u>
Change in Net Position of Governmental Activities	\$	<u><u>(2,355,215)</u></u>

*This page intentionally left blank*



## **Proprietary Funds**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2024**

	<b>MAJOR FUNDS</b>		
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>		
	<b>FOOD SERVICE</b>	<b>CHILDCARE PROGRAMS</b>	<b>TOTALS</b>
<b>ASSETS</b>			
Current Assets:			
Cash & Cash Equivalents	\$ 224,817	\$ 133,639	\$ 358,456
Accounts Receivable:			
Other Receivables	89,228	-	89,228
Interfund Receivable	-	1,899	1,899
Total Current Assets	314,045	135,538	449,583
Noncurrent Assets:			
Capital Assets	448,689	80,765	529,454
Less: Accumulated Depreciation	(390,061)	(25,840)	(415,901)
Total Capital Assets, Net	58,628	54,925	113,553
Total Noncurrent Assets	58,628	54,925	113,553
Total Assets	\$ 372,673	\$ 190,463	\$ 563,136
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	\$ 3,211	\$ -	\$ 3,211
Unearned Revenue	60,593	28,630	89,223
Total Current Liabilities	63,804	28,630	92,434
<b>NET POSITION</b>			
Investment in Capital Assets	58,628	54,925	113,553
Unrestricted	250,241	106,908	357,149
Total Net Position	\$ 308,869	\$ 161,833	\$ 470,702

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

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 YEAR ENDED JUNE 30, 2024**

	<b>MAJOR FUNDS</b>		
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>		
	<b>FOOD SERVICE</b>	<b>CHILDCARE PROGRAMS</b>	<b>TOTALS</b>
Operating Revenues:			
Charges for Services:			
Daily Sales - Non-Reimbursable Programs	\$ 1,379,886	\$ -	\$ 1,379,886
Special Functions	5,610	-	5,610
Miscellaneous	4,018	755,434	759,452
Total Operating Revenues	1,389,514	755,434	2,144,948
Operating Expenses:			
Salaries	-	478,968	478,968
Supplies and Materials	7,469	18,982	26,451
Rent	-	225,000	225,000
Depreciation	7,152	-	7,152
Management and Administrative Fees/Purchase Technical	1,297,915	-	1,297,915
Total Operating Expenses	1,312,536	722,950	2,035,486
Operating Gain/(Loss)	76,978	32,484	109,462
Change in Net Position	76,978	32,484	109,462
Total Net Position - Beginning	231,891	129,349	361,240
Total Net Position - Ending	\$ 308,869	\$ 161,833	\$ 470,702

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

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2024**

	<b>MAJOR FUNDS</b>		
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>		
	<b>FOOD SERVICE</b>	<b>CHILDCARE PROGRAMS</b>	<b>TOTALS</b>
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 1,357,323	\$ 528,122	\$ 1,885,445
Payments to Employees	-	(478,968)	(478,968)
Payments to Suppliers	(1,303,536)	(243,982)	(1,547,518)
Net Cash Provided by Operating Activities	53,787	(194,828)	(141,041)
Cash Flows From Capital & Related Financing Activities:			
Purchases of Capital Assets	-	(54,925)	(54,925)
Net Cash Used for Capital & Related Financing Activities	-	(54,925)	(54,925)
Net Increase/(Decrease) in Cash & Cash Equivalents	53,787	(249,753)	(195,966)
Balances - Beginning of Year	171,030	383,392	554,422
Balances - End of Year	\$ 224,817	\$ 133,639	\$ 358,456
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:</b>			
Operating Gain/(Loss)	\$ 76,978	\$ 32,484	\$ 109,462
Adjustments to Reconcile Operating Gain/(Loss) to Net Cash Provided by Operating Activities:			
Depreciation	7,152	-	7,152
(Increase)/Decrease in Accounts Receivable, Net	(26,016)	-	(26,016)
Increase/(Decrease) in Interfunds	-	(232,562)	(232,562)
(Decrease)/Increase in Unearned Revenue	(6,175)	5,250	(925)
Increase in Accounts Payable	1,848	-	1,848
Total Adjustments	(23,191)	(227,312)	(250,503)
Net Cash Provided by Operating Activities	\$ 53,787	\$ (194,828)	\$ (141,041)

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

*This page intentionally left blank*

**Fiduciary Fund**  
*Not Applicable*

*This page intentionally left blank*



**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

The financial statements of the Holmdel Township School District (hereafter referred to as the School District) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

**Reporting Entity**

The School District is a Type II district located in the County of Monmouth, 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 appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grades levels one (1) through twelfth (12th) grade. The School District has an approximate enrollment at June 30, 2024 of 2,889 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Component Units**

GASB Statement No.14. *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84*. The School District had no component units as of for the year ended June 30, 2024.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting, Measurement Focus and Financial Statement Presentation**

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**A. Government-Wide Financial Statements**

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Certain eliminations have been made to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

**B. Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

The School District reports the following major governmental funds:

**General Fund** – The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Department of Education the School District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

**Special Revenue Fund** – The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

**Capital Projects Fund** – The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**Debt Service Fund** – The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

**C. Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

**Food Service Fund** – The food service fund accounts for the financial transactions related to the food service operations of the School District.

**Other proprietary funds** – The Other proprietary funds accounts for financial transactions relating to childcare programs such as Pre-K and before and after school programs.

**D. Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The School District’s fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District reports no fiduciary funds.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with *P.L.2011 c.202*, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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(f)1*. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with *N.J.A.C. 6A:23-2-11*.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

**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 assigned 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 School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue 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.



**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Cash, Cash Equivalents and Investments**

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey school districts.

*N.J.S.A.17:9-41* et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

**Tuition Receivable/Payable**

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

**Inventories**

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

<b>Description:</b>	<b>Governmental Activities Estimated Lives</b>	<b>Business-Type Activities Estimated Lives</b>
Building and Improvements	20-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

**Right to Use Asset & Lease Liability**

Right-of-use assets represent the School District's right to use an underlying asset for the lease term and lease liabilities represent the School District's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

**Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

**Accounting Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Pensions**

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

**Fund Balance**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

**Non-spendable** – This 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. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These 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) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

**Assigned** – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

**Unassigned** – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**Net Position**

Net position, represents the difference between 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 components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

**Restricted** – This component of 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** – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2024 and January 15, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

**Impact of Recently Issued Accounting Principles**

**Adopted Accounting Pronouncements**

The following GASB Statements became effective for the fiscal year ended June 30, 2024:

- Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*.

Management has determined the implementation of this Statement did not have a significant impact on the District's financial statements.

**Accounting Pronouncements Effective in Future Reporting Periods**

- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.
- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.
- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Management has not yet determined the potential impact on the District's financial statements.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 2. Deposits and Investments**

**Deposits**

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2024, the School District’s bank balance of \$2,513,694 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 1,873,853
Uninsured and Uncollateralized	<u>639,841</u>
Total	<u><u>\$ 2,513,694</u></u>

**Investments**

<u>Investment Type</u>	<u>Fair Value</u>	<u>Carrying Value</u>	<u>Investment Maturities (in Years)</u>			
			<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>Over 10 Years</u>
NJ Cash Management	\$ 944,753	\$ 944,753	\$ -	\$ -	\$ -	\$ 944,753
NJ-ARM	<u>1,131,434</u>	<u>1,131,434</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,131,434</u>
	<u><u>\$ 2,076,187</u></u>	<u><u>\$ 2,076,187</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$2,076,187</u></u>

**Fair Value Measurement** - The School District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. Investments are required to be categorized based on the fair value of inputs of Level 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available.

All of the School District's investments described above are classified in Level 1 and are valued using prices quoted in active markets for those securities. The School District does not hold any investments that are measured using Level 2 and Level 3 inputs. All of the School District's investments are classified as cash and cash equivalents in the current year.

**Note 3. Reserve Accounts**

*Capital Reserve*

A capital reserve account was established by the School District 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 School District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School 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 N.J.S.A.19:60-2. Pursuant to N.J.A.C.6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 3. Reserve Accounts (Continued)**

*Capital Reserve (continued)*

The activity of the capital reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$	2,002,000
Decreased by:		
Board Approved Withdrawals		420,000
		420,000
Ending Balance, June 30, 2024	\$	1,582,000

*Maintenance Reserve*

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District’s approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

The activity of the maintenance reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$	2,013,427
Decreased by:		
Board Approved Withdrawals		713,300
Budget Withdrawals		1,000,000
		1,000,000
Ending Balance, June 30, 2024	\$	300,127

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 3. Reserve Accounts (Continued)**

*Unemployment Reserve*

Unemployment reserve funds are restricted pursuant to *N.J.S.A. 43:21-7.3(g)*, which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentally for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

The activity of the unemployment reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$	169,810
Decreased by:		
Unemployment Payments		26,865
Ending Balance, June 30, 2024	\$	142,945

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2024 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2024, consisted of the following:

<b>Description:</b>	<b>Governmental Funds</b>			
	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Capital Projects Funds</b>	<b>Total Governmental Activities</b>
Federal Awards	\$ -	\$ 721,318	\$ -	\$ 721,318
State Awards	1,127,323	-	169,986	1,297,309
Local Awards	285,407	229,254	-	514,661
Other Receivables	-	-	178,379	178,379
Total	\$ 1,412,730	\$ 950,572	\$ 348,365	\$ 2,711,667

<b>Description:</b>	<b>Proprietary Funds</b>		<b>Total Business-Type Activities</b>
	<b>Food Service Fund</b>	<b>Childcare Programs Fund</b>	
Other Receivables	\$ 89,228	\$ -	\$ 89,228
Total	\$ 89,228	\$ -	\$ 89,228



**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2024 was as follows:

	<b>Governmental Activities</b>			
	<b>Balance July 1, 2023</b>	<b>Additions</b>	<b>Retirements and Transfers</b>	<b>Balance June 30, 2024</b>
<b>Governmental Activities:</b>				
Capital Assets not Being Depreciated:				
Land	\$ 5,122,300	\$ -	\$ -	\$ 5,122,300
Construction in Progress	239,342	129,612	-	368,954
<b>Total Capital Assets not Being Depreciated</b>	<b>5,361,642</b>	<b>129,612</b>	<b>-</b>	<b>5,491,254</b>
Capital Assets Being Depreciated:				
Buildings and Building Improvements	109,559,020	10,094	-	109,569,114
Machinery and Equipment	11,248,548	810,728	(9,451)	12,049,825
<b>Total Capital Assets Being Depreciated</b>	<b>120,807,568</b>	<b>820,822</b>	<b>(9,451)</b>	<b>121,618,939</b>
Less: Accumulated Depreciation:				
Buildings and Building Improvements	(36,097,824)	(3,652,136)	-	(39,749,960)
Machinery and Equipment	(9,012,123)	(1,164,828)	7,137	(10,169,814)
<b>Total Accumulated Depreciation</b>	<b>(45,109,947)</b>	<b>(4,816,964)</b>	<b>7,137</b>	<b>(49,919,774)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>75,697,621</b>	<b>(3,996,142)</b>	<b>(2,314)</b>	<b>71,699,165</b>
<b>Total Governmental Activities Capital Assets, Net</b>	<b>\$ 81,059,263</b>	<b>\$ (3,866,530)</b>	<b>\$ (2,314)</b>	<b>\$ 77,190,419</b>
	<b>Business-Type Activities</b>			
	<b>Balance July 1, 2023</b>	<b>Additions</b>	<b>Retirements and Transfers</b>	<b>Balance June 30, 2024</b>
<b>Business-Type Activities:</b>				
Capital Assets Being Depreciated:				
Equipment	\$ 474,529	\$ 54,925	\$ -	\$ 529,454
<b>Total Capital Assets Being Depreciated</b>	<b>474,529</b>	<b>54,925</b>	<b>-</b>	<b>529,454</b>
Less: Accumulated Depreciation:				
Equipment	(408,749)	(7,152)	-	(415,901)
<b>Total Capital Assets being depreciated, net</b>	<b>(408,749)</b>	<b>(7,152)</b>	<b>-</b>	<b>(415,901)</b>
<b>Total Business-Type Activities Capital Assets, Net</b>	<b>\$ 65,780</b>	<b>\$ 47,773</b>	<b>\$ -</b>	<b>\$ 113,553</b>

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 5. Capital Assets (Continued)**

Depreciation expense was charged to functions/programs of the School District as follows:

**Governmental Activities:**

Instruction:

Regular Instruction	\$	1,829,483
Special Education Instruction		573,700
Other Instruction		178,709

**Support Services:**

Tuition		78,517
Student & Instruction Related Services		834,780
General Administrative		56,840
School Administrative Services		144,509
Central Services		79,480
Administrative Info. Technology		5,780
Plant Operations & Maintenance		610,791
Pupil Transportation		424,375

Total Depreciation Expense - Governmental Activities	\$	4,816,964
--	----	-----------

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2024 are as follows:

<b>Fund:</b>	<b>Interfund Receivables</b>	<b>Interfund Payables</b>
General Fund	\$ 19,730	\$ 40,812
Special Revenue Fund	38,913	19,730
Enterprise Fund	1,899	-
	\$ 60,542	\$ 60,542

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

There were no interfund transfers for the year ended June 30, 2024.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2024 the following changes occurred in long-term obligations for the governmental and business-type activities:

	<b>Balance</b>				<b>Balance</b>	<b>Balance</b>
	<b>June 30, 2023</b>	<b>Additions</b>	<b>Reductions</b>		<b>June 30, 2024</b>	<b>Due Within</b>
						<b>One Year</b>
<b>Governmental Activities:</b>						
General Obligation Bonds	\$ 35,053,000	\$ -	\$ 1,938,000		\$ 33,115,000	\$ 1,975,000
Financed Purchases Payable	1,933,100	801,132	409,827		2,324,405	539,796
Unamortized Premiums	82,818	-	37,093		45,725	37,093
Compensated Absences	800,722	-	93,913		706,809	-
Net Pension Liability	15,310,977	3,829,290	4,372,717		14,767,550	-
<b>Total</b>	<b>\$ 53,180,617</b>	<b>\$ 4,630,422</b>	<b>\$ 6,851,550</b>		<b>\$ 50,959,489</b>	<b>\$ 2,551,889</b>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, unamortized premiums, financed purchases payable and the net pension liability are liquidated by the general fund.

**Bonds Payable**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On May 8, 2018 the School District issued \$40,318,000 of General Obligation Bonds. The General Obligation Bonds were issued at varying interest rates and mature on February 1, 2038. The following is a schedule of the remaining future minimum payments under General Obligations Bonds:

<b>Fiscal Year Ending</b>				
<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2025	\$ 1,975,000	\$ 1,095,737	\$ 3,070,737	
2026	2,035,000	1,031,550	3,066,550	
2027	2,095,000	965,413	3,060,413	
2028	2,155,000	897,325	3,052,325	
2029	2,220,000	827,288	3,047,288	
2030 - 2034	12,235,000	3,005,275	15,240,275	
2035 - 2038	10,400,000	900,250	11,300,250	
	<b>\$ 33,115,000</b>	<b>\$ 8,722,838</b>	<b>\$ 41,837,838</b>	

**Lease Obligations**

The School District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 7. Long-Term Obligations (Continued)**

**Lease Obligations (Continued)**

The School District executed an agreement on April 27, 2018 for an Energy Savings Improvement Program. It requires annual payments ranging from \$64,600 to \$84,200. There are no variable payment components of the lease. The lease liability is measured at an explicit discount rate of 3.545% and has a balance of \$913,519 at June 30, 2024. As a result of the lease, the School District has recorded a right to use leased asset with a net book value of \$913,518 at June 30, 2024.

The School District executed an agreement on September 1, 2019 with the MCIA to purchase equipment and to fund Capital Projects. It requires annual payments ranging from \$128,000 to \$168,000. There are no variable payment components of the lease. The lease liability is measured at an explicit discount rate of 5.000% and has a balance of \$164,000 at June 30, 2024. As a result of the lease, the School District has recorded a right to use leased asset with a net book value of \$164,000 at June 30, 2024.

The School District executed an agreement on September 30, 2021 with the MCIA to purchase equipment and to fund Capital Projects. It requires annual payments ranging from \$135,000 to \$164,000. There are no variable payment components of the lease. The lease liability is measured at an explicit discount rate of 5.000% and has a balance of \$445,756 at June 30, 2024. As a result of the lease, the School District has recorded a right to use leased asset with a net book value of \$445,756 at June 30, 2024.

The School District executed an agreement on November 15, 2023 with the MCIA to purchase equipment and to fund Capital Projects. It requires annual payments ranging from \$149,000 to \$176,000. There are no variable payment components of the lease. The lease liability is measured at an explicit discount rate of 5.000% and has a balance of \$801,132 at June 30, 2024. As a result of the lease, the School District has recorded a right to use leased asset with a net book value of \$801,130 at June 30, 2024.

The following is a schedule of the remaining future minimum lease payments under these leases and the present value of the net minimum lease payments at June 30, 2024:

<b>Fiscal Year Ending</b>				
<b><u>June 30,</u></b>	<b><u>Principal</u></b>		<b><u>Interest</u></b>	<b><u>Total</u></b>
2025	\$ 539,796	\$	102,929	\$ 642,725
2026	380,608		77,067	457,675
2027	404,401		59,243	463,644
2028	257,567		40,311	297,878
2029	272,374		28,804	301,178
2030-2033	469,660		42,877	512,537
	<u>\$ 2,324,406</u>	<u>\$</u>	<u>351,231</u>	<u>\$ 2,675,637</u>

**Bonds Authorized but not Issued**

As of June 30, 2024, the School District had no bonds authorized but not issued.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans**

**A. 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 Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-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:

<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

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 or more years of service credit before age 62 and tier 5 with 30 or more years 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.

**Basis of Presentation** - The schedule of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS, its participating employers or the State of New Jersey (the State) as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS, its participating employers, or the State. 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.

**Contributions** – 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 2023, the State's pension contribution was less than the actuarial determined amount.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

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.

**Components of Net Pension Liability** - At June 30, 2024, the School District's proportionate share of the net pension liability was \$14,767,550. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The School District's proportion measured as of June 30, 2023, was 0.1019550474%, which was an increase of 0.0004999103% from its proportion measured as of June 30, 2022.

**Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources** - For the year ended June 30, 2024, the School District's proportionate share of the PERS expense/(credit), calculated by the plan as of June 30, 2023 is \$347,766. This expense/(credit) is recognized by the School District in the government-wide financial statements.

At June 30, 2024 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 141,197	\$ 60,365
Changes of Assumptions	32,441	894,977
Net Difference between Projected and Actual Earnings on Pension Plan Investments	68,006	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	370,381	505,429
School District contributions subsequent to measurement date	1,332,352	-
	\$ 1,944,377	\$ 1,460,771

\$1,332,352 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2023-2024 total salaries for PERS employees multiplied by an employer pension contribution rate of 17.11%. The payable is due on April 1, 2025 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

<b>Year Ending June 30,</b>		
2024	\$	(806,681)
2025		(462,193)
2026		581,129
2027		(135,843)
2028		(25,158)
	<u>\$</u>	<u>(848,746)</u>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

**Special Funding Situation** - Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be 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 under the legislation 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 related to the legislation. 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 collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers 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.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2024. At June 30, 2024, the State's proportionate share of the PERS expense, associated with the District, calculated by the plan as of the June 30, 2023 measurement date was \$46,054.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following 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-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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, 2023 are summarized in the following table:



**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

<b>Asset Class:</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Assets	8.00%	8.58%
Real Estate	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 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.

**Sensitivity of the School District’s proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District’s proportionate share of the net pension liability as of June 30, 2023, 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:

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease (6.00%)</b>	<b>At Current Discount Rate (7.00%)</b>	<b>At 1% Increase (8.00%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ 19,386,284	\$ 14,767,550	\$ 11,066,868

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2024 and 2023:

	<b>6/30/2024</b>	<b>6/30/2023</b>
Collective Deferred Outflows of Resources	\$ 1,080,204,730	\$ 1,660,772,008
Collective Deferred Inflows of Resources	1,780,216,457	3,236,303,935
Collective Net Pension Liability	14,606,489,066	15,219,184,920
School District's portion	0.10196%	0.10146%

**B. Teachers' Pension and Annuity Fund (TPAF)**

**Plan Description** - 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 contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by State of New Jersey, Division of Pension and Benefits (the Division). For additional information about TPAF, please refer to the Division's annual financial statements which can be found at [www.nj.gov/treasury/pensions/annual-reports.shtml](http://www.nj.gov/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, members' 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

Service retirement benefits of 1/55<sup>th</sup> 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<sup>th</sup> 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 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years 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.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

**Basis of Presentation** - The schedule of employer 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.

**Contributions** - 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 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. For fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

As mentioned previously, 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, the School District is 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 School District does 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** - At June 30, 2024, the State's proportionate share of the TPAF net pension liability, attributable to the School District was \$119,676,459. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.2345153801%, which was an decrease of 0.0017691889% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the State of New Jersey recognized a pension expense in the amount of \$2,940,176 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2023 measurement date.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** –The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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% - 4.25%
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 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 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 assumption used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**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, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

<b>Asset Class:</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Assets	8.00%	8.58%
Real Estate	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 made based on 100% of 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 projected benefit payments in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>At 1% Decrease (6.00%)</b>	<b>At Current Discount Rate (7.00%)</b>	<b>At 1% Increase (8.00%)</b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 141,123,800	\$ 119,679,459	\$ 101,618,227

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

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

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

	6/30/2024	6/30/2023
Collective Deferred Outflows of Resources	\$ 2,502,380,838	\$ 5,004,259,312
Collective Deferred Inflows of Resources	14,830,205,473	19,682,774,794
Collective Net Pension Liability	51,109,961,824	51,676,587,303
 School District's portion	 0.23452%	 0.23628%

**C. Defined Contribution Retirement Plan (DCRP)**

**Plan Description** - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established maximum compensation limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established maximum compensation limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment (35 hours per week for State employees or 32 hours per week for local government or local education employees) but who earn salary of at least \$5,000 annually.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 8. Pension Plans (Continued)**

**Contributions** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2024, employee contributions totaled \$17,599, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$19,759.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

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

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

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

**Basis of Presentation**

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey 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.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability of \$52,361,668,239 as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. 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:

	<b>TPAF/ABP</b>	<b>PERS</b>	<b>PFRS</b>
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 the 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 the 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 the Scale MP-2021 for current disabled retirees. Future disabled retirees were based on 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.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2023 was \$116,280,224. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2023, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2023, the State proportionate share of the OPEB Obligation attributable to the School District was 0.22207127%, which was an increase of 0.00280234% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the State of New Jersey recognized an OPEB expense in the amount of \$3,345,578 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2023 measurement date.



**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend rate is increasing to 14.8% in fiscal year 2026, and decreases to 4.50% in fiscal year 2033. For HMO, the trend rate is increasing to 17.4% in fiscal year 2026, and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.65%. 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.

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

The following presents the total nonemployer OPEB liability as of June 30, 2023, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>June 30, 2023</b>		
	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 136,318,600	\$ 116,280,224	\$ 100,191,734
State of New Jersey's Total Nonemployer OPEB Liability	\$ 61,385,066,712	\$ 52,361,668,239	\$ 45,116,926,835

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

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

The following presents the total nonemployer OPEB liability as of June 30, 2023, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>June 30, 2023</b>		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 96,530,513	\$ 116,280,224	\$ 142,122,772
State of New Jersey's Total Nonemployer OPEB Liability	\$ 43,468,257,358	\$ 52,361,668,239	\$ 63,998,719,320

\* See Healthcare Cost Trend Assumptions for details of rates.

**Additional Information**

Collective balances of the Local Group at June 30, 2023 are as follows:

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 7,639,717,639	\$ 13,791,541,217
Change in Assumptions	7,445,895,322	14,449,948,556
Contributions Made in Fiscal Year Year Ending June 30, 2024 After Measurement Date **	TBD	N/A
	\$ 15,085,612,961	\$ 28,241,489,773
<u>Fiscal Year Ending June 30,</u>		
2024	\$ (2,611,225,301)	
2025	(2,611,225,301)	
2026	(2,269,523,460)	
2027	(1,338,024,839)	
2028	(273,877,609)	
Thereafter	(4,052,000,302)	
	\$ (13,155,876,812)	

\*\* Employer Contributions made after June 30, 2023 are reported as deferred outflow of resources, but are not amortized in expense.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Plan Membership**

At June 30, 2022, the Program

Active Plan Members	217,212
Currently Receiving Benefits	<u>152,383</u>
	<u><u>369,595</u></u>

**Changes in the Total OPEB**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

**Total OPEB Liability**

Service Cost	\$ 2,136,235,476
Interest Cost	1,844,113,951
Differences Between Expected and Actual Experiences	(980,424,863)
Changes of Assumptions	105,539,463
Contributions: Member	47,258,104
Gross Benefit Payments	<u>(1,437,516,858)</u>
Net Change in Total OPEB Liability	1,715,205,273
Total OPEB Liability (Beginning)	<u>50,646,462,996</u>
Total OPEB Liability (Ending)	<u>\$ 52,361,668,269</u>
Total Covered Employee Payroll	\$ 15,314,749,297

Net OPEB Liability as a Percentage of Payroll 342%

**Note 10. On-Behalf Payments for Fringe Benefits and Salaries**

As previously mentioned, the School District receives on-behalf payments from the State for normal costs and post-retirement medical costs related to the TPAF pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2024, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$10,236,670, \$2,201,770, \$2,786,047, and \$4,259, respectively.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 11. Risk Management**

The School 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.

**New Jersey Unemployment Compensation Insurance** – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

Fiscal Year Ended June 30,	Ending Balance			
	Contributions	Amount Reimbursed	<u>Restricted for:</u> Unemployment Reserve	Unemployment Liability
2024	\$ 95,589	\$ (163,717)	\$ 142,945	\$ -
2023	124,530	(165,793)	169,810	41,263
2022	120,533	-	169,810	82,526

**Property and Liability Insurance** – The School 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 12. Contingencies**

**State and Federal Grantor Agencies** – The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**Litigation** – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 12. Contingencies (Continued)**

**Economic Dependency** – The School 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, could have an effect on the School District’s programs and activities.

**Note 13. Deferred Compensation**

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

AXA Equitable	Valic Investments
Lincoln Investment	Fidelity Investment

**Note 14. Compensated Absences**

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

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District 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 School District for the unused sick leave in accordance with School Districts’ agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2024, the liability for compensated absences reported was \$706,809.

**Note 15. Tax Abatements**

As defined by the GASB Statement No. 77, *Tax Abatement*, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because *N.J.S.A. 54:4-75* and *N.J.S.A. 54:4-76* require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the School District.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 15. Tax Abatements (Continued)**

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at *N.J.S.A. 18A:7F-5(b)*, the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to *N.J.S.A.18A:7F-7*. 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. The excess fund balance at June 30, 2024 was \$0.

**Note 17. Fund Balances**

**General Fund** – Of the \$3,892,062 General Fund fund balance at June 30, 2024, \$1,582,000 has been restricted for the Capital Reserve Account; \$300,127 has been restricted for the Maintenance Reserve Account; \$142,945 has been restricted for the Unemployment Reserve Account; \$850,000 has been Assigned for subsequent year's expenditures; \$905,732 has been assigned for other purposes; and \$111,258 is unassigned.

**Special Revenue Fund** – Of the \$276,882 Special Revenue Fund fund balance at June 30, 2024, \$245,616 is restricted for student activities and \$31,266 is restricted for scholarships.

**Capital Projects Fund** – Of the \$254,666 Capital Projects Fund fund balance at June 30, 2024, \$130,794 is restricted for future capital projects approved by the School District and \$123,872 is assigned for other purposes.

**Debt Service Fund** – Of the \$1 Debt Service Fund fund balance at June 30, 2024, \$1 is restricted for future debt service payments.

**Note 18. Deficit in Net Position**

**Unrestricted Net Position** – The School District governmental activities had a deficit in unrestricted net position in the amount of \$15,083,642 at June 30, 2024. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2024. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**Note 19. Commitments**

The District has contractual commitments at June 30, 2024 to various vendors which are recorded in the general fund as fund balance assigned to other purposes in the amount of \$905,732 and in the capital projects fund in the amount of \$123,872.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

*This page intentionally left blank*



### **C. Budgetary Comparison Schedules**

*This page intentionally left blank*

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2024

ACCOUNT NUMBERS	JUNE 30, 2024				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>Revenues:</b>						
<b>Local Sources:</b>						
Local Tax Levy	10-1210	\$ 59,041,186	\$ -	\$ 59,041,186	\$ 59,041,186	\$ -
Tuition From Individuals	10-1310	-	-	-	6,699	6,699
Tuition From Other LEAs Within State	10-1320	264,000	-	264,000	354,475	90,475
Unrestricted Miscellaneous Revenues	10-1990	312,009	2,000	314,009	575,274	261,265
Interest Earned on Maintenance Reserve	10-1994	1,000	(1,000)	-	-	-
Interest Earned on Capital Reserve Funds	10-1995	1,000	(1,000)	-	-	-
<b>Total Local Sources</b>		<b>59,619,195</b>	<b>-</b>	<b>59,619,195</b>	<b>59,977,634</b>	<b>358,439</b>
<b>State Sources:</b>						
Categorical Transportation Aid	10-3121	1,381,175	-	1,381,175	1,381,175	-
Extraordinary Aid	10-3131	269,058	-	269,058	926,165	657,107
Categorical Special Education Aid	10-3132	3,085,629	-	3,085,629	3,085,629	-
Categorical Security Aid	10-3177	258,385	-	258,385	258,385	-
Other State Aids	10-3190	-	-	-	91,608	91,608
<b>Nonbudgeted:</b>						
TPAF Pension (on-behalf)		-	-	-	10,236,670	10,236,670
TPAF Social Security (reimbursed)		-	-	-	2,201,770	2,201,770
TPAF Post Retirement Medical Benefits (on-behalf)		-	-	-	2,786,047	2,786,047
TPAF Long-Term Disability Insurance (on-behalf)		-	-	-	4,259	4,259
<b>Total State Sources</b>		<b>4,994,247</b>	<b>-</b>	<b>4,994,247</b>	<b>20,971,708</b>	<b>15,977,461</b>
<b>Federal Sources:</b>						
Federal Grants including Medicaid Reimbursement	10-4200	27,083	-	27,083	10,414	(16,669)
<b>Total Federal Sources</b>		<b>27,083</b>	<b>-</b>	<b>27,083</b>	<b>10,414</b>	<b>(16,669)</b>
<b>Total Revenues</b>		<b>64,640,525</b>	<b>-</b>	<b>64,640,525</b>	<b>80,959,756</b>	<b>16,319,231</b>
<b>Current Expenses:</b>						
<b>Regular Programs - Instruction:</b>						
Kindergarten - Salaries of Teachers	11-110-100-101	871,150	(130,000)	741,150	734,153	6,997
Grades 1-5 - Salaries of Teachers	11-120-100-101	6,615,043	345,950	6,960,993	6,920,338	40,655
Grades 6-8 - Salaries of Teachers	11-130-100-101	4,221,538	376,000	4,597,538	4,589,331	8,207
Grades 9-12 - Salaries of Teachers	11-140-100-101	6,461,473	189,001	6,650,474	6,598,245	52,229
<b>Regular Programs - Home Instruction:</b>						
Salaries of Teachers	11-150-100-101	23,000	11,395	34,395	34,395	-
Purchased Professional - Educational Services	11-150-100-320	9,494	2,900	12,394	12,331	63
<b>Regular Programs - Undistributed Instruction:</b>						
Purchased Professional - Educational Services	11-190-100-320	9,000	-	9,000	6,999	2,001
Other Purchased Services	11-190-100-500	706	-	706	391	315
General Supplies	11-190-100-610	1,218,155	(274,813)	943,342	869,098	74,244
Textbooks	11-190-100-640	267,677	(79,683)	187,994	170,882	17,112
Other Objects	11-190-100-800	144,050	(47,000)	97,050	90,031	7,019
<b>Total Regular Programs - Instruction</b>		<b>19,841,286</b>	<b>393,750</b>	<b>20,235,036</b>	<b>20,026,194</b>	<b>208,842</b>
<b>Special Education - Instruction:</b>						
<b>Learning and/or Language Disabilities:</b>						
Salaries of Teachers	11-204-100-101	192,070	(14,000)	178,070	177,900	170
Other Salaries for Instruction	11-204-100-106	271,534	(143,000)	128,534	127,716	818
General Supplies	11-204-100-610	13,000	(12,800)	200	198	2
<b>Total Learning and/or Language Disabilities</b>		<b>476,604</b>	<b>(169,800)</b>	<b>306,804</b>	<b>305,814</b>	<b>990</b>
<b>Special Education - Instruction:</b>						
<b>Visual Impairments:</b>						
Salaries of Teachers	11-206-100-101	195,913	(2,800)	193,113	192,939	174
Purchased Professional - Educational Services	11-206-100-320	11,482	(11,400)	82	-	82
<b>Total Visual Impairments</b>		<b>207,395</b>	<b>(14,200)</b>	<b>193,195</b>	<b>192,939</b>	<b>256</b>
<b>Special Education - Instruction:</b>						
<b>Multiple Disabilities:</b>						
Salaries of Teachers	11-212-100-101	392,724	(69,803)	322,921	322,865	56
Other Salaries for Instruction	11-212-100-106	733,352	(117,000)	616,352	616,278	74
General Supplies	11-212-100-610	8,000	-	8,000	7,963	37
<b>Total Multiple Disabilities</b>		<b>1,134,076</b>	<b>(186,803)</b>	<b>947,273</b>	<b>947,106</b>	<b>167</b>
<b>Special Education - Instruction:</b>						
<b>Resource Room/Resource Center:</b>						
Salaries of Teachers	11-213-100-101	4,341,115	326,198	4,667,313	4,667,273	40
General Supplies	11-213-100-610	15,000	(9,150)	5,850	5,842	8
<b>Total Resource Room/Resource Center</b>		<b>4,356,115</b>	<b>317,048</b>	<b>4,673,163</b>	<b>4,673,115</b>	<b>48</b>

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET ACTUAL	
Special Education - Instruction:					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	11-215-100-101	336,355	403	336,758	336,758
Other Salaries for Instruction	11-215-100-106	252,489	86,439	338,928	336,191
General Supplies	11-215-100-600	4,000	(2,800)	1,200	313
Total Preschool Disabilities - Part-Time		592,844	84,042	676,886	673,262
Special Education - Instruction:					
Home Instruction:					
Salaries of Teachers	11-219-100-101	42,500	(14,000)	28,500	28,270
Purchased Professional - Educational Services	11-219-100-320	10,000	(5,000)	5,000	1,764
Total Home Instruction		52,500	(19,000)	33,500	30,034
Total Special Education - Instruction		6,819,534	11,287	6,830,821	6,822,270
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	11-230-100-101	590,010	377,228	967,238	967,020
Total Basic Skills/Remedial - Instruction		590,010	377,228	967,238	967,020
Bilingual Education - Instruction:					
Salaries of Teachers	11-240-100-101	107,326	65,470	172,796	172,794
General Supplies	11-240-100-610	200	(200)	-	-
Total Bilingual Education - Instruction		107,526	65,270	172,796	172,794
School-Sponsored Cocurricular/Extra:					
Curricular Activities - Instruction:					
Salaries	11-401-100-100	242,583	(14,000)	228,583	228,270
Supplies and Materials	11-401-100-600	18,588	(5,000)	13,588	12,495
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction		261,171	(19,000)	242,171	240,765
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	531,365	8,100	539,465	539,412
Supplies and Materials	11-402-100-600	91,974	(20)	91,954	86,361
Other Objects	11-402-100-800	135,170	(12,080)	123,090	120,482
Total School-Sponsored Athletics - Instruction		758,509	(4,000)	754,509	746,255
Undistributed Expenditures - Instruction (Tuition):					
Tuition to County Vocational School - Regular	11-000-100-563	848,123	(2,900)	845,223	810,229
Tuition to County Vocational School - Special	11-000-100-564	146,967	(128,950)	18,017	9,815
Tuition to County Special Services & Regular Day Schools	11-000-100-565	-	44,300	44,300	44,268
Tuition to Private School Disabled - Within State	11-000-100-566	323,506	(44,300)	279,206	68,459
Total Undistributed Expenditures - Instruction (Tuition)		1,318,596	(131,850)	1,186,746	932,771
Undistributed Expenditures Attendance and Social Work:					
Salaries	11-000-211-100	176,263	(2,000)	174,263	174,162
Total Undistributed Expenditures Attendance and Social Work		176,263	(2,000)	174,263	174,162
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	348,795	40,000	388,795	388,141
Purchased Professional & Technical Services	11-000-213-300	115,200	130,000	245,200	162,438
Supplies and Materials	11-000-213-600	10,000	-	10,000	9,218
Other Objects	11-000-213-800	65,290	(3,000)	62,290	60,815
Total Undistributed Expenditures - Health Services		539,285	167,000	706,285	620,612
Undistributed Expenditures:					
Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	1,047,556	(75,700)	971,856	971,822
Purchased Professional - Educational Services	11-000-216-320	-	11,000	11,000	11,000
Supplies and Materials	11-000-216-600	30,938	(6,407)	24,531	24,502
Other Objects	11-000-216-800	225,120	(11,400)	213,720	197,947
Total Undistributed Expenditures - Speech, OT, PT and Related Services		1,303,614	(82,507)	1,221,107	1,205,271
Undistributed Expenditures - Other Support Services - Extra Services:					
Salaries	11-000-217-100	1,046,703	237,802	1,284,505	1,284,504
Purchased Professional - Educational Services	11-000-217-320	5,000	(5,000)	-	-
Supplies and Materials	11-000-217-600	4,500	(845)	3,655	3,604
Total Undistributed Expenditures - Other Support Services - Extra Services		1,056,203	231,957	1,288,160	1,288,108

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2024

	ACCOUNT NUMBERS	JUNE 30, 2024			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Undistributed Expenditures - Guidance:						
Salaries of Other Professional Staff	11-000-218-104	1,297,834	16,800	1,314,634	1,314,237	397
Salaries of Secretaries & Clerical Assistants	11-000-218-105	167,686	2,400	170,086	155,042	15,044
Supplies and Materials	11-000-218-600	15,595	(2,070)	13,525	12,699	826
Other Objects	11-000-218-800	2,800	750	3,550	2,630	920
<b>Total Undistributed Expenditures - Guidance</b>		<b>1,483,915</b>	<b>17,880</b>	<b>1,501,795</b>	<b>1,484,608</b>	<b>17,187</b>
Undistributed Expenditures - Child Study Teams:						
Salaries of Other Professional Staff	11-000-219-104	1,292,871	(20,700)	1,272,171	1,271,951	220
Salaries of Secretaries & Clerical Assistants	11-000-219-105	126,632	-	126,632	126,630	2
Other Purchased Services	11-000-219-500	2,600	(2,600)	-	-	-
Miscellaneous Purchased Services	11-000-219-592	-	900	900	891	9
Supplies and Materials	11-000-219-600	12,926	(2,000)	10,926	8,998	1,928
Other Objects	11-000-219-800	9,408	(1,700)	7,708	7,510	198
<b>Total Undistributed Expenditures - Child Study Teams</b>		<b>1,444,437</b>	<b>(26,100)</b>	<b>1,418,337</b>	<b>1,415,980</b>	<b>2,357</b>
Undistributed Expenditures - Improvement of Instruction Services:						
Salaries of Supervisors of Instruction	11-000-221-102	692,824	(2,800)	690,024	689,935	89
Salaries of Other Professional Staff	11-000-221-104	150,620	21,000	171,620	171,595	25
Salaries of Sec. and Clerical Assist.	11-000-221-105	395,727	12,085	407,812	407,811	1
Other Purchased Professional and Technical Services	11-000-221-390	80,000	200	80,200	80,200	-
Other Purchased Services	11-000-221-500	1,200	-	1,200	492	708
Supplies and Materials	11-000-221-600	2,300	(200)	2,100	1,372	728
Other Objects	11-000-221-800	10,751	2,000	12,751	11,615	1,136
<b>Total Undistributed Expenditures - Improvement of Instruction Services</b>		<b>1,333,422</b>	<b>32,285</b>	<b>1,365,707</b>	<b>1,363,020</b>	<b>2,687</b>
Undistributed Expenditures - Educational Media Services/Library:						
Salaries	11-000-222-100	430,113	48,700	478,813	478,799	14
Salaries of Technology Coordinators	11-000-222-177	510,680	18,600	529,280	529,259	21
Supplies and Materials	11-000-222-600	56,904	(8,400)	48,504	45,772	2,732
<b>Total Undistributed Expenditures - Educational Media Services/Library</b>		<b>997,697</b>	<b>58,900</b>	<b>1,056,597</b>	<b>1,053,830</b>	<b>2,767</b>
Undistributed Expenditures - Instructional Staff Training Services:						
Other Objects	11-000-223-800	86,835	(22,035)	64,800	63,583	1,217
<b>Total Undistributed Expenditures - Instructional Staff Training Services</b>		<b>86,835</b>	<b>(22,035)</b>	<b>64,800</b>	<b>63,583</b>	<b>1,217</b>
Undistributed Expenditures - Support Services - General Administration:						
Salaries	11-000-230-100	288,525	-	288,525	288,486	39
Legal Services	11-000-230-331	158,692	(26,600)	132,092	120,653	11,439
Audit Fees	11-000-230-332	42,000	-	42,000	42,000	-
Other Purchased Professional Services	11-000-230-339	94,113	1,760	95,873	94,365	1,508
Communications/Telephone	11-000-230-530	54,815	(6,260)	48,555	46,994	1,561
Other Purchased Services	11-000-230-590	500	(500)	-	-	-
General Supplies	11-000-230-610	26,000	(7,865)	18,135	18,057	78
Miscellaneous Expenditures	11-000-230-890	65,330	(4,500)	60,830	60,807	23
BOE Membership Dues and Fees	11-000-230-895	14,850	(8,500)	6,350	6,081	269
<b>Total Undistributed Expenditures - Support Services - General Administration</b>		<b>744,825</b>	<b>(52,465)</b>	<b>692,360</b>	<b>677,443</b>	<b>14,917</b>
Undistributed Expenditures - Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	1,299,409	(151,725)	1,147,684	1,147,683	1
Salaries of Secretaries & Clerical Assistants	11-000-240-105	536,609	10,250	546,859	546,852	7
Supplies and Materials	11-000-240-600	23,859	(4,925)	18,934	18,842	92
Other Objects	11-000-240-800	14,982	(7,200)	7,782	7,743	39
<b>Total Undistributed Expenditures - Support Services - School Administration</b>		<b>1,874,859</b>	<b>(153,600)</b>	<b>1,721,259</b>	<b>1,721,120</b>	<b>139</b>

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2024

ACCOUNT NUMBERS	JUNE 30, 2024				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	922,875	(20,000)	902,875	902,700	175
Purchased Professional Services	11-000-251-330	5,100	-	5,100	5,100	-
Interest on Current Loans	11-000-251-831	54,280	(16,000)	38,280	37,810	470
Miscellaneous Expenditures	11-000-251-890	5,000	(3,000)	2,000	1,761	239
<b>Total Undistributed Expenditures - Central Services</b>		<b>987,255</b>	<b>(39,000)</b>	<b>948,255</b>	<b>947,371</b>	<b>884</b>
Undistributed Expenditures - Administrative Information Technology:						
Salaries	11-000-252-100	69,803	970	70,773	70,770	3
Other Objects	11-000-252-800	2,250	(1,970)	280	67	213
<b>Total Undistributed Expenditures - Administrative Information Technology</b>		<b>72,053</b>	<b>(1,000)</b>	<b>71,053</b>	<b>70,837</b>	<b>216</b>
Undistributed Expenditures - Required Maintenance for School Facilities:						
Salaries	11-000-261-100	616,333	26,000	642,333	642,022	311
Cleaning, Repair & Maintenance Services	11-000-261-420	584,371	496,155	1,080,526	977,451	103,075
General Supplies	11-000-261-610	213,261	80,915	294,176	225,585	68,591
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>		<b>1,413,965</b>	<b>603,070</b>	<b>2,017,035</b>	<b>1,845,058</b>	<b>171,977</b>
Undistributed Expenditures - Custodial Services:						
Salaries	11-000-262-100	2,221,452	(42,915)	2,178,537	2,177,923	614
Salaries of Non-Instructional Aides	11-000-262-107	516,331	(13,000)	503,331	503,154	177
Purchased Professional and Technical Services	11-000-262-300	14,950	(14,500)	450	-	450
Cleaning, Repair & Maintenance Services	11-000-262-420	42,000	-	42,000	41,967	33
Other Purchased Property Services	11-000-262-490	240,222	4,600	244,822	208,302	36,520
Insurance	11-000-262-520	817,188	(13,500)	803,688	802,020	1,668
General Supplies	11-000-262-610	118,736	9,800	128,536	126,140	2,396
Energy (Natural Gas)	11-000-262-621	301,700	14,000	315,700	314,173	1,527
Energy (Electricity)	11-000-262-622	442,500	223,600	666,100	666,039	61
Other Objects	11-000-262-800	17,952	(5,000)	12,952	12,574	378
Interest - Energy Savings Impr Prog Bonds	11-000-262-837	34,561	-	34,561	34,560	1
Principal - Energy Savings Impr Prog Bonds	11-000-262-917	72,800	-	72,800	72,800	-
<b>Total Undistributed Expenditures - Custodial Services</b>		<b>4,840,392</b>	<b>163,085</b>	<b>5,003,477</b>	<b>4,959,652</b>	<b>43,825</b>
Undistributed Expenditures - Care and Upkeep of Grounds:						
Salaries	11-000-263-100	206,840	12,200	219,040	219,002	38
Cleaning, Repair & Maintenance Services	11-000-263-420	206,135	(63,000)	143,135	142,732	403
General Supplies	11-000-263-610	47,591	(19,200)	28,391	25,603	2,788
<b>Total Undistributed Expenditures - Care and Upkeep of Grounds</b>		<b>460,566</b>	<b>(70,000)</b>	<b>390,566</b>	<b>387,337</b>	<b>3,229</b>
Security:						
Salaries	11-000-266-100	56,869	18,000	74,869	72,244	2,625
Purchased Professional and Technical Services	11-000-266-300	289,081	(289,000)	81	-	81
<b>Total Security</b>		<b>345,950</b>	<b>(271,000)</b>	<b>74,950</b>	<b>72,244</b>	<b>2,706</b>
Undistributed Expenditures - Student Transportation Services:						
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	82,348	2,600	84,948	84,937	11
Other Purchased Prof. and Technical Serv.	11-000-270-390	500	-	500	-	500
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	39,858	49,400	89,258	87,621	1,637
Contract Services (Between Home & School) - Vendors	11-000-270-511	3,430,609	15,000	3,445,609	3,445,571	38
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	184,618	30,531	215,149	214,794	355
Contract Services (Special Education) - Vendors	11-000-270-514	1,036,043	79,944	1,115,987	1,033,239	82,748
Contract Serv.(Sp Ed Stds)-Joint Agmmts	11-000-270-515	263,603	(44,155)	219,448	179,646	39,802
Miscellaneous Purchased Services - Transportation	11-000-270-593	4,656	(1,700)	2,956	2,863	93
General Supplies	11-000-270-610	1,000	(475)	525	525	-
Transportation Supplies	11-000-270-615	6,560	-	6,560	935	5,625
Miscellaneous Expenditures	11-000-270-800	1,317	-	1,317	520	797
<b>Total Undistributed Expenditures - Student Transportation Services</b>		<b>5,051,112</b>	<b>131,145</b>	<b>5,182,257</b>	<b>5,050,651</b>	<b>131,606</b>

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2024

ACCOUNT NUMBERS	JUNE 30, 2024				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>Unallocated Benefits:</b>						
Social Security Contributions	11-000-291-220	945,000	(38,400)	906,600	906,545	55
Other Retirement Contributions - PERS	11-000-291-241	1,310,000	72,500	1,382,500	1,382,417	83
Unemployment Compensation	11-000-291-250	25,000	(25,000)	-	26,865	(26,865)
Workmen's Compensation	11-000-291-260	430,000	(120,800)	309,200	309,140	60
Health Benefits	11-000-291-270	9,656,288	106,485	9,762,773	9,762,762	11
Tuition Reimbursement	11-000-291-280	120,000	(22,700)	97,300	97,274	26
Other Employee Benefits	11-000-291-290	180,000	19,000	199,000	198,284	716
<b>Total Unallocated Benefits</b>		<b>12,666,288</b>	<b>(8,915)</b>	<b>12,657,373</b>	<b>12,683,287</b>	<b>(25,914)</b>
<b>Nonbudgeted:</b>						
TPAF Pension (on-behalf)		-	-	-	10,236,670	(10,236,670)
TPAF Social Security (reimbursed)		-	-	-	2,201,770	(2,201,770)
TPAF Post Retirement Medical Benefits (on-behalf)		-	-	-	2,786,047	(2,786,047)
TPAF Long-Term Disability Insurance (on-behalf)		-	-	-	4,259	(4,259)
<b>Total Nonbudgeted</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>15,228,746</b>	<b>(15,228,746)</b>
Interest Earned on Maintenance Reserve	10-606	1,000	(1,000)	-	-	-
<b>Total Undistributed Expenditures</b>		<b>38,198,532</b>	<b>543,850</b>	<b>38,742,382</b>	<b>53,245,691</b>	<b>(14,503,309)</b>
<b>Total Expenditures - Current Expense</b>		<b>66,576,568</b>	<b>1,368,385</b>	<b>67,944,953</b>	<b>82,220,989</b>	<b>(14,276,036)</b>
<b>Capital Outlay:</b>						
<b>Equipment:</b>						
<b>Undistributed Expenditures:</b>						
Undistributed Expenditures - Instruction	12-000-100-730	35,197	-	35,197	35,197	-
Undist. Expend. - Required Maint for School Fac.	12-000-261-730	20,000	1,000	21,000	20,670	330
<b>Total Equipment</b>		<b>55,197</b>	<b>1,000</b>	<b>56,197</b>	<b>55,867</b>	<b>330</b>
<b>Facilities Acquisition &amp; Construction Services:</b>						
Lease Purchase Agreements - Principal	12-000-400-721	306,000	-	306,000	302,000	4,000
Assessment for Debt Service on SDA Funding	12-000-400-896	69,515	-	69,515	69,515	-
Construction Services	12-000-401-450	-	420,000	420,000	109,091	310,909
<b>Total Facilities Acquisition &amp; Construction Services</b>		<b>375,515</b>	<b>420,000</b>	<b>795,515</b>	<b>480,606</b>	<b>314,909</b>
Interest Deposit to Capital Reserve	10-604	1,000	(1,000)	-	-	-
<b>Total Capital Outlay</b>		<b>431,712</b>	<b>420,000</b>	<b>851,712</b>	<b>536,473</b>	<b>315,239</b>
<b>Total Expenditures</b>		<b>67,008,280</b>	<b>1,788,385</b>	<b>68,796,665</b>	<b>82,757,462</b>	<b>(13,960,797)</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		(2,367,755)	(1,788,385)	(4,156,140)	(1,797,706)	(2,358,434)
<b>Other Financing Sources/(Uses):</b>						
Transfer of Funds to Charter Schools		-	(79,915)	(79,915)	(79,915)	-
<b>Total Other Financing Sources/(Uses)</b>		<b>-</b>	<b>(79,915)</b>	<b>(79,915)</b>	<b>(79,915)</b>	<b>-</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		(2,367,755)	(1,868,300)	(4,236,055)	(1,877,621)	(2,358,434)
Fund Balance, July 1		6,222,940	-	6,222,940	6,222,940	-
Fund Balance, June 30		\$ 3,855,185	\$ (1,868,300)	\$ 1,986,885	\$ 4,345,319	\$ (2,358,434)

**RECAPITULATION OF BUDGET TRANSFERS**

Board Approved Unassigned Fund Balance Appropriation	\$ 735,000
Board Approved Withdrawal from Capital Reserve	420,000
Board Approved Withdrawal from Maintenance Reserve	713,300
	<u>\$ 1,868,300</u>

**RECAPITULATION OF FUND BALANCE**

<b>Restricted Fund Balance:</b>	
Capital Reserve	\$ 1,582,000
Maintenance Reserve	300,127
Unemployment Reserve	142,945
<b>Assigned Fund Balance:</b>	
Designated for Subsequent Year's Expenditures	850,000
Year-End Encumbrances	905,732
Unassigned Fund Balance	<u>564,515</u>
Subtotal	4,345,319
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	<u>(453,257)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 3,892,062</u>

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2024

	JUNE 30, 2024				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 543,483	\$ 543,483	\$ 543,483	\$ -
State Sources	683,781	371,164	1,054,945	1,052,306	2,639
Federal Sources	825,977	573,271	1,399,248	1,399,248	-
Total Revenues	1,509,758	1,487,918	2,997,676	2,995,037	2,639
Expenditures:					
Instruction:					
Salaries of Teachers	108,004	61,845	169,849	169,849	-
Purchased Professional - Educational Services	283,025	325,696	608,721	608,719	2
Other Purchased Services (400-500 Series)	684,617	9,923	694,540	694,540	-
General Supplies	66,871	289,045	355,916	355,915	1
Total Instruction	1,142,517	686,509	1,829,026	1,829,023	3
Support Services:					
Salaries of Teachers	-	36,774	36,774	36,774	-
Purchased Educational Services	367,241	243,316	610,557	610,163	394
Other Purchased Services (400-500 Series)	-	21,810	21,810	21,810	-
Supplies and Materials	-	226,323	226,323	224,080	2,243
Student Activities	-	270,386	270,386	287,942	(17,556)
Scholarships Awarded	-	2,800	2,800	7,450	(4,650)
Total Support Services	367,241	801,409	1,168,650	1,188,219	(19,569)
Total Expenditures	1,509,758	1,487,918	2,997,676	3,017,242	(19,566)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	(22,205)	22,205
Fund Balance, July 1	-	-	-	299,087	(299,087)
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 276,882	\$ (276,882)

Recapitulation:	
Restricted:	
Scholarship	\$ 31,266
Student Activities	245,616
Total Fund Balance	<u>\$ 276,882</u>



**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2024**

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

	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 80,959,756	\$ 2,995,037
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(257,204)
Prior Year	-	236,921
The last state aid payments are 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).		
Current Year	(453,257)	-
Prior Year	395,439	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 80,901,938	\$ 2,974,754
<b>Uses/outflows of resources:</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 82,757,462	\$ 3,017,242
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	(20,283)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 82,757,462	\$ 2,996,959

*This page intentionally left blank*

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

*This page intentionally left blank*

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

*This page intentionally left blank*



HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST TEN FISCAL YEARS \*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.01020%	0.01916%	0.01971%	0.01915%	0.01667%	0.01709%	0.01712%	0.01806%	0.01625%	0.01614%
School District's proportionate share of the net pension liability	\$ 14,767,550	\$ 15,310,977	\$ 11,705,537	\$ 16,847,945	\$ 18,958,369	\$ 20,743,837	\$ 24,905,133	\$ 30,214,761	\$ 21,626,749	\$ 17,847,912
School District's covered payroll	\$ 7,600,616	\$ 7,538,440	\$ 6,692,527	\$ 7,219,278	\$ 7,342,602	\$ 7,816,493	\$ 7,843,575	\$ 7,535,615	\$ 7,072,860	N/A
School District's proportionate share of the net pension liability as a percentage of its covered payroll	194.29%	201.44%	155.28%	251.74%	262.61%	282.51%	318.62%	385.22%	286.99%	252.34%
Plan fiduciary net position as a percentage of the total pension liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

\* The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's contractually required contribution	\$ 1,362,657	\$ 1,279,398	\$ 1,157,181	\$ 1,130,212	\$ 1,023,444	\$ 1,047,940	\$ 991,131	\$ 906,312	\$ 828,279	\$ 785,866
Contributions in relation to the contractually required contribution	(1,362,657)	(1,279,398)	(1,157,181)	(1,130,212)	(1,023,444)	(1,047,940)	(991,131)	(906,312)	(828,279)	(785,866)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 7,855,473	\$ 7,600,616	\$ 7,538,440	\$ 6,692,527	\$ 7,219,278	\$ 7,342,602	\$ 7,816,493	\$ 7,843,575	\$ 7,535,615	\$ 7,072,860
Contributions as a percentage of covered payroll	17.35%	16.83%	15.35%	16.89%	14.18%	14.27%	12.68%	11.55%	10.99%	11.11%

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)  
 LAST TEN FISCAL YEARS \*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School 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%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 119,679,459	\$ 121,909,643	\$ 114,124,985	\$ 154,562,974	\$ 145,193,512	\$ 152,096,376	\$ 160,527,896	\$ 185,493,497	\$ 149,028,526	\$ 128,555,940
School District's covered payroll	\$ 30,827,505	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

\*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

*This page intentionally left blank*

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**  
**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)**  
**LAST SEVEN FISCAL YEARS \*\*/\*\***

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service Cost	\$ 4,645,396	\$ 5,952,737	\$ 6,712,390	\$ 3,696,180	\$ 3,634,991	\$ 4,085,846	\$ 4,919,251
Interest Cost	4,095,247	2,942,999	3,409,601	3,271,658	3,992,889	4,251,774	3,664,986
Difference between Actual and Expected	(659,384)	3,332,036	(23,679,450)	25,149,843	(16,142,042)	(11,576,842)	-
Changes of Assumptions	234,373	(29,790,684)	(10,226)	26,961,961	1,357,040	(9,242,831)	(14,988,788)
Contributions: Member	104,947	93,519	87,167	77,886	82,819	93,233	98,909
Gross Benefit Payments	(3,192,312)	(2,915,128)	(2,685,810)	(2,569,643)	(2,793,887)	(2,697,578)	(2,686,100)
Net Change in Total OPEB Liability	5,228,267	(20,384,521)	(16,166,328)	56,587,885	(9,868,190)	(15,086,398)	(8,991,742)
Total OPEB Liability (Beginning)	111,051,957	131,436,478	147,602,806	91,014,921	100,883,111	115,969,509	124,961,251
Total OPEB Liability (Ending)	\$ 116,280,224	\$ 111,051,957	\$ 131,436,478	\$ 147,602,806	\$ 91,014,921	\$ 100,883,111	\$ 115,969,509
State's Covered Employee Payroll	\$ 38,682,978	\$ 37,582,699	\$ 34,966,856	\$ 33,763,174	\$ 33,336,235	\$ 33,303,773	\$ 35,055,197
Net OPEB Liability as a Percentage of Payroll	301%	295%	376%	437%	273%	303%	331%

\*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

\*\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

*This page intentionally left blank*



**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2024**

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

*Changes in Benefit Terms*

None.

*Changes in Assumptions*

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2020	7.00%	2017	5.00%
2022	7.00%	2019	6.28%	2016	3.98%
2021	7.00%	2018	5.66%	2015	4.90%

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2020	7.00%	2017	7.00%
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

**Teachers Pension and Annuity Fund (TPAF)**

*Changes in Benefit Terms*

None.

*Changes in Assumptions*

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2020	5.40%	2017	4.25%
2022	7.00%	2019	5.60%	2016	3.22%
2021	7.00%	2018	4.86%	2015	4.13%

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2020	7.30%	2017	7.00%
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

*Changes in Benefit Terms*

None.

*Changes in Assumptions*

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	3.65%	2020	2.21%	2017	3.58%
2022	3.54%	2019	3.50%	2016	2.85%
2020	2.16%	2018	3.87%		

*This page intentionally left blank*

**OTHER SUPPLEMENTARY INFORMATION**

*This page intentionally left blank*

**D. School Based Budget Schedules**

Not Applicable

*This page intentionally left blank*



**E. Special Revenue Fund**

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2024**

	<b>Title I</b>	<b>Title II-A</b>	<b>Title III</b>	<b>Title IV</b>	<b>I.D.E.A. Part B - Basic</b>	<b>I.D.E.A. Pre K</b>	<b>ESSER II - Learning Acceleration</b>
Revenues:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-
Federal Sources	56,369	30,489	2,940	10,584	838,077	33,884	4,927
<b>Total Revenues</b>	<b>\$ 56,369</b>	<b>\$ 30,489</b>	<b>\$ 2,940</b>	<b>\$ 10,584</b>	<b>\$ 838,077</b>	<b>\$ 33,884</b>	<b>\$ 4,927</b>
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 51,352	\$ -	\$ -	\$ 4,896	\$ -	\$ 2,202	\$ 3,343
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional - Educational Services	-	13,240	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	662,858	-	-
General Supplies	331	-	2,940	1,478	-	-	1,584
<b>Total Instruction</b>	<b>51,683</b>	<b>13,240</b>	<b>2,940</b>	<b>6,374</b>	<b>662,858</b>	<b>33,884</b>	<b>4,927</b>
Support Services:							
Salaries of Teachers	4,436	-	-	-	-	-	-
Personnel Services - Employee Benefits	-	-	-	-	-	-	-
Purchased Educational Services	-	6,073	-	3,353	175,219	-	-
Other Purchased Services (400-500 Series)	250	11,176	-	-	-	-	-
Supplies and Materials	-	-	-	857	-	-	-
Student Activities	-	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-	-
<b>Total Support Services</b>	<b>4,686</b>	<b>17,249</b>	<b>-</b>	<b>4,210</b>	<b>175,219</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>56,369</b>	<b>30,489</b>	<b>2,940</b>	<b>10,584</b>	<b>838,077</b>	<b>33,884</b>	<b>4,927</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (continued)  
YEAR ENDED JUNE 30, 2024**

	ARP ESSER -							
	ARP - ESSER III	Learning Acceleration	ARP - ESSER III Beyond SD	Non Public Nursing	Non Public Textbooks	Non Public Technology	Non Public Security	
Revenues:								
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
State Sources	-	-	-	150,455	71,429	60,897	-	256,940
Federal Sources	248,271	136,023	37,684	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 248,271</b>	<b>\$ 136,023</b>	<b>\$ 37,684</b>	<b>\$ 150,455</b>	<b>\$ 71,429</b>	<b>\$ 60,897</b>	<b>\$ -</b>	<b>\$ 256,940</b>
Expenditures:								
Instruction:								
Salaries of Teachers	\$ 75,304	\$ -	\$ 32,752	\$ -	\$ -	\$ -	\$ -	-
Purchased Professional - Educational Services	-	-	-	150,455	71,429	-	-	-
General Supplies	79,286	-	-	-	-	-	-	-
<b>Total Instruction</b>	<b>154,590</b>	<b>-</b>	<b>32,752</b>	<b>150,455</b>	<b>71,429</b>	<b>-</b>	<b>-</b>	<b>-</b>
Support Services:								
Salaries of Teachers	27,406	-	4,932	-	-	-	-	-
Purchased Educational Services - Head Start	-	-	-	-	-	-	-	-
Purchased Educational Services	11,845	95,836	-	-	-	60,897	-	256,940
Other Purchased Services (400-500 Series)	1,987	8,397	-	-	-	-	-	-
Supplies and Materials	52,443	31,790	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	<b>93,681</b>	<b>136,023</b>	<b>4,932</b>	<b>-</b>	<b>-</b>	<b>60,897</b>	<b>-</b>	<b>256,940</b>
<b>Total Expenditures</b>	<b>248,271</b>	<b>136,023</b>	<b>37,684</b>	<b>150,455</b>	<b>71,429</b>	<b>60,897</b>	<b>-</b>	<b>256,940</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (continued)  
YEAR ENDED JUNE 30, 2024**

	Non Public Auxiliary Services	Non Public Handicapped Services	SDA Emergent Grant	Other Local Programs	Student Activities	Scholarship Fund	Totals
Revenues:							
Local Sources	\$ -	\$ -	\$ -	\$ 270,296	\$ 270,387	\$ 2,800	\$ 543,483
State Sources	142,952	230,643	138,990	-	-	-	1,052,306
Federal Sources	-	-	-	-	-	-	1,399,248
<b>Total Revenues</b>	<b>\$ 142,952</b>	<b>\$ 230,643</b>	<b>\$ 138,990</b>	<b>\$ 270,296</b>	<b>\$ 270,387</b>	<b>\$ 2,800</b>	<b>\$ 2,995,037</b>
Expenditures:							
Instruction:							
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 169,849
Purchased Professional - Educational Services	142,952	230,643	-	-	-	-	608,719
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	694,540
General Supplies	-	-	-	270,296	-	-	355,915
<b>Total Instruction</b>	<b>142,952</b>	<b>230,643</b>	<b>-</b>	<b>270,296</b>	<b>-</b>	<b>-</b>	<b>1,829,023</b>
Support Services:							
Salaries of Teachers	-	-	-	-	-	-	36,774
Purchased Educational Services	-	-	-	-	-	-	610,163
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	21,810
Supplies and Materials	-	-	138,990	-	-	-	224,080
Student Activities	-	-	-	-	287,942	-	287,942
Scholarships Awarded	-	-	-	-	-	7,450	7,450
<b>Total Support Services</b>	<b>-</b>	<b>-</b>	<b>138,990</b>	<b>-</b>	<b>287,942</b>	<b>7,450</b>	<b>1,188,219</b>
<b>Total Expenditures</b>	<b>142,952</b>	<b>230,643</b>	<b>138,990</b>	<b>270,296</b>	<b>287,942</b>	<b>7,450</b>	<b>3,017,242</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	(17,555)	(4,650)	(22,205)
Fund Balance, July 1	-	-	-	-	263,171	35,916	299,087
Fund Balance, June 30	-	-	-	-	245,616	31,266	276,882

*This page intentionally left blank*

**F. Capital Projects Fund**

*This page intentionally left blank*



**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2024**

Project Title / Issue:	Original Date	Original Appropriations	Expenditures to Date		Unexpended Balance June 30, 2024
			Prior Years	Current Year	
Window Replacements - Various Schools	12/28/2018	\$ 2,205,000	\$ 2,205,000	\$ -	\$ -
Site Improvements	5/27/2014	40,487,986	40,351,791	30,615	105,580
ESIP Lighting and Other Capital Project Upgrades - Various Schools	N/A	1,586,096	1,523,275	-	62,821
MCIA Capital Equipment Lease - 2019	10/11/2019	848,201	815,715	-	32,486
MCIA Capital Equipment Lease - 2021	9/1/2021	820,972	820,972	-	-
MCIA Capital Equipment Lease - 2023	9/1/2023	808,640	-	754,861	53,779
<b>Total</b>		<b>\$ 46,756,895</b>	<b>\$ 45,716,753</b>	<b>\$ 785,476</b>	<b>\$ 254,666</b>

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2024**

Revenues and Other Financing Sources:	
Lease Proceeds	\$ <u>808,640</u>
Total Revenues and Other Financing Sources	<u>808,640</u>
Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	20,521
Equipment	754,861
Land and Improvements	<u>10,094</u>
Total Expenditures and Other Financing Uses	<u>785,476</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	23,164
Fund Balance, July 1	<u>231,502</u>
Fund Balance, June 30	<u>\$ <u>254,666</u></u>

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
WINDOW REPLACEMENTS - VARIOUS SCHOOLS  
YEAR ENDED JUNE 30, 2024**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources -- SCC Grant	\$ 775,745	\$ -	\$ 775,745	\$ 775,745
Transfer from Capital Reserve	1,429,255	-	1,429,255	1,429,255
Total Revenues and Other Financing Sources	2,205,000	-	2,205,000	2,205,000
Expenditures and Other Financing Uses:				
Construction Services	1,929,171	-	1,929,171	1,929,171
Transfers Out	275,829	-	275,829	275,829
Total Expenditures and Other Financing Uses	2,205,000	-	2,205,000	2,205,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -

**Additional Project Information:**

Name of Project:	
Window Replacements - Various Schools	
DOE Project Number	2230-020-14-1003
Date	12/28/2018
Original Authorized Cost	2,205,000
Revised Authorized Cost	2,205,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2020
Revised Target Completion Date	12/31/2020

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
SITE IMPROVEMENTS  
YEAR ENDED JUNE 30, 2024**

	Prior Years	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources:</b>				
State Sources -- SCC Grant	\$ 169,986	\$ -	\$ 169,986	\$ 169,986
Bond Proceeds	40,318,000	-	40,318,000	40,318,000
<b>Total Revenues and Other Financing Sources</b>	<b>40,487,986</b>	<b>-</b>	<b>40,487,986</b>	<b>40,487,986</b>
<b>Expenditures and Other Financing Uses:</b>				
Other Purchased Professional and Technical Services	3,876,927	20,521	3,897,448	3,993,179
Construction Services	9,774,566	-	9,774,566	9,774,566
Land and Improvements	25,424,333	10,094	25,434,427	25,434,427
Equipment	1,275,965	-	1,275,965	1,275,965
<b>Total Expenditures and Other Financing Uses</b>	<b>40,351,791</b>	<b>30,615</b>	<b>40,382,406</b>	<b>40,478,137</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ 136,195</b>	<b>\$ (30,615)</b>	<b>\$ 105,580</b>	<b>\$ 9,849</b>

**Additional Project Information:**

Name of Project:	
Site Improvements	
Date	5/27/2014
Bond Authorization Date	
Bonds Authorized	40,318,000
Bonds Issued	40,318,000
Original Authorized Cost	40,318,000
Additional Authorized Cost	169,986
Revised Authorized Cost	40,487,986
Percentage Increase over Original Authorized Cost	0.42%
Percentage Completion	99.74%
Original Target Completion Date	5/27/2014
Revised Target Completion Date	6/30/2025

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
ESIP LIGHTING AND OTHER CAPITAL PROJECT UPGRADES - VARIOUS SCHOOLS  
YEAR ENDED JUNE 30, 2024**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Lease Proceeds	\$ 1,475,000	\$ -	\$ 1,475,000	\$ 1,475,000
Transfer from Capital Reserve	110,549	-	110,549	110,549
Transfers from other capital projects	547	-	547	547
	<hr/>		<hr/>	<hr/>
Total Revenues and Other Financing Sources	1,586,096	-	1,586,096	1,586,096
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	271,061	-	271,061	273,706
Land and improvements	1,091,550	-	1,091,550	1,151,726
Equipment	47,286	-	47,286	47,286
Transfers Out	113,378	-	113,378	113,378
	<hr/>		<hr/>	<hr/>
Total Expenditures and Other Financing Uses	1,523,275	-	1,523,275	1,586,096
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Additional Project Information:**

Name of Project:	
ESIP Lighting and Other Capital Project Upgrades - Various Schools	
Original Authorized Cost	1,475,000
Additional Authorized Cost	111,096
Revised Authorized Cost	1,586,096
Percentage Increase over Original Authorized Cost	7.53%
Percentage Completion	96.04%
Original Target Completion Date	12/31/2019
Revised Target Completion Date	6/30/2025

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
MCIA CAPITAL EQUIPMENT LEASE - 2019  
YEAR ENDED JUNE 30, 2024**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Lease Proceeds	\$ 848,201	\$ -	\$ 848,201	\$ 848,201
Total Revenues and Other Financing Sources	848,201	-	848,201	848,201
Expenditures and Other Financing Uses:				
Equipment	815,715	-	815,715	848,201
Total Expenditures and Other Financing Uses	815,715	-	815,715	848,201
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 32,486	\$ -	\$ 32,486	\$ -

**Additional Project Information:**

Name of Project:	
MCIA Capital Equipment Lease - 2019	
Original Authorized Cost	815,476
Additional Authorized Cost	32,725
Revised Authorized Cost	848,201
Percentage Increase over Original Authorized Cost	4.01%
Percentage Completion	96.17%
Original Target Completion Date	12/31/2019
Revised Target Completion Date	6/30/2025

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
MCIA CAPITAL EQUIPMENT LEASE - 2021  
YEAR ENDED JUNE 30, 2024**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Lease Proceeds	\$ 820,972	\$ -	\$ 820,972	\$ 820,972
Total Revenues and Other Financing Sources	820,972	-	820,972	820,972
Expenditures and Other Financing Uses:				
Equipment	820,972	-	820,972	820,972
Total Expenditures and Other Financing Uses	820,972	-	820,972	820,972
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -

**Additional Project Information:**

Name of Project:	
MCIA Capital Equipment Lease - 2021	
Original Authorized Cost	574,000
Additional Authorized Cost	246,972
Revised Authorized Cost	820,972
Percentage Increase over Original Authorized Cost	43.03%
Percentage Completion	100.00%
Original Target Completion Date	6/30/2021

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
MCIA CAPITAL EQUIPMENT LEASE - 2023  
YEAR ENDED JUNE 30, 2024**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Lease Proceeds	\$ -	\$ 808,640	\$ 808,640	\$ 808,640
Total Revenues and Other Financing Sources	-	808,640	808,640	808,640
Expenditures and Other Financing Uses:				
Equipment	-	754,861	754,861	808,640
Total Expenditures and Other Financing Uses	-	754,861	754,861	808,640
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 53,779	\$ 53,779	\$ -

**Additional Project Information:**

Name of Project:	
MCIA Capital Equipment Lease - 2023	
Original Authorized Cost	808,640
Additional Authorized Cost	-
Revised Authorized Cost	808,640
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	93.35%
Original Target Completion Date	6/30/2024
Revised Target Completion Date	6/30/2025



**H. Fiduciary Fund**  
*Not Applicable*

*This page intentionally left blank*

## **I. Long-Term Debt**

*This page intentionally left blank*

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 LONG-TERM DEBT  
 SCHEDULE OF SERIAL BONDS PAYABLE  
 YEAR ENDED JUNE 30, 2024

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2023	RETIRED	BALANCE JUNE 30, 2024
School Bonds, Series 2018	12/6/2018	5/8/2018	2/1/2025	\$ 1,975,000	3.250%	\$ 35,053,000	\$ 1,938,000	\$ 33,115,000
			2/1/2026	2,035,000	3.250%			
			2/1/2027	2,095,000	3.250%			
			2/1/2028	2,155,000	3.250%			
			2/1/2029	2,220,000	3.250%			
			2/1/2030	2,295,000	3.250%			
			2/1/2031	2,370,000	3.250%			
			2/1/2032	2,445,000	3.250%			
			2/1/2033	2,525,000	3.250%			
			2/1/2034	2,600,000	3.250%			
			2/1/2035	2,600,000	3.375%			
			2/1/2036	2,600,000	3.375%			
			2/1/2037	2,600,000	3.500%			
			2/1/2038	2,600,000	3.500%			
Total						\$ 35,053,000	\$ 1,938,000	\$ 33,115,000

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES  
YEAR ENDED JUNE 30, 2024**

<b>PURPOSE</b>	<b>DATE OF LEASE</b>	<b>TERM OF LEASE</b>	<b>AMOUNT OF ORIGINAL ISSUE</b>	<b>INTEREST RATE</b>	<b>AMOUNT OUTSTANDING JUNE 30, 2023</b>	<b>ISSUED</b>	<b>RETIRED</b>	<b>AMOUNT OUTSTANDING JUNE 30, 2024</b>
Energy Saving Improvement Program	4/27/2018	15 Years	\$ 1,475,000	3.545%	\$ 993,100	\$ -	\$ 79,582	\$ 913,518
MCIA Equipment	10/11/2019	5 Years	755,000	5.000%	328,000	-	164,000	164,000
MCIA Equipment	9/1/2021	5 Years	747,000	4.000-5.000%	612,000	-	166,244	445,756
MCIA Equipment	9/1/2021	5 Years	808,640	5.000%	-	801,132	-	801,132
Total					\$ 1,933,100	\$ 801,132	\$ 409,826	\$ 2,324,406

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2024

	JUNE 30, 2024		VARIANCE
	ORIGINAL BUDGET	FINAL BUDGET	FINAL TO ACTUAL
Revenues:			
Local Sources:			
Local Tax Levy	\$ 2,474,537	\$ 2,474,537	\$ 2,474,537
State Sources:			
Debt Service Aid Type II	622,186	622,186	622,186
Total Revenues	3,096,723	3,096,723	3,096,723
Expenditures:			
Regular Debt Service:			
Interest	1,158,723	1,158,723	1,158,722
Redemption of Principal	1,938,000	1,938,000	1,938,000
Total Regular Debt Service	3,096,723	3,096,723	3,096,722
Total Expenditures	3,096,723	3,096,723	3,096,722
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	1
Fund Balance, July 1,	-	-	-
Fund Balance, June 30,	-	-	1

*This page intentionally left blank*



**STATISTICAL SECTION (Unaudited)**

Third Section

*This page intentionally left blank*

**Financial Trends Information**

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
 (UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 42,005,680	\$ 44,221,847	\$ 42,739,284	\$ 42,696,500	\$ 46,106,571	\$ 44,421,713	\$ 2,021,935	\$ 39,981,673	\$ 41,411,753	\$ 36,136,561
Restricted	2,432,749	4,484,324	4,634,462	6,555,774	6,617,817	5,231,957	44,332,739	1,314,521	3,918,554	4,024,437
Unrestricted (Deficit) Surplus	(15,083,642)	(16,996,169)	(14,200,684)	(18,323,463)	(19,795,416)	(20,075,176)	(20,001,708)	(19,924,435)	(21,737,003)	(18,185,134)
<b>Total Governmental Activities</b>										
Net Position	\$ 29,354,787	\$ 31,710,002	\$ 33,173,062	\$ 30,928,811	\$ 32,928,972	\$ 29,578,494	\$ 26,352,966	\$ 21,371,759	\$ 23,593,304	\$ 21,975,864
<b>Business-Type Activities:</b>										
Investment in Capital Assets	\$ 113,553	\$ 65,780	\$ 73,499	\$ 81,596	\$ 89,693	\$ 48,559	\$ 54,810	\$ 41,296	\$ 45,077	\$ 5,014
Unrestricted (Deficit) Surplus	357,149	295,460	354,944	268,144	514,065	640,453	2,004,224	1,661,476	1,353,994	234,175
<b>Total Business-Type Activities</b>										
Net Position	\$ 470,702	\$ 361,240	\$ 428,443	\$ 349,740	\$ 603,758	\$ 689,012	\$ 2,059,034	\$ 1,702,772	\$ 1,399,071	\$ 239,189
<b>District-Wide:</b>										
Net Investment in Capital Assets	\$ 42,119,233	\$ 44,287,627	\$ 42,812,783	\$ 42,778,096	\$ 46,196,264	\$ 44,470,272	\$ 2,076,745	\$ 40,022,969	\$ 41,456,830	\$ 36,141,575
Restricted	2,432,749	4,484,324	4,634,462	6,555,774	6,617,817	5,231,957	44,332,739	1,314,521	3,918,554	4,024,437
Unrestricted (Deficit) Surplus	(14,726,493)	(16,700,709)	(13,845,740)	(18,055,319)	(19,281,351)	(19,434,723)	(17,997,484)	(18,262,959)	(20,383,009)	(17,950,959)
<b>Total District Net Position</b>	\$ 29,825,489	\$ 32,071,242	\$ 33,601,505	\$ 31,278,551	\$ 33,532,730	\$ 30,267,506	\$ 28,412,000	\$ 23,074,531	\$ 24,992,375	\$ 22,215,053

Source: ACFR Schedule A-1

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 42,121,187	\$ (50,472,487)	\$ (48,327,296)	\$ (48,634,366)	\$ (41,543,568)	\$ (45,123,562)	\$ (47,707,941)	\$ (24,207,792)	\$ (23,999,528)	\$ (23,546,118)
Support Services:										
Tuition	1,244,571	(1,951,060)	(1,852,741)	(2,045,656)	(1,745,707)	(1,806,541)	(2,110,183)	(1,302,565)	(1,210,030)	(1,091,888)
Student & Instruction Related Services	13,244,845	(12,048,880)	(11,701,706)	(12,550,237)	(10,482,147)	(11,814,609)	(12,259,534)	(8,071,936)	(7,982,066)	(7,722,598)
General Administration	903,163	(883,594)	(715,288)	(886,371)	(834,730)	(2,787,087)	(1,275,574)	(633,485)	(589,819)	(640,945)
Central Services	1,262,997	(1,454,632)	(1,439,421)	(1,544,749)	(1,425,438)	(1,570,038)	(88,017)	(848,939)	(804,968)	(827,851)
Administration Information Technology	93,792	(115,967)	(112,934)	(119,074)	(107,918)	(109,453)	(2,228,569)	(59,686)	(58,874)	(57,001)
School Administrative Services	2,294,985	(3,103,963)	(2,886,083)	(2,999,112)	(2,646,776)	(857,666)	(859,615)	(1,517,821)	(1,517,276)	(1,508,715)
Plant Operations & Maintenance	10,385,446	(9,756,227)	(10,208,530)	(10,495,884)	(8,107,811)	(8,155,816)	(8,754,012)	(5,959,314)	(5,935,866)	(5,812,803)
Pupil Transportation	6,735,900	(5,730,268)	(3,703,134)	(3,361,181)	(3,026,137)	(3,128,120)	(3,967,280)	(2,743,808)	(2,739,126)	(2,529,060)
Student Activities	79,915	-	-	-	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-	-	-	-	-
Unallocated Benefits	-	-	-	-	-	-	-	-	-	-
Interest & Other Charges	1,043,830	(1,127,589)	(1,193,013)	(1,258,356)	(1,410,366)	(1,422,833)	(443,500)	(397,033)	(647,845)	(596,009)
Unallocated Depreciation and Amortization	-	-	-	-	-	-	-	(845,072)	(730,814)	(881,860)
Total Governmental Activities	96,732,164	(86,644,667)	(82,140,146)	(83,894,986)	(71,330,598)	(76,775,725)	(79,694,225)	(65,439,892)	(70,019,573)	(65,521,644)
Business-Type Activities:										
Food Service	1,312,536	(1,213,348)	(857,804)	(243,371)	(966,160)	(1,413,816)	(1,235,326)	(1,270,466)	(1,363,947)	(1,372,242)
Other Enterprise Fund	722,950	(790,451)	(488,933)	(163,651)	(434,444)	(1,160,214)	(953,136)	(812,904)	(826,102)	(851,228)
Total Business-Type Activities	2,035,486	(2,003,799)	(1,346,737)	(407,022)	(1,400,604)	(2,574,030)	(2,188,462)	(2,083,370)	(2,190,049)	(2,223,470)
<b>Total Expenses</b>	<b>\$ 98,767,650</b>	<b>\$ (88,648,466)</b>	<b>\$ (83,486,883)</b>	<b>\$ (84,302,008)</b>	<b>\$ (72,731,202)</b>	<b>\$ (79,349,755)</b>	<b>\$ (81,882,687)</b>	<b>\$ (67,523,262)</b>	<b>\$ (72,209,622)</b>	<b>\$ (67,745,114)</b>
<b>Program Revenues:</b>										
Charges for Services:										
Instruction	\$ -	\$ 203,568	\$ 288,509	\$ 283,306	\$ 283,048	\$ 501,246	\$ -	\$ 575,567	\$ 481,597	\$ 407,835
Pupil Transportation	-	23,677	308,931	235,325	-	1,635,067	21,419,236	1,641,813	14,545,145	12,274,445
Operating Grants & Contributions	24,544,924	3,477,002	2,453,327	2,361,517	1,854,180	1,635,067	21,419,236	1,641,813	14,545,145	12,274,445
Capital Grants & Contributions	-	135,475	34,511	-	-	8,000	-	-	-	-
Total Governmental Activities	24,544,924	3,839,722	3,085,278	2,879,148	2,137,228	2,144,313	21,419,236	2,217,380	15,026,742	12,682,280

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Business-Type Activities:</b>										
Changes for Services:										
Food Service	1,389,514	1,192,137	889,652	65,184	949,613	1,436,958	1,478,602	1,388,441	1,305,801	1,325,674
Other Enterprise Fund	755,434	709,493	513,355	73,779	235,772	1,314,358	1,179,108	1,107,444	1,153,168	1,105,444
Total Business Type Activities	2,144,948	1,901,630	1,403,007	138,963	1,185,385	2,751,316	2,657,710	2,495,885	2,458,969	2,431,118
Total District Program Revenues	\$ 26,689,872	\$ 5,741,352	\$ 4,488,285	\$ 3,018,111	\$ 3,322,613	\$ 4,895,629	\$ 24,076,946	\$ 4,713,265	\$ 17,485,711	\$ 15,113,398
Net (Expense)/Revenue:										
Governmental Activities	\$ (72,187,240)	\$ (82,804,945)	\$ (79,054,868)	\$ (81,015,838)	\$ (69,193,370)	\$ (74,631,412)	\$ (58,274,989)	\$ (63,222,512)	\$ (54,992,831)	\$ (52,839,364)
Business-Type Activities	109,462	(102,169)	56,270	(268,059)	(115,883)	100,214	356,262	265,245	105,387	80,540
Total Net Expense	\$ (72,077,778)	\$ (82,907,114)	\$ (78,998,598)	\$ (81,283,897)	\$ (69,309,253)	\$ (74,531,198)	\$ (57,918,727)	\$ (62,957,267)	\$ (54,887,444)	\$ (52,758,824)
<b>General Revenues &amp; Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 59,041,186	\$ 56,368,485	\$ 56,773,485	\$ 56,773,485	\$ 55,660,279	\$ 53,906,806	\$ 53,241,290	\$ 52,197,343	\$ 50,648,047	\$ 49,414,695
Taxes Levied for Debt Service	2,474,537	2,850,578	2,850,578	2,865,153	2,922,993	2,990,356	2,483,081	2,494,218	2,794,727	2,800,957
Grants & Contributions	6,909,846	21,673,667	21,493,414	19,019,592	12,869,261	18,467,401	3,424,423	9,334,533	2,627,277	2,714,555
Tuition Received	361,174	-	-	-	-	-	-	-	-	-
Investment Earnings	-	2,645	4,902	55,654	554,642	738,544	-	-	-	-
Miscellaneous Income	1,045,282	446,510	411,740	301,793	151,638	253,833	305,506	151,597	320,155	207,141
Restricted Grants and Entitlements	-	-	-	-	-	-	596,917	28,455	22,0075	105,698
Transfers	-	-	-	-	-	1,500,000	-	-	-	-
Total Governmental Activities	69,832,025	81,341,885	81,299,119	79,015,677	72,158,813	77,856,940	60,051,217	64,205,946	56,610,281	55,243,046
Business-Type Activities:										
Transfers In/Out	-	-	-	-	-	(1,500,000)	-	38,456	54,495	45,687
Miscellaneous	-	34,966	22,433	14,041	30,629	29,764	-	-	-	-
Total Business-Type Activities	-	34,966	22,433	14,041	30,629	(1,470,236)	-	38,456	54,495	45,687
Total District-Wide	\$ 69,832,025	\$ 81,376,851	\$ 81,321,552	\$ 79,029,718	\$ 72,189,442	\$ 76,386,704	\$ 60,051,217	\$ 64,244,402	\$ 56,664,776	\$ 55,288,733
Change in Net Position:										
Governmental Activities	\$ (2,355,215)	\$ (1,463,060)	\$ 2,244,251	\$ (2,000,161)	\$ 2,965,443	\$ 3,225,528	\$ 1,776,228	\$ 983,434	\$ 1,617,450	\$ 2,403,682
Business-Type Activities	109,462	(67,203)	78,703	(254,018)	(85,254)	(1,370,022)	356,262	303,701	159,882	126,227
Total District	\$ (2,245,753)	\$ (1,530,263)	\$ 2,322,954	\$ (2,254,179)	\$ 2,880,189	\$ 1,855,506	\$ 2,132,490	\$ 1,287,135	\$ 1,777,332	\$ 2,529,909

Source: ACFR Schedule A-2

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 FUND BALANCES - GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)  
 (UNAUDITED)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund:										
Restricted	\$ 2,025,072	\$ 1,69,810	\$ 4,356,302	\$ 6,158,123	\$ 5,273,348	\$ 4,968,794	\$ 2,962,560	\$ 1,504,979	\$ -	\$ -
Assigned	1,755,732	217,755	1,839,334	528,868	3,510,434	2,004,820	1,955,222	1,524,075	-	-
Unassigned	111,258	5,439,936	4,853,574	4,578,413	1,397,898	1,446,685	1,427,302	1,885,784	-	-
Reserved	-	-	-	-	-	-	-	-	2,967,645	2,981,372
Unreserved	-	-	-	-	-	-	-	-	816,304	415,315
Total General Fund	\$ 3,892,062	\$ 5,827,501	\$ 11,049,210	\$ 11,265,404	\$ 10,181,680	\$ 8,420,299	\$ 6,345,084	\$ 4,914,838	\$ 3,783,949	\$ 3,396,687
All Other Governmental Funds:										
Restricted for:										
Capital Projects Fund	\$ 254,666	\$ 231,502	\$ 725,071	\$ 2,705,817	\$ 14,197,957	\$ 30,441,884	\$ 41,300,474	\$ 966,679	\$ 1,040,135	\$ 46,471
Debt Service Fund	1	-	103,661	747,762	1,118,069	917,409	69,705	-	-	-
Special Revenue Fund	276,882	299,087	276,160	219,109	-	-	-	-	-	-
Assigned, Reported In:										
Debt Service Fund	-	-	-	-	-	-	-	1	100,765	1
Total All Other Governmental Funds	\$ 531,549	\$ 530,589	\$ 1,104,892	\$ 3,672,688	\$ 15,316,026	\$ 31,359,293	\$ 41,370,179	\$ 966,680	\$ 1,140,900	\$ 46,472

Source: ACFR Schedule B-1



HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)  
 (UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Revenues:</b>										
Tax Levy	\$ 61,515,723	\$ 59,219,063	\$ 59,638,638	\$ 58,583,272	\$ 56,897,162	\$ 55,724,371	\$ 54,691,561	\$ 53,442,774	\$ 52,215,652	\$ 50,988,469
Tuition Charges	361,174	203,568	288,509	282,306	283,048	501,246	596,917	575,567	481,597	407,835
Interest Earnings	-	2,645	4,902	55,654	738,544	-	-	-	-	-
Miscellaneous	1,853,922	1,011,187	847,785	708,786	320,442	344,244	344,244	186,602	294,350	246,629
State Sources	22,497,364	21,414,225	20,206,976	16,413,404	13,827,398	12,531,925	11,676,116	9,926,261	9,313,976	8,475,459
Federal Sources	1,553,872	2,132,781	1,543,190	1,552,928	995,598	1,003,707	949,602	1,043,335	854,791	936,994
<b>Total Revenues</b>	<b>87,782,055</b>	<b>83,983,469</b>	<b>82,280,425</b>	<b>78,651,716</b>	<b>74,564,400</b>	<b>71,967,100</b>	<b>69,291,250</b>	<b>66,423,326</b>	<b>64,387,488</b>	<b>62,282,569</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	21,762,506	30,736,231	29,780,692	27,867,008	16,869,049	25,591,180	17,528,145	17,657,280	17,567,455	17,264,938
Special Education Instruction	6,822,270	-	-	5,929,991	5,266,072	-	5,266,072	5,187,350	5,123,476	4,931,631
Other Instruction	2,126,834	1,282,064	1,239,107	1,059,033	3,836,316	-	1,446,345	1,363,162	1,322,925	1,367,549
<b>Support Services:</b>										
Tuition	932,771	1,254,490	1,206,277	1,244,920	1,140,595	1,256,378	1,470,147	1,302,565	1,210,030	1,091,888
Attendance & Social Work Services	174,162	89,044	-	-	476,134	603,361	654,564	-	-	-
Health Services	620,612	492,891	621,437	555,259	476,134	603,361	654,564	-	-	-
Student & Instruction Related Services	9,135,047	5,026,738	4,778,362	4,760,034	3,974,415	1,117,653	7,886,554	8,071,936	7,982,066	7,722,598
Students	-	2,301,143	2,082,692	2,204,831	2,116,353	6,369,847	598,887	-	-	-
Instruction Staff Training	-	40,360	77,770	136,144	110,148	112,997	888,682	-	-	-
General Administration	677,443	672,118	566,961	619,164	649,959	649,052	633,485	589,819	589,819	640,945
Central Services	947,371	900,402	889,851	905,592	885,962	925,838	1,552,626	848,939	804,968	827,851
<b>Allowed Maintenance for School Facilities</b>										
Administrative Information Technology	70,837	70,061	68,497	67,516	66,118	63,064	6,079,111	59,686	58,874	57,001
School Administrative Services	1,721,120	1,874,721	1,760,568	1,710,533	1,620,296	1,608,965	61,321	1,517,821	1,517,276	1,508,715
Plant Operations & Maintenance	7,264,291	6,918,636	7,032,670	7,032,670	5,830,812	5,830,812	-	5,959,314	5,935,866	5,812,803
Pupil Transportation	5,050,651	5,325,196	3,457,943	2,860,779	2,831,811	2,865,485	2,763,972	2,743,808	2,739,126	2,529,060
Unallocated Benefits	27,912,033	25,884,641	24,235,475	22,350,007	20,980,982	20,011,604	18,518,582	16,660,955	15,916,589	14,458,376
<b>Business and Other Support Services:</b>										
Capital Outlay	950,434	3,451,372	3,580,574	12,014,255	18,800,794	11,515,339	2,959,667	92,291	1,709,503	874,714
<b>Debt Service:</b>										
Principal	2,240,000	2,510,000	2,455,000	2,400,000	2,415,000	1,685,000	2,494,000	2,624,000	2,300,000	2,285,000
Interest & Other Charges	1,228,237	1,249,373	1,337,334	1,423,585	1,536,016	1,196,196	352,596	419,497	486,083	578,426
<b>Total Expenditures</b>	<b>89,636,619</b>	<b>90,079,481</b>	<b>85,585,387</b>	<b>89,211,330</b>	<b>90,072,378</b>	<b>81,402,771</b>	<b>70,521,271</b>	<b>65,142,089</b>	<b>65,264,056</b>	<b>61,951,495</b>
<b>Other Financing Sources/(Uses):</b>										
Transfers In	-	2,645	219,898	322,542	1,479,527	2,238,544	-	-	1,323,000	158,549
Transfers Out	(79,915)	(2,645)	(219,898)	(322,542)	(1,479,527)	(738,544)	-	-	(1,323,000)	(158,549)
Proceeds from Bonds Issuance	-	-	-	-	-	-	-	-	8,430,680	-
Cancellation of Prior Year Accounts Payable	-	-	-	-	-	-	41,793,000	-	37,890	-
Payment to Escrow Agent	-	-	-	-	-	-	-	-	(8,338,560)	-
Proceeds from MCIA Lease	-	-	761,000	-	755,000	-	747,000	-	744,000	-
Premium on Lease	-	-	59,972	-	86,057	-	-	-	-	-
<b>Total Other Financing Sources/(Uses)</b>	<b>(79,915)</b>	<b>-</b>	<b>820,972</b>	<b>-</b>	<b>841,057</b>	<b>1,500,000</b>	<b>42,540,000</b>	<b>-</b>	<b>874,010</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$(1,934,479)</b>	<b>\$(6,096,012)</b>	<b>\$(2,483,990)</b>	<b>\$(10,559,614)</b>	<b>\$(14,666,921)</b>	<b>\$(7,935,671)</b>	<b>41,309,979</b>	<b>1,281,237</b>	<b>\$(2,558)</b>	<b>331,074</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	4.02%	4.36%	4.64%	4.48%	4.59%	3.67%	4.21%	4.90%	4.46%	4.85%

Source: ACFR Schedule B-2

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
**(UNAUDITED)**

<b>FISCAL YEAR ENDING JUNE 30,</b>	<b>INTEREST ON INVESTMENTS</b>	<b>TUITION</b>	<b>TUITION FROM OTHER LEAS</b>	<b>PRIOR YEAR REFUNDS</b>	<b>RENTAL INCOME</b>	<b>MISCELLANEOUS</b>	<b>TOTAL</b>
2024	\$ 269,037	\$ 6,699	\$ 354,475	\$ -	\$ 281,619	\$ 24,618	\$ 936,448
2023	181,257	-	203,568	5,611	186,680	72,962	650,078
2022	4,637	120	288,389	1,513	106,263	303,964	704,886
2021	1,407	6,147	276,159	1,427	14,152	282,139	581,431
2020	75,115	50,841	232,207	54,380	36,206	61,052	509,801
2019	-	28,363	472,883	10,074	58,400	185,359	755,079
2018	67,418	-	523,660	87,175	95,894	5,839	779,986
2017	12,153	106,436	491,857	39,111	90,724	(13,117)	727,164
2016	4,708	69,020	400,492	120,492	106,095	44,945	745,752
2015	785	333,209	74,626	105,390	86,192	14,774	614,976

Source: District Records

**Revenue Capacity Information**

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

*This page intentionally left blank*

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

FISCAL YEAR ENDED JUNE 30,	HOLMDEL TOWNSHIP											TOTAL DIRECT SCHOOL TAX RATE <sup>b</sup>	ACTUAL (COUNTY EQUALIZED) VALUE
	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES <sup>a</sup>	NET VALUATION TAXABLE		
2015	\$ 67,212,400	\$ 3,575,479,300	\$ 17,828,300	\$ 988,100	\$ 357,433,400	\$ 48,932,400	\$ 8,450,000	4,076,323,900	\$ 400,353,800	6,690,727	4,083,014,627	1,309	N/A
2016	73,610,200	3,597,054,500	17,216,200	912,000	378,721,400	50,838,200	8,975,000	4,127,327,500	444,537,000	6,679,675	4,134,007,175	1,323	N/A
2017	82,545,200	3,591,420,200	17,301,400	885,200	382,805,000	37,361,900	9,510,600	4,121,829,500	473,852,500	6,703,393	4,128,532,893	1,350	N/A
2018	87,003,500	3,661,677,300	17,745,700	864,300	399,092,000	37,933,600	9,651,800	4,213,968,200	500,894,900	6,830,315	4,220,798,515	1,348	N/A
2019	67,554,600	3,723,175,100	19,175,800	890,300	405,760,500	38,334,600	9,755,300	4,264,646,100	554,593,400	6,934,879	4,271,580,979	1,372	N/A
2020	59,134,900	3,787,165,900	18,756,900	889,800	382,502,100	41,957,200	9,819,500	4,300,226,300	732,210,200	7,099,933	4,307,326,233	1,385	N/A
2021	52,307,500	3,867,226,300	18,190,800	852,500	373,194,400	36,740,700	9,610,600	4,358,122,800	830,808,800	7,423,818	4,365,546,618	1,360	N/A
2022	54,796,000	4,298,775,500	22,979,400	703,600	403,909,700	38,577,800	10,383,500	4,830,125,500	911,601,600	7,333,671	4,837,459,171	1,220	N/A
2023	46,903,000	5,006,280,600	26,854,700	845,900	422,959,100	40,717,900	12,831,200	5,557,392,400	1,135,546,300	7,507,564	5,564,899,964	1,220	N/A
2024	60,155,400	5,327,723,800	27,971,200	837,500	451,701,100	43,213,600	14,767,600	5,926,370,200	1,174,554,700	7,580,850	5,933,951,050	1,075	N/A

Source: Mommouth County Board of Taxation

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

b. Tax rates are per \$100

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(Rate per \$100 of Assessed Value)  
(UNAUDITED)**

FISCAL ENDED JUNE 30,	HOLMDEL TOWNSHIP SCHOOL DISTRICT DIRECT RATE		TOTAL DIRECT SCHOOL TAX RATE		OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE <sup>a</sup> :	GENERAL OBLIGATION DEBT SERVICE <sup>b</sup> :	GENERAL OBLIGATION DEBT SERVICE <sup>b</sup> :	SCHOOL TAX RATE	TOWNSHIP	COUNTY	
2015	N/A	N/A	N/A	1.31	0.34	0.32	1.97
2016	N/A	N/A	N/A	1.32	0.32	0.32	1.96
2017	N/A	N/A	N/A	1.35	0.25	0.26	1.86
2018	N/A	N/A	N/A	1.35	0.37	0.30	2.02
2019	N/A	N/A	N/A	1.37	0.37	0.29	2.03
2020	N/A	N/A	N/A	1.39	0.34	0.24	1.97
2021	N/A	N/A	N/A	1.36	0.34	0.23	1.93
2022	N/A	N/A	N/A	1.22	0.31	0.20	1.73
2023	N/A	N/A	N/A	1.22	0.31	0.20	1.73
2024	N/A	N/A	N/A	1.08	0.31	0.20	1.59

**Source:** Municipal Tax Assessor

**Note:** N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

<sup>a</sup> The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable  
<sup>b</sup> Rates for debt service are based on each year's requirements.

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAX PAYERS,  
 CURRENT YEAR AND NINE YEARS AGO  
 (UNAUDITED)

HOLMDEL TOWNSHIP

2024

Taxpayer	TAXABLE ASSESSED VALUE		RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	
Kimco Realty Corp	\$	57,509,000	1		0.97%
Holmdel Commons, LLC C/O Kimco Realty		53,690,000	2		0.90%
Holmdel Realty Development LLC		33,110,200	3		0.56%
Bayshore Healthcare		27,000,000	4		0.46%
National Realty & Development Corp		26,200,000	5		0.44%
Lowe's Home Ctr/Tax Dept		17,474,000	6		0.29%
Safeguard Properties, LLC		12,540,700	7		0.21%
Holmdel Investments, LLC		12,012,900	8		0.20%
Holmdel Realty Garden Group, LLC		10,336,000	9		0.17%
Holmdel Venture/Bergman Realty		8,715,100	10		0.15%
<b>Total</b>	<b>\$</b>	<b>258,587,900</b>			<b>3.380%</b>

2015

Taxpayer	TAXABLE ASSESSED VALUE		RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	
Taxpayer 1	\$	55,564,500			1.45%
Taxpayer 2		51,911,100			1.36%
Taxpayer 3		41,586,900			1.09%
Taxpayer 4		26,651,500			0.70%
Taxpayer 5		23,854,800			0.62%
Taxpayer 6		20,588,100			0.54%
Taxpayer 7		19,295,400			0.50%
Taxpayer 8		11,701,200			0.31%
Taxpayer 9		10,000,000			0.26%
Taxpayer 10		7,757,167			0.20%
<b>Total</b>	<b>\$</b>	<b>268,910,667</b>			<b>7.03%</b>

Source: Municipal Tax Assessor

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY <sup>a</sup>		PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT			
2015	\$ 52,215,652	\$ 52,215,652		100.00%	\$ -
2016	53,442,774	53,442,774		100.00%	-
2017	54,691,561	54,691,561		100.00%	-
2018	55,724,371	55,724,371		100.00%	-
2019	56,897,162	56,897,162		100.00%	-
2020	58,583,275	58,583,275		100.00%	-
2021	59,638,638	59,638,638		100.00%	-
2022	59,389,063	59,389,063		100.00%	-
2023	59,219,063	59,219,063		100.00%	-
2024	61,515,723	61,515,723		100.00%	-

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

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



**Debt Capacity Information**

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			PERCENTAGE OF PERSONAL INCOME <sup>a</sup>	PER CAPITA <sup>a</sup>
	TOTAL DISTRICT	FINANCED PURCHASES PAYBALE	GENERAL OBLIGATION BONDS <sup>b</sup>		
2015	\$ 11,947,000	\$ 1,302,000	\$ 10,645,000	1.14%	716
2016	11,947,000	1,302,000	10,645,000	1.09%	717
2017	9,323,000	923,000	8,400,000	0.81%	561
2018	49,369,000	2,851,000	46,518,000	4.16%	2,967
2019	47,077,600	2,244,600	44,833,000	4.01%	2,828
2020	44,992,600	2,574,600	42,418,000	3.77%	2,689
2021	42,092,000	2,074,000	40,018,000	3.53%	2,516
2022	40,090,872	2,527,872	37,563,000	2.78%	2,304
2023	36,986,100	1,933,100	35,053,000	2.64%	2,136
2024	35,439,406	2,324,406	33,115,000	2.30%	1,907

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.  
See Exhibit J-13 for personal income and population data.

<sup>a</sup> See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population

<sup>b</sup> Includes Early Retirement Incentive Plan ("ERIP") refunding and State Loans

N/A - At the time of ACFR completion, this data was not yet available

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>HOLMDEL TOWNSHIP</b>						
<b>GENERAL BONDED DEBT OUTSTANDING</b>						
<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>GENERAL OBLIGATION BONDS</b>		<b>NET GENERAL BONDED DEBT OUTSTANDING</b>		<b>PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY <sup>a</sup></b>	<b>PER CAPITA <sup>b</sup></b>
2015	\$	10,645,000	\$	10,645,000	0.26%	\$ 638
2016		10,645,000		10,645,000	0.26%	639
2017		8,400,000		8,400,000	20.00%	506
2018		46,518,000		46,518,000	1.10%	2,496
2019		44,833,000		44,833,000	1.05%	2,693
2020		42,418,000		42,418,000	0.99%	2,535
2021		40,018,000		40,018,000	0.92%	2,392
2022		37,563,000		37,563,000	0.78%	2,159
2023		35,053,000		35,053,000	0.63%	2,024
2024		33,115,000		33,115,000	0.56%	1,907

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

<sup>a</sup> Used Estimated County equalized value from J-6

<sup>b</sup> Population data can be founds in Exhibit J-13

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 20, 2024  
(UNAUDITED)**

<b>GOVERNMENTAL UNIT:</b>	<b>DEBT OUTSTANDING</b>	<b>ESTIMATED PERCENTAGE APPLICABLE <sup>a</sup></b>	<b>SHARE OF OVERLAPPING DEBT</b>
Debt Repaid With Property Taxes: Township of Holmdel			\$ 44,681,870
Monmouth County General Obligation Debt: Townships Share	\$ 513,015,538	3.41%	<u>17,493,830</u>
Subtotal, Overlapping Debt			62,175,700
Holmdel Township District Direct Debt			<u>33,115,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 95,290,700</u></u>

**Sources:** Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation. Debt Outstanding data provided by each governmental unit.

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

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

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
*(Dollars in Thousands)*  
 (UNAUDITED)

	FISCAL YEAR ENDED									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt Limit	\$ 129,853,458	\$ 199,561,266	\$ 124,938,394	\$ 175,667,174	\$ 171,406,164	\$ 113,231,727	\$ 167,450,770	\$ 165,668,654	\$ 163,785,344	\$ 162,676,626
Total Net Debt Applicable to Limit	33,115,000	35,053,000	37,563,000	40,018,000	42,418,000	44,833,000	46,518,000	8,400,000	10,645,000	13,375,000
Legal Debt Margin	\$ 96,738,458	\$ 164,508,266	\$ 87,375,394	\$ 135,649,174	\$ 128,988,164	\$ 68,398,727	\$ 120,932,770	\$ 157,268,654	\$ 153,140,344	\$ 149,301,626
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.50%	17.57%	30.07%	22.78%	24.75%	39.59%	27.78%	5.07%	6.50%	8.22%

EQUALIZED VALUATION BASIS

	<b>TOTAL</b>
2022	\$ 5,057,125,098
2023	5,369,715,592
2024	5,870,005,135
	<u>16,296,845,825</u>
Average Equalized Valuation of Taxable Property [A/3]	5,432,281,942
Debt Limit (3% of Average Equalization Value) [B]	162,968,458
Net Bonded School Debt [C]	33,115,000
Legal Debt Margin [B-C]	<u>\$ 129,853,458</u>

Source: Equalized valuation bases were obtained from the Monmouth County Board of Taxation

### **Demographic and Economic Information**

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

*This page intentionally left blank*



**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

HOLMDEL TOWNSHIP SCHOOL DISTRICT						
YEAR	POPULATION <sup>a</sup>	PERSONAL		PER CAPITA	UNEMPLOYMENT RATE <sup>d</sup>	
		INCOME <sup>b</sup>	INCOME <sup>c</sup>	PERSONAL INCOME <sup>c</sup>		
2015	16,694	\$	1,047,665,358	\$	62,757	4.80%
2016	16,671		1,100,602,749		66,019	4.80%
2017	16,604		1,152,483,640		69,410	3.80%
2018	16,640		1,185,383,680		71,237	3.60%
2019	16,648		1,174,616,288		70,556	3.70%
2020	16,731		1,193,890,698		71,358	2.80%
2021	16,731		1,193,890,698		71,358	2.80%
2022	17,401		1,441,098,617		82,817	2.50%
2023	17,317		1,398,746,041		80,773	2.30%
2024	17,368		1,530,572,368		80,773	2.30%

**Sources:**

- a Population information provided by the NJ Department of Labor and Workforce Development.
- b Personal income has been estimated based upon the municipal population and per capita personal income presented.
- c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
- d Unemployment data provided by the NJ Department of Labor and Workforce Development.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

2024			2015		
EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
NO DATA AVAILABLE			NO DATA AVAILABLE		
0		0.00%	0		0.00%
0			0		

Source: Municipal Tax Collector

N/A - Information was not available at reporting time

### **Operating Information**

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>Function/Program:</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Instruction:										
Regular	217	214	213	208	213	219	205	205	198	197
Special Education	111	111	119	98	93	91	80	80	80	79
Support Services:										
Student & Instruction Related Services	81	81	81	80	88	91	97	99	112	109
General Administration	3	3	3	5	4	5	5	5	5	5
School Administrative Services	17	17	17	16	17	17	17	17	17	17
Other Administrative Services	5	5	5	5	5	6	6	6	6	6
Central Services	0	0	0	0	0	0	0	0	0	0
Administrative Information Technology	6	6	6	6	6	6	6	6	5	6
Plant Operations & Maintenance	37	39	37	44	40	42	49	49	49	49
Pupil Transportation	1	1	1	1	1	2	2	2	2	2
<b>Total</b>	<b>478</b>	<b>477</b>	<b>482</b>	<b>463</b>	<b>467</b>	<b>479</b>	<b>467</b>	<b>469</b>	<b>474</b>	<b>470</b>

**Source:** District Personnel Records

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d) High School	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2024	2,889	\$ 66,992,243	\$ 23,189	27.21%	302	10:1	2,873	2,700	-1.44%	93.98%
2023	2,920	53,227,846	18,229	-0.61%	299	10:1	2,915	2,734	-0.75%	93.79%
2022	2,896	53,114,932	18,341	-25.44%	299	10:1	2,937	2,740	1.98%	93.29%
2021	2,872	54,873,393	24,599	10.24%	292	10:1	2,880	2,730	-3.39%	94.79%
2020	2,971	55,335,677	22,315	6.16%	301	10:1	2,981	2,871	-0.50%	93.36%
2019	2,986	57,188,165	21,021	8.76%	307	10:1	2,996	2,851	-0.27%	95.16%
2018	3,004	58,370,553	20,312	-0.54%	285	11:1	3,004	2,840	0.07%	94.54%
2017	3,002	58,356,102	18,575	2.80%	284	11:1	3,002	2,857	0.98%	95.17%
2016	2,975	62,054,759	18,069	-3.25%	283	11:1	2,973	2,850	-1.78%	95.86%
2015	3,021	64,212,112	18,676	9.54%	277	11:1	3,027	2,883	0.26%	95.24%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

- a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 SCHOOL BUILDING INFORMATION  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

<u>DISTRICT BUILDINGS</u>	<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>
<u>Elementary</u>										
Village School (1952)										
Square Feet	122,104	122,104	122,104	122,104	122,104	122,104	122,104	122,104	122,104	122,104
Capacity (students)	1,032	1,032	1,032	1,032	1,032	1,032	1,032	1,032	1,032	1,032
Enrollment	826	815	797	793	775	751	796	824	805	821
<u>Indian Hill (1961)</u>										
Square Feet	120,733	120,733	120,733	120,733	120,733	120,733	120,733	120,733	120,733	120,733
Capacity (students)	940	940	940	940	940	940	940	940	940	940
Enrollment	622	660	670	665	747	752	757	735	713	707
<u>Junior High School</u>										
<u>WR Satz Jr. High (1962)</u>										
Square Feet	93,061	93,061	93,061	93,061	93,061	86,537	86,537	86,537	86,537	86,537
Capacity (students)	669	669	669	669	669	669	669	669	669	669
Enrollment	495	523	525	526	528	521	514	522	513	531
<u>High School</u>										
<u>Holmdel High School (1958)</u>										
Square Feet	202,135	202,135	202,135	202,135	202,135	193,021	193,021	193,021	193,021	193,021
Capacity (students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	965	953	945	944	937	962	937	921	944	962

Number of Schools at June 30, 2024:

Elementary = 2

Junior High School = 1

High School = 1

**Source:** District Facilities Office, District Records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST TEN FISCAL YEARS  
 UNAUDITED

SCHOOL FACILITIES	PROJECT# (s)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	Total
Holmdel High School	N/A	\$ 662,006	\$ 551,077	\$ 659,550	\$ 606,138	\$ 442,702	\$ 452,449	\$ 484,936	\$ 474,567	\$ 495,154	\$ 505,306	\$ 5,333,885
William R. Satz	N/A	335,063	251,032	309,163	305,993	222,558	205,941	286,201	218,233	241,165	224,668	2,600,017
Indian Hill	N/A	389,861	314,807	418,593	398,552	293,779	276,120	303,856	295,806	324,607	277,516	3,293,497
Village	N/A	458,128	384,539	440,558	434,191	334,926	347,500	345,137	321,995	362,881	314,356	3,744,211
Total:		\$ 1,845,058	\$ 1,501,455	\$ 1,827,864	\$ 1,744,874	\$ 1,293,965	\$ 1,282,010	\$ 1,420,130	\$ 1,310,601	\$ 1,423,807	\$ 1,321,846	\$ 14,971,610

Source: District Records



**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2024  
UNAUDITED**

	<b>COVERAGE</b>	<b>DEDUCTIBLE</b>
<b>SCHOOL PACKAGE POLICY (1):</b>		
School Package Policy (1):		
Building and Contents and EDP (All Locations)	\$ 172,616,433	\$ 10,000
Comprehensive General Liability	31,000,000	
Comprehensive Automobile Liability	31,000,000	
Comprehensive Crime Coverage:		
Money and Securities	25,000	500
Comprehensive Crime Coverage:		
Forgery and Alteration	250,000	1,000
Valuable Papers and Records	10,000,000	10,000
Boiler and Machinery - Property Damage	100,000,000	25,000
School Leaders Errors and Admissions	31,000,000	30,000
Public Employees' Faithful Performance		
Blanket Position Bond	250,000	1,000
Public Officials:		
Board Secretary/Business Administrator	115,000	
Assistant Board Secretary/Assistant Business Administrator	115,000	
Treasurer	340,000	
Flood Insurance	75,000,000	10,000
Earthquake Insurance	50,000,000	10,000
Athletic Accident (Base Policy, Class I)	25,000	80% Co-Ins.
Athletic Accident (Cat. Policy, Class II)	1,000,000	25,000
		10,000 / Various
		Apply to Microbial
Environmental Liability (Beazley, Primary)	1,000,000	Matter Claims

Source: District Records

*This page intentionally left blank*

**SINGLE AUDIT SECTION**

Fourth Section

*This page intentionally left blank*



Certified Public Accountants + Advisors

1985 Cedar Bridge Ave., Suite 3 • Lakewood, NJ 08701 • 732.797.1333

194 East Bergen Place • Red Bank, NJ 07701 • 732.747.0010

[www.hfacpas.com](http://www.hfacpas.com)

## EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Holmdel Township School District  
County of Monmouth  
Holmdel, NJ 07733

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Holmdel Township School District (School District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 15, 2025.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Report on Compliance and Other Matters**

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

### **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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Brian J. Waldron  
Certified Public Accountant  
Public School Accountant, No. 2600

Lakewood, New Jersey  
January 15, 2025



**EXHIBIT K-2**

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

Honorable President and Members  
of the Board of Education  
Holmdel Township School District  
County of Monmouth  
Holmdel, NJ 07733

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Holmdel Township School District's compliance with types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2024. The Holmdel Township 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 Holmdel Township 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, 2024.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, and New Jersey's OMB Circular 15-08 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 Holmdel Township School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts of grant agreements applicable to the Holmdel Township School District's federal and state programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Holmdel Township 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 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, *the Uniform Guidance*, and New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the 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 New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Brian J. Waldron  
Certified Public Accountant  
Public School Accountant, No. 2600

Lakewood, New Jersey  
January 15, 2025

*This page intentionally left blank*

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2023	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	UNEARNED REVENUE	BALANCE JUNE 30, 2024 (ACCOUNTS RECEIVABLE)	DUO TO GRANTOR
93.778	U.S. Department of Health and Human Services Passed Through New Jersey Department of Human Services Title I - Part A Subtotal	2005N15MAP	100-034-5064-211	\$ 10,414	7/1/23-9/30/24	\$ -	\$ -	10,414	(10,414)	\$ -	\$ -	\$ -	\$ -
84.010	U.S. Department of Education Passed Through New Jersey Department of Education Elementary and Secondary Education Act (E.S.E.A.) Title I - Part A Subtotal	S010A230030 S010A220030	100-034-5064-194 100-034-5064-194	97,460 115,751	7/1/23-9/30/24 7/1/23-9/30/23	- (5,798)	- (5,798)	5,931 5,298	(56,569) (56,569)	- (30,489)	- (30,489)	(50,438) (50,438)	- (50,438)
84.367A 84.367A	U.S. Department of Education Passed Through New Jersey Department of Education Elementary and Secondary Education Act (E.S.E.A.) Title II - Part A, Supporting Effective Instruction Subtotal	S367A230029 S367A200029	100-034-5063-290 100-034-5063-290	40,016 103,508	7/1/23-9/30/24 7/1/23-9/30/23	- (39,975)	- (39,975)	9,287 39,975	(30,489) (30,489)	- (21,202)	- (21,202)	(21,202) (21,202)	- (21,202)
84.365A	U.S. Department of Education Passed Through New Jersey Department of Education Elementary and Secondary Education Act (E.S.E.A.) Title III - English Language Acquisition	S365A230030	100-034-5064-187	3,694	7/1/23-9/30/24	-	-	-	(2,940)	-	-	(2,940)	-
84.424A 84.424A	U.S. Department of Education Passed Through New Jersey Department of Education Elementary and Secondary Education Act (E.S.E.A.) Title IV - Part A, Student Support and Academic Enrichment Subtotal	S424A230031 S424A220031	100-034-5063-348 100-034-5063-348	10,584 22,146	7/1/23-9/30/24 7/1/23-9/30/23	- (7,165)	- (7,165)	296 7,165	(10,584) (10,584)	- (10,288)	- (10,288)	(10,288) (10,288)	- (10,288)
84.027A 84.027A 84.027X	Special Education Cluster: Basic Subtotal	H027A230100 H027A220100 H027X220100	100-034-5065-016 100-034-5065-016 100-034-5065-094	838,077 792,180 174,770	7/1/23-9/30/24 7/1/23-9/30/23 7/1/23-9/30/23	- (542,171) (33,754)	- (542,171) (33,754)	336,606 542,171 33,754	(838,077) (838,077)	- (501,471)	- (501,471)	(501,471) (501,471)	- (501,471)
84.173 84.173	I.D.E.A. Preschool Subtotal	H173A230114 H173A220114	100-034-5065-020 100-034-5065-020	33,884 33,881	7/1/23-9/30/24 7/1/23-9/30/23	- (5,437)	- (5,437)	9,666 5,437	(33,884) (33,884)	- (24,218)	- (24,218)	(24,218) (24,218)	- (24,218)
84.425D 84.425D 84.425U 84.425U 84.425U 84.425U	Total Special Education Cluster Education Stabilization Fund: CARES Emergency Relief Fund Elementary and Secondary School Emergency Relief (ESSER) Fund Elementary and Secondary School Emergency Relief (ESSER) Fund - Learning Acceleration Elementary and Secondary School Emergency Relief (ESSER) Fund - Mental Health, Plan Elementary and Secondary School Emergency Relief (ESSER) Fund American Rescue Plan Elementary and Secondary School Emergency Relief (ESSER) Fund - Beyond the School Day American Rescue Plan Elementary and Secondary School Emergency Relief (ESSER) Fund - Learning Acceleration Subtotal	S425D20027 S425D210027 S425D220027 S425D220027 S425U210027 S425U210027 S425U210027 S425U210027	100-034-5120-513 100-034-5120-518 100-034-5120-518 100-034-5120-518 100-034-5120-519 100-034-5120-519 100-034-5120-519 100-034-5120-519	174,580 526,771 33,806 45,000 1,183,884 40,000 232,213	3/13/20-9/30/22 3/13/20-9/30/23 3/13/20-9/30/23 3/13/20-9/30/23 3/13/20-9/30/24 3/13/20-9/30/24 3/13/20-9/30/24 3/13/20-9/30/24	(77,341) (7,426) (7,157) (22,912) (1,149,555) (1,199,255)	77,341 7,426 12,078 167,736 73,804 338,385 1,334,471	- (4,927) (248,271) (37,684) (426,905) (1,409,662)	- (6) (103,447) (37,684) (62,338) (814,032)	- (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338)	- (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338)	- (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338)	- (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338) (62,338)
	Total U.S. Department of Education			\$ 1,334,471		\$ -	\$ -	\$ 1,334,471	\$ (1,409,662)	\$ -	\$ -	\$ (814,032)	\$ -
	Total Expenditures of Federal Awards			\$ 1,334,471		\$ -	\$ -	\$ 1,334,471	\$ (1,409,662)	\$ -	\$ -	\$ (814,032)	\$ -

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

*This page intentionally left blank*

HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2024

STATE GRANTOR/ PROGRAM TITLE	GRANTOR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2023	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENT	MEMO				
										UNEARNED REVENUE	BALANCE, JUNE 30, 2024 (ACCOUNTS RECEIVABLE)	DUETO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<b>New Jersey Department of Education:</b>														
<b>General Fund:</b>														
Special Education Categorical Aid	495-034-5120-089	\$ 3,085,629	7/1/23-6/30/24		\$ 3,085,629	(3,085,629)					\$	\$ 3,085,629		
Security Aid	495-034-5120-084	258,385	7/1/23-6/30/24		258,385	(258,385)						258,385		
Total State Aid Public					3,344,014	(3,344,014)						3,344,014		
Transportation Aid	495-034-5120-014	1,381,175	7/1/23-6/30/24		1,381,175	(1,381,175)						1,381,175		
Extracurricular Aid	495-034-5120-044	926,165	7/1/23-6/30/24			(926,165)						926,165		
Extracurricular Aid	495-034-5120-044	926,165	7/1/23-6/30/24		1,331,723	(1,331,723)						926,165		
Additional Non-Public Transportation Aid	495-034-5120-014	91,608	7/1/23-6/30/24			(91,608)						91,608		
Additional Non-Public Transportation Aid	495-034-5120-014	52,160	7/1/23-6/30/24		52,160	(52,160)						52,160		
Additional Non-Public Transportation Aid	495-034-5120-014	3,516	7/1/23-6/30/24		2,092,220	(2,092,220)						2,092,220		
Reimbursed TPAF Social Security Contributions	495-034-5120-033	2,010,544	7/1/23-6/30/24		108,524	(108,524)						2,010,544		
Reimbursed TPAF Social Security Contributions	495-034-5120-033	2,010,544	7/1/23-6/30/24		1,272	(1,272)						2,010,544		
TPAF - Post Retirement	495-034-5094-001	2,786,047	7/1/23-6/30/24		2,786,047	(2,786,047)						2,786,047		
Medical (Noncash Assistance)	495-034-5094-002	10,236,670	7/1/23-6/30/24		10,236,670	(10,236,670)						10,236,670		
TPAF - Pension	495-034-5094-002	4,259	7/1/23-6/30/24		4,259	(4,259)						4,259		
Contributions (Noncash Assistance)	495-034-5094-004	4,259	7/1/23-6/30/24		21,336,792	(20,971,708)						4,259		
TPAF - Long-Term Disability														
Insurance (Noncash Assistance)														
Total General Fund					(1,491,153)	21,336,792	(20,971,708)					4,259		
<b>Special Revenue Fund:</b>														
Non-Public Aid:														
Textbooks	100-034-5120-064	71,916	7/1/23-6/30/24		71,916	(71,429)						487		
Textbooks	100-034-5120-064	78,672	7/1/23-6/30/24		150,600	(150,600)						78,672		
Nursing Services	100-034-5120-070	132,608	7/1/23-6/30/24		1,209	(1,209)						132,608		
Nursing Services	100-034-5120-073	60,956	7/1/23-6/30/24		60,956	(60,897)						60,956		
Technology Initiative	100-034-5120-373	49,224	7/1/23-6/30/24		417	(417)						49,224		
Technology Initiative	100-034-5120-373	257,274	7/1/23-6/30/24		257,274	(256,940)						257,274		
Security Aid	100-034-5120-509	207,200	7/1/23-6/30/24		930	(930)						207,200		
Auxiliary Services Aid (Chapter 192):														
Compensatory Education	100-034-5120-067	136,622	7/1/23-6/30/24		136,622	(133,875)						2,747		
Compensatory Education	100-034-5120-067	113,457	7/1/23-6/30/24		1,970	(1,970)						113,457		
ESL	100-034-5120-067	2,005	7/1/23-6/30/24		35	(35)						2,005		
ESL	100-034-5120-067	9,077	7/1/23-6/30/24		9,077	(9,077)						9,077		
Home Instruction	100-034-5120-067	4,194	7/1/23-6/30/24		4,194							4,194		
Home Instruction	100-034-5120-066	112,430	7/1/23-6/30/24		112,430	(112,430)						112,430		
Handicapped Services (Chapter 193):														
Examination and Classification	100-034-5120-066	37,643	7/1/23-6/30/24		1,123	(1,123)						37,643		
Examination and Classification	100-034-5120-066	28,922	7/1/23-6/30/24		28,922	(28,922)						28,922		
Connective Speech	100-034-5120-066	21,297	7/1/23-6/30/24		273	(273)						21,297		
Connective Speech	100-034-5120-066	89,291	7/1/23-6/30/24		89,291	(89,291)						89,291		
Supplementary Instruction	100-034-5120-066	85,573	7/1/23-6/30/24		1,097	(1,097)						85,573		
Supplementary Instruction	100-034-5120-519	138,990	7/1/23-6/30/24		71,302	(71,302)						67,688		
SDA Emergent and Capital Maintenance Projects	100-034-5120-519	6,000	7/1/23-6/30/24		6,000							6,000		
Climate Awareness Grant	100-034-5120-519	6,000	7/1/23-6/30/24		988,136	(1,052,306)						6,000		
Total Special Revenue Fund					169,986	(169,986)								
Capital Projects Fund:														
State Security Grant	1245-0XX-14-XXX-XX-GR	622,186	Completion		622,186	(622,186)								
Total Capital Projects Fund														
<b>Debt Service Fund:</b>														
Debt Service Aid	495-034-5120-017	622,186	7/1/23-6/30/24		622,186	(622,186)						622,186		
Total Debt Service Fund														
<b>Total New Jersey Department of Education</b>														
Total State Financial Assistance		\$ 41,592,903			\$ 22,947,114	(\$ 22,646,200)						\$ 453,257		
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:														
TPAF - Post Retirement	495-034-5094-001	\$ 2,786,047	7/1/23-6/30/24		\$							\$ 2,786,047		
Medical (Noncash Assistance)	495-034-5094-002	10,236,670	7/1/23-6/30/24		10,236,670	(10,236,670)						10,236,670		
TPAF - Pension	495-034-5094-003	4,259	7/1/23-6/30/24		4,259	(4,259)						4,259		
Contributions (Noncash Assistance)	495-034-5094-004	4,259	7/1/23-6/30/24		4,259	(4,259)						4,259		
TPAF - Long-Term Disability														
Insurance (Noncash Assistance)														
Total State Financial Assistance Subject to Calculation for Major Program Determination												\$ (9,619,224)		

The accompanying Notes to Schedule's of Expenditures of Awards and Financial Assistance are an integral part of this schedule

*This page intentionally left blank*

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2024**

**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Holmdel Township School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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. Summary of Significant Accounting Policies**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2024. 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, 2024.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2024 (Continued)**

**Note 3. Relationship to Basic Financial Statements**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$57,818) for the general fund and (\$20,283) for the Special Revenue Fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. The net adjustment for the special revenue fund includes \$73,475 of local awards which are not included on the Schedule of Expenditures of Federal Awards and State Financial Assistance. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 10,414	\$ 20,913,890	\$ 20,924,304
Special Revenue Fund	1,543,458	961,288	2,504,746
Debt Service Fund	-	622,186	622,186
Total Awards & Financial Assistance	<u>\$ 1,553,872</u>	<u>\$ 22,497,364</u>	<u>\$ 24,051,236</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. Federal and State Loans Outstanding**

The School District had no loan balances outstanding at June 30, 2024.



**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued		Unmodified
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ Yes	_____ X _____ No
2) Significant deficiency(ies) identified?	_____ Yes	_____ X _____ No
Noncompliance material to financial statements noted?	_____ Yes	_____ X _____ None

**Federal Awards**

Internal control over major programs:		
1) Material weakness(es) identified?	_____ Yes	_____ X _____ No
2) Significant deficiency(ies) identified?	_____ Yes	_____ X _____ No
Type of auditor's report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ Yes	_____ X _____ No

Identification of major programs:

<b>Assistance Listing Number(s)</b>	<b>FAIN Number(s)</b>	<b>Name of Federal Program or Cluster</b>
84.027	H027A230100	Special Education Cluster - IDEA Part B
84.173	H173A230114	Basic Preschool

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	_____ X _____ Yes	_____ _____ No

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

**Section I - Summary of Auditor's Results (Continued)**

**State Financial Assistance**

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	<u>  X  </u> Yes	<u>      </u> No
Internal control over major programs:		
1) Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
2) Significant deficiency(ies) identified?	<u>      </u> Yes	<u>  X  </u> No
Type of auditor's report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08?	<u>      </u> Yes	<u>  X  </u> No

Identification of major programs:

<b><u>State Grant/Project Number(s)</u></b>	<b><u>Name of State Program</u></b>
495-034-5094-003	Reimbursed TPAF Social Security Contributions

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

**Section II - Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

**Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs**

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

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.

**HOLMDEL TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
YEAR ENDED JUNE 30, 2024**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

**Financial Statement Findings**

No Prior Year Findings

**Federal Awards**

No Prior Year Findings.

**State Financial Assistance**

No Prior Year Findings.