SCHOOL DISTRICT
OF

ALLAMUCHY TOWNSHIP

Allamuchy Township School District
Board of Education
Allamuchy Township, New Jersey

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

Annual Comprehensive Financial Report

of the

Allamuchy Township School District
Board of Education

Allamuchy Township, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

Allamuchy Township School District
Board of Education

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal 1
Organizational Chart 5
Roster of Officials 6
Consultants and Advisors 7

FINANCIAL SECTION 8

Independent Auditors' Report 9

Required Supplementary Information 12
Management's Discussion and Analysis 13

Basic Financial Statements (Sections A. and B.) 21

A. District-Wide Financial Statements 22
A-1 Statement of Net Position 23
A-2 Statement of Activities 24

B. Fund Financial Statements 26
B-1 Balance Sheet – Governmental Funds 27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds 28
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 30
B-4 Statement of Net Position – Proprietary Funds 31
B-5 Statement of Revenue, Expenses and Changes in Fund Net Assets – Proprietary Funds 32
B-6 Statement of Cash Flows – Proprietary Funds 33

Notes to the Basic Financial Statements 34

Required Supplementary Information 73

L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions 74
L-1 Schedule of District's Proportionate Share of the Net Pension Liability- Public Employees Retirement System 74
L-2 Schedule of District Contributions – Public Employees Retirement System 75
L-3 Schedule of State's Proportionate Share of the Net Pension Liability- Teachers' Pension and Annuity Fund 76
L-4 Schedule of District State Contributions – Teachers' Pension and Annuity Fund 77
L-5 Schedule of Changes in the State's Total Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios 78
Notes to Required Supplementary Information 79

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

FINANCIAL SECTION (Cont'd)

Required Supplementary Information (Cont'd)

C. Budgetary Comparison Schedules 80
C-1 Budgetary Comparison Schedule – General Fund 81
C-2 Combining Budgetary Schedule – Special Revenue Fund 90
C-3 Budgetary Comparison Schedule – Note to Required Supplementary Information 91

Other Supplementary Schedules (D.-I.)

D. School Level Schedules (Not Applicable) 93

E. Special Revenue Fund 94
E-1 Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis 95
E-2 Preschool Education Aid Schedule of Expenditures– Budgetary Basis (Not Applicable)

F. Capital Projects Fund (Not Applicable) 97

G. Proprietary Funds 98
Enterprise Funds:
G-1 Combining Statement of Net Position 99
G-2 Combining Statement of Revenue, Expenses and Changes in Fund Net Position 100
G-3 Combining Statement of Cash Flows 101

H. Fiduciary Activities (Not Applicable) 102

I. Long-Term Liabilities 103
I-1 Schedule of Serial Bonds 104
I-2 Schedule of Obligations Under Financed Purchases Payable 105
I-3 Schedule of Obligations Under Leases (Not Applicable)
I-4 Schedule of Obligations Under Subscription-Based Information Technology Arrangements (Not Applicable)
I-5 Debt Service Fund Budgetary Comparison Schedule 106

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

J. STATISTICAL SECTION (Unaudited) 107
- J-1 Net Position by Component 108
- J-2 Changes in Net Position 109
- J-3 Fund Balances – Governmental Funds 111
- J-4 Changes in Fund Balances – Governmental Funds 112
- J-5 General Fund Other Local Revenue by Source 113
- J-6 Assessed Value and Actual Value of Taxable Property 114
- J-7 Direct and Overlapping Property Tax Rates 115
- J-8 Principal Property Taxpayers 116
- J-9 Property Tax Levies and Collections 117
- J-10 Ratios of Outstanding Debt by Type 118
- J-11 Ratios of Net General Bonded Debt Outstanding 119
- J-12 Ratios of Overlapping Governmental Activities Debt 120
- J-13 Legal Debt Margin Information 121
- J-14 Demographic and Economic Statistics 122
- J-15 Principal Employers 123
- J-16 Full-Time Equivalent District Employees by Function/Program 124
- J-17 Operating Statistics 125
- J-18 School Building Information 126
- J-19 Schedule of Required Maintenance for School Facilities 127
- J-20 Insurance Schedule 128

K. SINGLE AUDIT SECTION 129

- K-1 Independent Auditors' 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* 130
- K-2 Independent Auditors' Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance Required by NJOMB 15-08. 132
- K-3 Schedule of Expenditures of Federal Awards 135
- K-4 Schedule of Expenditures of State Awards 137
- K-5 Notes to the Schedules of Expenditures of Federal and State Awards 138
- K-6 Schedule of Findings and Questioned Costs 140
- K-7 Summary Schedule of Prior Audit Findings 141

INTRODUCTORY SECTION
(UNAUDITED)

Allamuchy Township School District
Promoting The Allamuchy Learner
20 Johnsonburg Road
Allamuchy, NJ 07820
P: 908-852-1894
F: 908-852-9816
www.aes.k12.nj.us

November 17, 2025

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

Dear Honorable President and Board Members:

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

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes The Independent Auditor's Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The 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*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Allamuchy Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Allamuchy Township School District's elementary schools constitute the District's reporting entity.

   The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, as well as special education, for handicapped youngsters. The District completed the 2024-2025 fiscal year with an average daily enrollment of 429 students, which is 28 students less than the prior year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: The Allamuchy area continues to offer a positive rural living experience to its citizens and is an attractive area for families, and as such, citizens stay after their children have exited the school district. The financial stability of the area has provided a steady tax base, but enrollment is decreasing due to the decrease in transiency. As the 24-25 fiscal year came to a close, the Business Office was able to stabilize the finances of the district, securing a modest surplus.

3. MAJOR INITIATIVES: Student achievement and growth remain as the major focus of activities within the District. Professional staff continue to work hard to review and revise curriculum to align to the New Jersey Student Learning Standards. State assessment results and data analysis in grades 3-8 are utilized to strengthen both program offerings and teaching strategies. Computerized assessment programs continue to be incorporated, and staff have received professional development. Extended block scheduling allows for 400 minutes/week of math and 400 minutes/week of language arts in all grades. School-wide enrichment activities are geared to reach all students and are supplemented by an active after-school program. Of particular note is our commitment to activities outside the traditional classroom, emphasizing authentic and inquiry-based learning with two outdoor classrooms in the district. Staff and students have access to one of the most beautiful natural resource areas in the state. During the year, the administration and staff make a major effort in the area of environmental education by utilizing the unique and rich environment. Transportation is provided to all students for all activities, including Extended School Year programs and extracurricular clubs, and sports. Professional staff development is stressed, and Allamuchy has a relationship with Centenary University as a Professional Development School. Students utilize technology through Chromebooks, iPads, and other current instructional technologies. Recent improvements have ensured that all district classrooms are equipped with SmartBoards, and students in grades 3-8 have access to a 1-to-1 Chromebook.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. 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 are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and assignments of fund balance at June 30, 2025.

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

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found on Exhibit J-20.

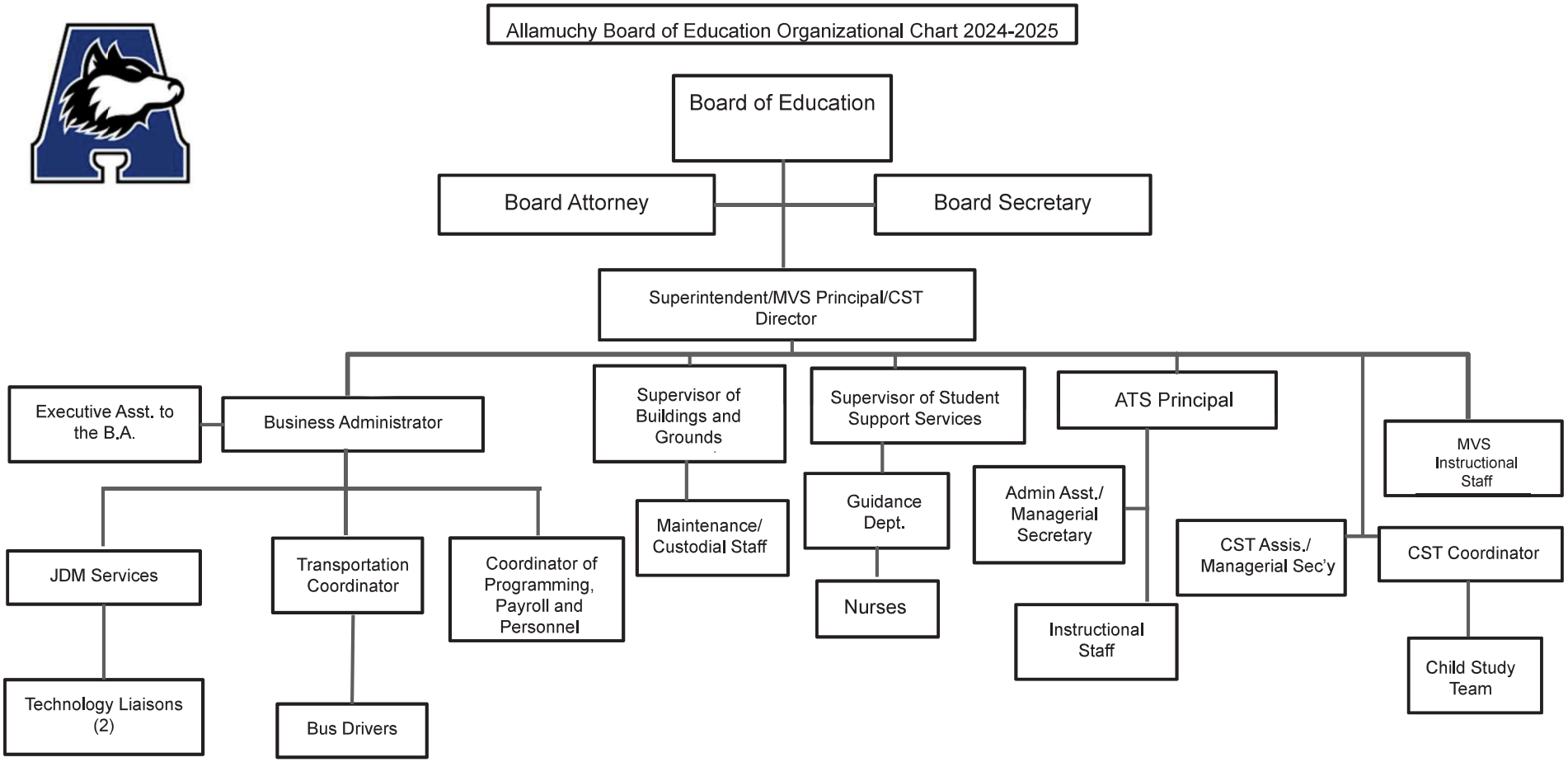
9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Allamuchy Township School District 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 been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

Dr. Charles Seipp
Superintendent

Dr. Brian Falkowski
Business Administrator


Allamuchy Board of Education Organizational Chart 2024-2025
Board of Education
Board Attorney
Board Secretary
Superintendent/MVS Principal/CST Director
Executive Asst. to the B.A.
Business Administrator
Supervisor of Buildings and Grounds
Supervisor of Student Support Services
ATS Principal
MVS Instructional Staff
JDM Services
Transportation Coordinator
Coordinator of Programming, Payroll and Personnel
Maintenance/ Custodial Staff
Guidance Dept.
Admin Asst./ Managerial Secretary
CST Assis./ Managerial Sec'y
CST Coordinator
Nurses
Instructional Staff
Child Study Team
Technology Liaisons (2)
Bus Drivers

ROSTER OF OFFICIALS
JUNE 30, 2025

Members of the Board of Education	Term Expires
Francis Gravin, President	2025
Stacy Bockbrader, Vice President	2025
Jenna Graham	2025
Erica Iuvone	2028
Moe Madkour	2025
Jennifer Mandery	2026
Mary Renaud	2025
Jensy Rodriguez	2025
Timothy Rowe	2028

Other Officials	Title
Dr. Melissa Sabol	Superintendent of Schools (To August 2024)
Louis F. Caruso, Ed.D.	Business Administrator/Board Secretary (To July 2024) Superintendent of Schools (From August 2024 to February 2025)
Dr. Charles Seipp	Superintendent of Schools (From February 2025)
Kerry Keane	Business Administrator (From July, 2024 to February 2025)
Dr. Brian Falkowski	Business Administrator (From February 2025)
Theresa Linskey	Treasurer of School Monies (To February 2025)

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
CONSULTANTS AND ADVISORS
FISCAL YEAR ENDED JUNE 30, 2025

Audit Firm

Nisivoccia LLP
200 Valley Road Suite 300
Mount Arlington, New Jersey 07856
and
11 Lawrence Road
Newton, NJ 07860
and
1140 Route 22 East, Suite 203
Bridgewater, NJ 08807

Attorney

Busch Law Group
450 Main Street
Metuchen, NJ 08840

Special Projects Attorney

Coughlin Duffy LLP
350 Mount Kemble Ave.
PO Box 1917
Morristown, NJ 07962

Special Education Attorney

Scarinci & Hollenbeck, LLC
1100 Valley Brook Avenue
PO Box 790
Lyndhurst, NJ 07071

Official Depository

Investors Bank
388 State Rt. 517 West
Washington, NJ 07882

FINANCIAL SECTION

NISIVOCCIA
ASSURANCE · TAX · ADVISORY

Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ

973.298.8500
nisivoccia.com

Independent Member
BKR International

Independent Auditors' Report

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

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 Board of Education of the Allamuchy Township School District (the "District"), in the County of Warren, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and postemployment benefit schedules in exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 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 District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB 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 supplementary information schedules and the schedules of expenditures of federal and state awards 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 November 17, 2025 on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 District's internal control over financial reporting and compliance.

Nisivoccia LLP
NISIVOCCIA LLP

November 17, 2025
Mount Arlington, New Jersey

John J. Mooney
Licensed Public School Accountant #2602
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Allamuchy Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2025. 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.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services and Rutherfurd Hall.
- *Notes to Basic Financial Statements*: Provide additional information essential to a full understanding of the district-wide and fund financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of Allamuchy Township School District's Financial Report

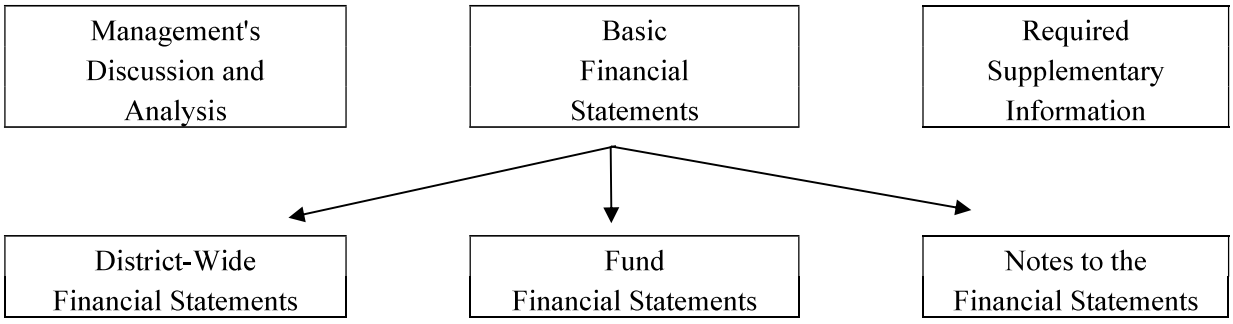


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services, Rutherfurd Hall
Required Financial Statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenue, expenditures, and changes in fund balances	• Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets, subscription assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

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

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

In the District-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service and Rutherfurd Hall are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term liabilities) or to show that is it properly using certain revenue (such as federal grants).

The District has two kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.

- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

Notes to the Basic Financial Statements: Provide additional information essential to a full understanding of the District-wide and fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The District's combined net position was ($446,429) on June 30, 2025, which was $1,011,936 or 69.39% more than the prior year (See Figure A-3).

Figure A-3

Condensed Statement of Net Position

	Government Activities		Business-Type Activities		Total School District		Total Percentage Change
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	
Current and Other Assets	$ 1,428,433	$ 3,142,763	$ 61,549	$ 139,813	$ 1,489,982	$ 3,282,576	
Capital Assets, Net	6,467,472	6,735,451	26,093	10,531	6,493,565	6,745,982	
Total Assets	7,895,905	9,878,214	87,642	150,344	7,983,547	10,028,558	-20.39%
Deferred Outflow of Resourses	494,755	420,365			494,755	420,365	17.70%
Other Liabilities	1,187,908	3,145,644	187,037	202,111	1,374,945	3,347,755	
Long-Term Liabilities	7,532,813	8,330,855			7,532,813	8,330,855	
Total Liabilities	8,720,721	11,476,499	187,037	202,111	8,907,758	11,678,610	-23.73%
Deferred Inflows of Resources	143,277	228,678			143,277	228,678	-37.35%
Net Position:							
Net Investment in Capital Assets	1,046,960	613,523	26,093	10,531	1,073,053	624,054	
Restricted	454,067	328,500			454,067	328,500	
Unrestricted/(Deficit)	(1,848,061)	(2,348,621)	(125,488)	(62,298)	(1,973,549)	(2,410,919)	
Total Net Position/ (Deficit)	$ (347,034)	$ (1,406,598)	$ (99,395)	$ (51,767)	$ (446,429)	$ (1,458,365)	69.39%

Changes in Net Position. Net position in the Governmental Activities increased primarily due to the maturity of long term liabilities, changes in deferred inflows and deferred outflows related to pensions and net pension liability, and excess revenues in the General Fund. An explanation for the change in Net Position for Business-Type Activities is included later in this section of the report.

Figure A-4
Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	Change
Revenue:							
Program Revenue:							
Charges for Services	$ 597,981	$ 597,020	$ 322,660	$ 292,081	$ 920,641	$ 889,101	
Operating Grants & Contribution	2,507,032	2,579,117	56,940	61,111	2,563,972	2,640,228	
General Revenue:							
Property Taxes	10,912,213	10,612,400			10,912,213	10,612,400	
Unrestricted Federal and State Aid	63,110	62,750			63,110	62,750	
Other	133,815	99,176	1,831	698	135,646	99,874	
Total Revenue	14,214,151	13,950,463	381,431	353,890	14,595,582	14,304,353	2.04%
Expenses:							
Instruction	4,977,691	5,985,640			4,977,691	5,985,640	
Pupil and Instruction Services	4,599,795	4,131,542			4,599,795	4,131,542	
Administrative and Business	1,081,956	1,148,279			1,081,956	1,148,279	
Maintenance and Operations	1,124,870	1,103,909			1,124,870	1,103,909	
Transportation	1,130,536	1,186,093			1,130,536	1,186,093	
Other	239,739	247,358	429,059	336,117	668,798	583,475	
Total Expenses	13,154,587	13,802,821	429,059	336,117	13,583,646	14,138,938	-3.93%
Increase/(Decrease) in Net Position	$ 1,059,564	$ 147,642	$ (47,628)	$ 17,773	$ 1,011,936	$ 165,415	511.76%

Governmental Activities

The financial position of the District's governmental activities increased $1,059,564 primarily due to the maturity of long term liabilities, changes in deferred inflows and deferred outflows related to pensions and net pension liability, and excess revenues in the General Fund.

Figure A-5 presents the cost of six major District activities: instruction, pupil and instruction services, administrative and business, maintenance and operations, transportation and other expenses and shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs – the financial obligation or burden placed on the District's taxpayers by each of these functions.

Figure A-5
Net Cost of Governmental Activities

	Total Costs of Services		Net Cost of Services	
	2024/25	2023/24	2024/25	2023/24
Instruction	$ 4,977,691	$ 5,985,640	$ 3,216,961	$ 3,938,458
Pupil and Instruction Services	4,599,795	4,131,542	4,377,632	3,982,848
Administrative and Business	1,081,956	1,148,279	948,542	1,049,570
Maintenance and Operations	1,124,870	1,103,909	1,032,449	1,045,453
Transportation	1,130,536	1,186,093	234,251	362,997
Other	239,739	247,358	239,739	247,358
	$ 13,154,587	$ 13,802,821	$ 10,049,574	$ 10,626,684

Business-Type Activities

Net position from the District's business-type activities decreased by $47,628 primarily due to an increase in expenses in the food service fund. (Refer to Figure A-4).

Financial Analysis of the District's Funds

To maintain a stable financial position, the District must continue to practice sound fiscal management, including but not limited to cost containment practices, seeking out all available efficiencies and a continual evaluation of all offered services and programs.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- Changes in budgetary line accounts to more accurately reflect current requirements.

Capital Asset Administration

Figure A-6

Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
Sites	$ 2,311,034	$ 2,311,034			$ 2,311,034	$ 2,311,034	
Site Improvements	184,138	193,004			184,138	193,004	
Buildings & Building Improvements	3,972,300	4,231,413			3,972,300	4,231,413	
Machinery and Equipment			$ 26,093	$ 10,531	26,093	10,531	
Total	$ 6,467,472	$ 6,735,451	$ 26,093	$ 10,531	$ 6,493,565	$ 6,745,982	-3.74%

- The change in Capital Assets is a result of depreciation expense of $267,979.

Long-Term Liabilities

At year-end, the District had $5,245,000 in general obligation bonds outstanding as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 7 to the basic financial statements.)

Figure A-7

Outstanding Long-Term Liabilities

	Total School District		Percentage Change
	2024/25	2023/24	2024/25
General Obligation Bonds (Financed with Property Taxes)	$ 5,245,000	$ 5,785,000	
Obligations Under Financed Purchases	175,512	336,928	
Net Pension Liability	1,893,450	1,870,532	
Compensated Absences Payable	218,851	338,395	
Total	$ 7,532,813	$ 8,330,855	-9.58%

- The District continued to pay down its debt, retiring $540,000 of outstanding bonds.
- Obligations Under Financed Purchases decreased $161,416.
- Compensated Absences Payable decreased $119,544.
- Net Pension Liability increased by $22,918.

Factors Bearing on the District's Future

The District closed the 2024-2025 fiscal year with an Unassigned General Fund fund balance of $274,844 on the budgetary basis of accounting. The State imposed tax levy cap limit of 2% leaves the District with little protection in the event of costly emergencies.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office at P.O. Box B, Allamuchy, New Jersey 07820.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	$ 719,857	$ 61,940	$ 781,797
Receivables from State Government	149,950	89	150,039
Receivables from Federal Government	38,048	1,842	39,890
Receivables from Other Governments	23,985		23,985
Other Accounts Receivable	23,135	7,594	30,729
Internal Balances	19,391	(19,391)	
Inventory		9,475	9,475
Restricted Cash and Cash Equivalents	454,067		454,067
Capital Assets:			
Sites (Land)	2,311,034		2,311,034
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	4,156,438	26,093	4,182,531
Total Assets	7,895,905	87,642	7,983,547
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows Related to Pensions	494,755		494,755
Total Deferred Outflows of Resources	494,755		494,755
LIABILITIES:			
Accounts Payable	975,173	172,447	1,147,620
Payable to State Government	60		60
Payable to Federal Government	5,244		5,244
Unearned Revenue	19,935	14,590	34,525
Accrued Interest Payable	61,192		61,192
Noncurrent Liabilities:			
Due Within One Year	717,138		717,138
Due Beyond One Year	6,815,675		6,815,675
Total Liabilities	8,594,417	187,037	8,781,454
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows Related to Pensions	143,277		143,277
Total Deferred Inflows of Resources	143,277		143,277
NET POSITION:			
Net Investment in Capital Assets	1,046,960	26,093	1,073,053
Restricted for:			
Capital Projects	315,407		315,407
Maintenance	71,813		71,813
Unemployment Compensation	24,472		24,472
Student Activities	42,375		42,375
Unrestricted/(Deficit)	(1,848,061)	(125,488)	(1,973,549)
Total Net Position/(Deficit)	$ (347,034)	$ (99,395)	$ (446,429)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	$ 3,754,053	$ 251,583	$ 588,773		$ (2,913,697)		$ (2,913,697)
Special Education	1,039,702		892,062		(147,640)		(147,640)
Other Special Instruction	1,106		187		(919)		(919)
Other Instruction	182,830		28,125		(154,705)		(154,705)
Support Services:							
Tuition	3,030,452				(3,030,452)		(3,030,452)
Student & Instruction Related Services	1,569,343	66,496	155,667		(1,347,180)		(1,347,180)
General Administrative Services	482,166		44,744		(437,422)		(437,422)
School Administrative Services	200,802		88,670		(112,132)		(112,132)
Central Services	398,988				(398,988)		(398,988)
Plant Operations and Maintenance	1,124,870		92,421		(1,032,449)		(1,032,449)
Pupil Transportation	1,130,536	279,902	616,383		(234,251)		(234,251)
Transfer to Charter School	13,273				(13,273)		(13,273)
Capital Outlay	1,366				(1,366)		(1,366)
Interest on Long-Term Debt	225,100				(225,100)		(225,100)
Total Governmental Activities	13,154,587	597,981	2,507,032	$ -0-	(10,049,574)		(10,049,574)

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Business-Type Activities:							
Food Service	$ 325,793	$ 210,371	$ 56,940			$ (58,482)	$ (58,482)
Rutherfurd Hall	103,266	112,289				9,023	9,023
Total Business-Type Activities	429,059	322,660	56,940			(49,459)	(49,459)
Total Primary Government	$ 13,583,646	$ 920,641	$ 2,563,972	$ -0-	$ (10,049,574)	(49,459)	(10,099,033)
General Revenue:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					10,203,923		10,203,923
Taxes Levied for Debt Service					708,290		708,290
Federal and State Aid not Restricted					63,110		63,110
Miscellaneous Income					133,815	1,831	135,646
Total General Revenue					11,109,138	1,831	11,110,969
Change in Net Position					1,059,564	(47,628)	1,011,936
Net Position/(Deficit) - Beginning					(1,406,598)	(51,767)	(1,458,365)
Net Position/(Deficit) - Ending					$ (347,034)	$ (99,395)	$ (446,429)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS:			
Cash and Cash Equivalents	$ 719,857		$ 719,857
Receivables From State Government	149,950		149,950
Receivables From Federal Governments		$ 38,048	38,048
Other Receivables	47,120		47,120
Interfund Receivable	52,135		52,135
Restricted Cash and Cash Equivalents	411,692	42,375	454,067
Total Assets	$ 1,380,754	$ 80,423	$ 1,461,177
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts Payable	$ 792,764		$ 792,764
Interfunds Payable		$ 32,744	32,744
Payable to State Government		60	60
Payable to Federal Government		5,244	5,244
Unearned Revenue	19,935		19,935
Total Liabilities	812,699	38,048	850,747
Fund Balances:			
Restricted:			
Capital Reserve Account	315,407		315,407
Maintenance Reserve Account	71,813		71,813
Unemployment Compensation	24,472		24,472
Student Activities		42,375	42,375
Unassigned	156,363		156,363
Total Fund Balances	568,055	42,375	610,430
Total Liabilities and Fund Balances	$ 1,380,754	$ 80,423	

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.	$ 6,467,472
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(61,192)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows	312,346
Deferred Inflows	(143,277)
Long-term liabilities, including bonds payable, net pension liability and other long-term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(7,532,813)
Net Position of Governmental Activities	$ (347,034)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	$ 10,203,923		$ 708,290	$ 10,912,213
Tuition	251,583			251,583
Transportation From Other LEA's	279,902			279,902
Rents and Royalties	16,040			16,040
Restricted Miscellaneous Revenues	10,169	$ 79,695		89,864
Unrestricted Miscellaneous Revenues	107,606			107,606
Total - Local Sources	10,869,223	79,695	708,290	11,657,208
State Sources	2,976,853		63,110	3,039,963
Federal Sources		198,895		198,895
Total Revenues	13,846,076	278,590	771,400	14,896,066
EXPENDITURES:				
Current:				
Regular Instruction	2,417,644	101,378		2,519,022
Special Education Instruction	681,309	110,716		792,025
Other Instruction	107,443			107,443
Support Services and Undistributed Costs:				
Tuition	3,030,452			3,030,452
Student & Instruction Related Services	1,128,186	62,973		1,191,159
General Administrative Services	376,568			376,568
School Administrative Services	113,173			113,173
Central Services	265,069			265,069
Plant Operations and Maintenance	892,968			892,968
Pupil Transportation	936,060			936,060
Unallocated/Allocated Benefits	3,528,521			3,528,521
Transfer to Charter School	13,273			13,273
Capital Outlay	1,366			1,366

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
Debt Service:				
Principal			$ 540,000	$ 540,000
Interest and Other Charges			231,400	231,400
Total Expenditures	$ 13,492,032	$ 275,067	771,400	14,538,499
Excess/(Deficiency) of Revenue over/(under) Expenditures	354,044	3,523		357,567
Net Change in Fund Balances	354,044	3,523		357,567
Fund Balance - July 1	214,011	38,852		252,863
Fund Balance - June 30	$ 568,055	$ 42,375	$ - 0 -	$ 610,430

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-3

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)	$ 357,567
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 differs from the capital asset additions for the current year.	
Depreciation Expense	(267,979)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).	6,300
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 (+).	119,544
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:	
Change in Net Pension Liability	(22,918)
Change in Deferred Outflows	80,233
Change in Deferred Inflows	85,401
Repayment of financed purchases is 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.	161,416
Repayment of serial bonds and financed purchases payable is 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.	540,000
Change in Net Position of Governmental Activities (Exhibit A-2)	$ 1,059,564

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-Type Activities - Enterprise Funds		
		Major Fund	
	Non-Major Fund	Rutherfurd Hall	Total Enterprise
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 61,940		$ 61,940
Intergovernmental Accounts Receivable:			
State	89		89
Federal	1,842		1,842
Other Accounts Receivable	7,594		7,594
Inventories	9,475		9,475
Total Current Assets	80,940		80,940
Non-Current Assets:			
Capital Assets	103,971		103,971
Less: Accumulated Depreciation	(77,878)		(77,878)
Total Non-Current Assets	26,093		26,093
Total Assets	107,033		107,033
LIABILITIES:			
Current Liabilities:			
Accounts Payable		$ 172,447	172,447
Interfund Payable	19,391		19,391
Unearned Revenue - Summer Events		5,415	5,415
Unearned Revenue - Donations		3,725	3,725
Unearned Revenue - Donated Commodities	1,736		1,736
Unearned Revenue - Prepaid Sales	3,714		3,714
Total Current Liabilities	24,841	181,587	206,428
Total Liabilities	24,841	181,587	206,428
NET POSITION:			
Investment in Capital Assets	26,093		26,093
Unrestricted/(Deficit)	56,099	(181,587)	(125,488)
Total Net Position/(Deficit)	$ 82,192	$ (181,587)	$ (99,395)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-Type Activities - Enterprise Funds		
		Major Fund	
	Non-Major Fund	Rutherfurd Hall	Total Enterprise
Operating Revenue:			
Daily Sales:			
Reimbursable Programs	$ 99,670		$ 99,670
Non-Reimbursable Programs	25,596		25,596
Program Fees		$ 112,289	112,289
Miscellaneous Revenue	85,105		85,105
Total Operating Revenue	210,371	112,289	322,660
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	64,680		64,680
Non-Reimbursable Programs	26,418		26,418
Salaries	60,729	72,322	133,051
Employee Benefits	19,049		19,049
Purchased Professional Technical Services		9,088	9,088
Supplies and Materials	2,444	12,384	14,828
Miscellaneous Expenses	137,761	9,472	147,233
Management Fee	9,223		9,223
Depreciation Expense	5,489		5,489
Total Operating Expenses	325,793	103,266	429,059
Operating Income/(Loss)	(115,422)	9,023	(106,399)
Non-Operating Revenue:			
Local Sources:			
Interest Income	771	1,060	1,831
State Sources:			
State School Lunch Program	2,052		2,052
State School Breakfast Program	18		18
Federal Sources:			
National School Lunch Program	33,446		33,446
School Breakfast Program	3,823		3,823
Summer-EBT Administrative Cost Reimbursement	643		643
Food Distribution Program	16,958		16,958
Total Non-Operating Revenue	57,711	1,060	58,771
Change in Net Position	(57,711)	10,083	(47,628)
Net Position/(Deficit) - Beginning of Year	139,903	(191,670)	(51,767)
Net Position/(Deficit)- End of Year	$ 82,192	$ (181,587)	$ (99,395)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-Type Activities - Enterprise Funds		
		Major Fund	
	Non-Major Fund	Rutherfurd Hall	Total Enterprise
Cash Flows from Operating Activities:			
Receipts from Customers	$ 205,564	$ 112,289	$ 317,853
Payments to Food Service Company	(97,192)		(97,192)
Payments to/for Employees	(79,778)	(72,322)	(152,100)
Payments to Suppliers	(140,205)	(41,027)	(181,232)
Net Cash (Used for) Operating Activities	(111,611)	(1,060)	(112,671)
Cash flows from Financing Activities:			
Interest Income	771	1,060	1,831
Net Cash Provided by Financing Activities	771	1,060	1,831
Cash flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(21,051)		(21,051)
Net Cash (Used for) Capital and Related Financing Activities	(21,051)		(21,051)
Cash Flows from Noncapital Financing Activities:			
Interfund Advanced - General Fund	88,514		88,514
State Sources	3,781		3,781
Federal Sources	36,194		36,194
Net Cash Provided by Noncapital Financing Activities	128,489		128,489
Net Decrease in Cash and Cash Equivalents	(3,402)		(3,402)
Cash and Cash Equivalents, July 1	65,342		65,342
Cash and Cash Equivalents, June 30	$ 61,940	$ -0-	$ 61,940
Adjustment to Reconcile Operating Income/(Loss) Net Cash (Used for) Operating Activities:			
Operating Income/(Loss)	$ (115,422)	$ 9,023	$ (106,399)
Depreciation	5,489		5,489
Food Distribution Program	16,958		16,958
Changes in Assets and Liabilities:			
(Increase)/Decrease in Other Accounts Receivable	(7,594)		(7,594)
Increase/(Decrease) in Accounts Payable	(8,703)	59,392	50,689
Increase/(Decrease) in Unearned Revenue - Summer Events		(69,475)	(69,475)
Increase/(Decrease) in Unearned Revenue - Donated Commodities	925		925
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	2,787		2,787
(Increase)/Decrease in Inventory	(6,051)		(6,051)
Net Cash (Used for) Operating Activities	$ (111,611)	$ (1,060)	$ (112,671)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at $17,883 and utilized U.S.D.A. Commodities valued at $16,958.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of the Allamuchy Township School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

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

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the overall District in its entirety. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds. Separate statements for each fund category – *governmental and proprietary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all governmental funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes 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. These resources can be transferred from and to Current Expense by Board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Fund Financial Statements: (Cont'd)

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, lease assets or subscription assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The District reports the following governmental funds:

Enterprise (Food Service and Rutherfurd Hall) Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria and Rutherfurd Hall operations. The food service fund and Rutherfurd Hall funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students or public on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

The district-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset, lease asset or subscription asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting: (Cont'd)

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program.

D. Budgets/Budgetary Control:

It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2025 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. All budget Amendments/Transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	$ 13,858,390	$ 278,590
Differences - Budget to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Statements not Recognized for Budgetary Purposes	106,167	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(118,481)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	$ 13,846,076	$ 278,590

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	$ 13,492,032	$ 275,067
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 13,492,032	$ 275,067

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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 depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Government Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Interfund Transactions:

Transfers between governmental activities on the District-wide statements are reported in the same manner as general revenues. 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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. 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 restricted, committed, and/or 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 District has received advances are reflected in the balance sheet 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.

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company.

Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is $2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	Estimated Useful Life
Buildings and Building Improvements	50 Years
Site Improvements	20 Years
Machinery and Equipment	10 to 15 Years
Vehicles	8 Years

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets: (Cont'd)

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Lease Assets

Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

M. Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITAs) with subscription terms of more than one year. The value of subscription assets is determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription term.

N. Long Term Liabilities:

In the District-wide statement of net position, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as expenditures in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages:

The District allows certain employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year. As of June 30, 2025, the amount earned by these employees but not disbursed was $207,362.

P. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Q. Lease Payable

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

R. Subscription Payable

In the district-wide financial statements, subscription payables are reported as liabilities in the Statement of Net Position. In the governmental Fund financial statements, the present value of subscription payments at the District's incremental borrowing rate over the subscription term is reported as other financing sources.

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

T. Fund Balance Appropriated:

General Fund: Of the $568,055 General Fund fund balance at June 30, 2025, $315,407 is restricted in the capital reserve account; $71,813 is restricted in the maintenance reserve account; $24,472 is restricted for unemployment compensation; and $156,363 is unassigned which is $118,481 less than the budgetary basis due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2026.

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2025 is $42,375 and is restricted for student activities.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2003, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had no excess surplus at June 30, 2025.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by $118,481 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last state aid payments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

U. Deficit Net Position/Fund Balance:

The District has a $1,848,061 deficit in its governmental activities unrestricted net position as well as a $347,034 total deficit net position in its governmental activities at June 30, 2025. This is primarily a result of the net pension liability and deferred inflows related to pensions. These deficits do not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

The District has a $125,488 deficit in Business type Activities unrestricted net position as well as a $99,395 total deficit net position at June 30, 2025 primarily as a result of the deficit in unrestricted net position in the Rutherfurd Hall enterprise fund of $181,587. The Board has a plan in place to address the Rutherfurd Hall fund deficit net position in the upcoming years.

V. Net Position:

Net Position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2025.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization, and subscription assets, net of accumulated amortization reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

W. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's, highest level of decision making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes, but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

W. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

Fund balance restrictions have been established for a capital reserve, a maintenance reserve, student activities and for unemployment compensation insurance.

The Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had no committed resources at June 30, 2025.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has no assigned resources at June 30, 2025.

X. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest and tuition.

Y. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the respective Enterprise Fund. For the School District, these revenues are sales for food service and program fees in Rutherfurd Hall. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the respective Enterprise Fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Z. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

AA. Pensions:

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

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

GASB required disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents, and investments, if those items are uninsured or unregistered. Custodial credit risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following pages.

Custodial Credit Risk – The District does not have a policy with respect to custodial credit risk but ensures that funds are only deposited in financial institutions permitted by NJ statute.

Deposits:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Deposits: (Cont'd)

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

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

Investments:

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

(1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

(2) Government money market mutual funds;

(3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

(4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.

(5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;

(6) Local government investment pools;

(7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or

(8) Agreements for the repurchase of fully collateralized securities if:

(a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

(8) Agreements for the repurchase of fully collateralized securities if: (Cont'd)

(b) the custody of collateral is transferred to a third party;

(c) the maturity of the agreement is not more than 30 days;

(d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and

(e) a master repurchase agreement providing for the custody and security of collateral is executed; or

(9) Deposit of funds in accordance with the following conditions:

(a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;

(b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;

(c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;

(d) The designated public depository acts as custodian for the school district with respect to these deposits; and

(e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Total
Checking Accounts	$ 781,797	$ 454,067	$ 1,235,864

The carrying amount of the Board's cash and cash equivalents at June 30, 2025, was $1,235,864 and the bank balance was $1,577,377. The District did not hold any investments during the fiscal year ended June 30, 2025.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a 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 of any unanticipated revenue or unexpended line item appropriation amount or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance at June 30, 2024	$	203,532
Increased by:		
Transfer by Board Resolution - June 2025		111,875
Balance at June 30, 2025	$	315,407

The June 30, 2025 LRFP balance of local support costs of uncompleted capital projects exceeds the balance in the capital reserve account at June 30, 2025.

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2025, the District had no transfers to capital outlay accounts.

NOTE 6. CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	$	156,776
Special Education		12,733
Other Instruction		571
Student and Instruction Related Services		3,396
General Administrative Services		7,787
School Administrative Services		7,787
Plant Operations and Maintenance		13,907
Pupil Transportation		65,022
Total Depreciation Expense	$	267,979

NOTE 6. CAPITAL ASSETS (Cont'd)

Capital asset balances and activity for the year ended June 30, 2025 were as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	$ 2,311,034			$ 2,311,034
Total Capital Assets not Being Depreciated	2,311,034			2,311,034
Capital Assets Being Depreciated				
Site Improvements	346,591			346,591
Buildings and Building Improvements	11,204,585			11,204,585
Machinery and Equipment	1,336,684			1,336,684
Total Capital Assets Being Depreciated	12,887,860			12,887,860
Governmental Activities Capital Assets	15,198,894			15,198,894
Less Accumulated Depreciation for:				
Site Improvements	(153,587)	$ (8,866)		(162,453)
Buildings and Building Improvements	(6,973,172)	(259,113)		(7,232,285)
Machinery and Equipment	(1,336,684)			(1,336,684)
Total Accumulated Depreciation	(8,463,443)	(267,979)		(8,731,422)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	$ 6,735,451	$ (267,979)	$ -0-	$ 6,467,472
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	$ 82,920	$ 21,051		$ 103,971
Less Accumulated Depreciation	(72,389)	(5,489)		(77,878)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	$ 10,531	$ 15,562	$ -0-	$ 26,093

NOTE 7. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2025, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2024	Issued/ Accrued	Retired	Balance 6/30/2025
Serial Bonds Payable	$ 5,785,000		$ 540,000	$ 5,245,000
Net Pension Liability	1,870,532	$ 22,918		1,893,450
Financed Purchases Payable	336,928		161,416	175,512
Compensated Absences Payable	338,395		119,544	218,851
	$ 8,330,855	$ 22,918	$ 820,960	$ 7,532,813

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The Debt Service Fund will be used to liquidate the serial bonds.

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

	Serial Bonds		
Year Ending June 30,	Principal	Interest	Total
2026	$ 565,000	$ 209,800	$ 774,800
2027	585,000	187,200	772,200
2028	615,000	163,800	778,800
2029	640,000	139,200	779,200
2030	665,000	113,600	778,600
2031-2033	2,175,000	176,400	2,351,400
	$ 5,245,000	$ 990,000	$ 6,235,000

The District had serial bonds outstanding as of June 30, 2025 as follows:

Purpose	Issue Dates	Interest Rates	Final Date of Maturity	Balance June 30, 2025
2016 Refunding Bonds	2/11/2016	4.00%	3/15/2033	$ 5,245,000

B. Bonds Authorized But Not Issued:

As of June 30, 2025, the Board has no bonds authorized but not issued.

NOTE 7. LONG-TERM LIABILITIES (Cont'd)

C. Financed Purchases Payable:

The District has financed purchases agreements for buses, smartboards, and various capital equipment under financed purchases. All finance purchase agreements are for terms of four to five years. The District has entered into the financed purchase agreements totaling $1,055,684 of which $880,172 has been liquidated. The following is a schedule of the future minimum financed purchases payments under these agreements, and the present value of the net minimum financed purchases payments at June 30, 2025. The general fund will be used to liquidate the financed purchases.

Year	Amount
2026	$ 156,094
2027	24,168
Total Minimum Financed Purchases Payments	180,262
Less: Amount representing interest	(4,750)
Present value of net minimum financed purchases payments	$ 175,512

The current portion of Financed Purchases payable at June 30, 2025 is $152,138, the long term portion payable is $23,374. Financed purchases will be liquidated through the General Fund.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability. There is no current portion of the compensated absences balance of the governmental funds in the current year. The long-term portion of compensated absences is $218,851. The General Fund will be used to liquidate compensated absences payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2025, no liability existed for compensated absences in the Food Service or Rutherfurd Hall Funds.

E. Net Pension Liability

The Public Employee's Retirement System (PERS) net pension liability of the governmental fund types is recorded in the current long-term portions and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2025 is $-0- and the long term portion is $1,893,450. See Note 8 for further information on the PERS.

NOTE 8. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

NOTE 8. PENSION PLANS (Cont'd)

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 the PERS, please refer to the Division's annual financial statements which can be found at www.nj.gov/treasury/pensions/annual-reports.shtml.

Benefits Provided

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. The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions (Cont'd)

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 have determined the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being 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 is adjusted by the rate of return on the actuarial value of assets.

District contributions to PERS amounted to $193,260 for the current fiscal year. During the fiscal year ended June 30, 2024, the State of New Jersey contributed $6,104 to the PERS for normal pension benefits on behalf of the District.

The employee contribution rate was 7.50% effective July 1, 2018.

Special Funding Situation

Under N.J.SA. 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, is 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 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 statement 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 entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense as well as revenue associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2025, the District reported a liability of $1,893,450 for its proportionate share of the net pension liability, which was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the District's proportion was 0.01393%, which was an increase of 0.00102% as of June 30, 2023.

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

For the fiscal year ended June 30, 2025, the District recognized an actual pension expense of $46,895 for PERS. Additionally, for the fiscal year ended June 30, 2024, the State recognized pension expense for PERS on behalf of the District in the amount of $6,104 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2025 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2024.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2020	5.16		$ (13,760)
	2021	5.13	$ 2,352	
	2022	5.04		(7,783)
			2,352	(21,543)
Difference between Expected and Actual Experience	2020	5.16	767	
	2021	5.16		(1,871)
	2022	5.13		(3,170)
	2023	5.04	9,740	
	2024	5.08	27,422	
			37,929	(5,041)
Changes in Proportion	2020	5.16		(9,922)
	2021	5.13		(18,970)
	2022	5.04	4,557	(7)
	2023	5.08	143,045	
	2024	5.08	124,463	
			272,065	(28,899)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2021	5.00		(129,973)
	2022	5.00		206,182
	2023	5.00		(53,467)
	2024	5.00		(110,536)
				(87,794)
District Contribution Subsequent to the Measurement Date	2024	1.00	182,409	
			$ 494,755	$ (143,277)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding the District contribution subsequent to the measurement date) related to pensions will be recognized in the pension expense as follows:

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

Fiscal Year Ending June 30,	Total
2025	$ (27,928)
2026	139,223
2027	41,259
2028	13,530
2029	2,985
	$ 169,069

Actuarial Assumptions

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

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 a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

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

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

Discount Rate

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

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2024 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

June 30, 2024			
	At 1% Decrease (6.00%)	Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	$ 2,515,930	$ 1,893,450	$ 1,363,724

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, 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. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.nj.gov/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

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

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and to 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.

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. 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 included the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2025, the State of New Jersey contributed $1,117,794 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required benefit of ($48,734).

The employee contribution rate was 7.50% effective July 1, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2025, the District reported a liability of $13,359,653 for its proportionate share of the net pension liability, which was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the District's proportion was 0.02703%, which was an increase of 0.0040% as of June 30, 2023.

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

District's Proportionate Share of the Net Pension Liability	$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	13,359,653
Total	$ 13,359,653

For the fiscal year ended June 30, 2024, the State recognized pension benefit on behalf of the District in the amount of $48,734 and the District recognized a pension benefit and revenue for that same amount in the fiscal year ended June 30, 2025 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	8.30		$480,199,664
	2018	8.29		1,060,765,245
	2019	8.04		1,016,333,107
	2020	7.99	$603,633,698	
	2021	7.93		7,317,559,989
	2022	7.83	67,989,902	
			671,623,600	9,874,858,005
Difference Between Expected	2017	8.30	8,543,764	
and Actual Experience	2018	8.29	186,086,527	
	2019	8.04		39,486,140
	2020	7.99		3,217,090
	2021	7.93	97,106,767	
	2022	7.83		12,735,529
	2023	7.93	144,751,819	
	2024	7.84		211,440,707
			436,488,877	266,879,466
Net Difference Between	2021	5.00		888,658,452
Projected and Actual	2022	5.00		(1,659,667,329)
Investment Earnings on	2023	5.00		357,972,332
Pension Plan Investments	2024	5.00		816,400,864
				403,364,319
			$ 1,108,112,477	$ 10,545,101,790

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension benefit excluding that attributable to employer-paid members contributions as follows:

Fiscal Year Ending June 30,	Total
2025	$ (3,681,028,670)
2026	(1,839,302,001)
2027	(1,977,654,443)
2028	(1,907,819,552)
2029	2,992,761
Thereafter	(34,177,408)
	$ (9,436,989,313)

Actuarial Assumptions

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

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 5.65% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returned, 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, 2024 are summarized in the following table.

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

Discount Rate – TPAF

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

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the State as of June 30, 2024 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

June 30, 2024	At 1% Decrease (6.00%)	Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	$ 15,879,839	$ 13,359,653	$ 11,237,181

Pension Plan Fiduciary Net Position - TPAF

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of $4,417 for the fiscal year ended June 30, 2025. Employee contributions to DCRP amounted to $9,864 for the fiscal year ended June 30, 2025.

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permit 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 plans offered by the District are as follows:

AXA Equitable VALIC

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided to the employees through the State of New Jersey Health Benefits Plan.

Property and Liability

The Allamuchy Township School District is currently a member of the School Alliance Insurance Fund ("SAIF"). The SAIF provides its members with Workers' Compensation, Property Building and Contents, General Liability, Automotive Liability, and Employer Liability Insurance. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The SAIF is a risk-sharing public entity risk pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for its members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF is elected. As a member of the SAIF, the Board of Education could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF were to be exhausted, members would become responsible for their respective shares of the SAIF's liabilities.

The SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

Selected financial information for SAIF as of June 30, 2025 is as follows:

Total Assets	$	63,434,477
Net Position	$	20,906,962
Total Revenue	$	60,413,430
Total Expenses	$	58,915,231
Change in Net Position	$	1,498,199
Members Dividends	$	-0-

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

Financial statements for the SAIF are available at the respective SAIF's Executive Director's Office:

Risk and Loss Managers Inc.
51 Everett Drive, Suite B-40
West Windsor, NJ 08550
(609) 275-1155

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to remit the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of the District's contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years:

Fiscal Year	District Contributions	Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2022-2023	$ -0-	$ 2,460	$ 98	$ -0-	$ 14,161
2023-2024	-0-	-0-	142	-0-	14,303
2024-2025	-0-	10,005	164	-0-	24,472

NOTE 11. ECONOMIC DEPENDENCY

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

NOTE 12. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of $10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the municipality and are remitted to the local school district on predetermined, agreed-upon schedules.

NOTE 13. INTERFUND RECEIVABLES, PAYABLES

The District had the following interfund payables or receivables on their various balance sheets as of June 30, 2025:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ 52,135	
Special Revenue Fund		$ 32,744
Food Service Fund		19,391
	$ 52,135	$ 52,135

The general fund receivable is to cover the cash deficit for grants receivable in the special revenue fund as well as an interfund advanced to the food service fund.

NOTE 14. ACCOUNTS PAYABLE

At year end June 30, 2025, the Board has the following accounts payable:

	Governmental Funds General Fund	Total Governmental Funds	Contribution Subsequent to Measurement Date	Total Governmental Activities	Business-Type Activities Proprietary Funds
Vendors	$ 544,127	$ 544,127		$ 544,127	$ 172,447
Payroll Deductions and Withholdings	41,275	41,275		41,275	
Accrued Salaries and Wages	207,362	207,362		207,362	
Due to:					
State of New Jersey			$ 182,409	182,409	
	$ 792,764	$ 792,764	$ 182,409	$ 975,173	$ 172,447

NOTE 15. COMMITMENTS AND CONTINGENCIES

Grant Programs

The School District participates in state and federally assisted grant programs. The programs are subject to program compliance audits by grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Encumbrances

There were no encumbrances at June 30, 2025.

NOTE 15. COMMITMENTS AND CONTINGENCIES (Cont'd)

Litigation

The Board is periodically involved in pending lawsuits. The Board estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the Board.

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a "special funding situation", as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the 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 Benefits 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 years or more 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 is the responsibility of the individual education employers.

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at https://www.nj.gov/treasury/pensions/gasb-notices-opeb.shtml.

Employees Covered by Benefit Terms

At June 30, 2023, the plan membership consisted of the following:

Retiree Plan Members and Spouses of Retirees Currently Receiving Benefit Payments	153,556
Active Plan Members	219,185
Total	372,741

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

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

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

Mortality Rates

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Health Care Trend Assumptions

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

Discount Rate

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

Changes in the State's Proportionate Share of the Total OPEB Liability Attributable to the District

	Total OPEB Liability
Balance at June 30, 2023	$ 14,933,260
Changes for Year:	
Service Cost	687,276
Interest Cost	573,717
Changes in Assumptions	1,303,911
Differences between Expected and Actual Experience	353,852
Member Contributions	15,003
Gross Benefit Payments	(438,157)
Net Changes	2,495,602
Balance at June 30, 2024	$ 17,428,862

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Discount Rate

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

	June 30, 2024		
	At 1% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
Total OPEB Liability Attributable to the District	$ 20,412,930	$ 17,428,862	$ 15,002,755

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

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

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	$ 14,518,369	$ 17,428,862	$ 21,219,971

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

For the fiscal year ended June 30, 2025 the District recognized OPEB expense of $815,279 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is $-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources.

At June 30, 2024, the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		$ 334,244
	2018	9.51		408,058
	2019	9.29	$ 64,380	
	2020	9.24	1,660,727	
	2021	9.24	9,810	
	2022	9.13		2,665,306
	2023	9.30	24,205	
	2024	9.33	1,164,156	
			2,923,278	3,407,608
Differences between Expected and Actual Experience	2018	9.51		385,742
	2019	9.29		757,760
	2020	9.24	1,547,862	
	2021	9.24		1,886,466
	2022	9.13	274,488	
	2023	9.30		224,858
	2024	9.33	41,461	
			1,863,811	3,254,826
Changes in Proportion	N/A	N/A	1,223,429	350,770
			$ 6,010,518	$ 7,013,204

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

Fiscal Year Ending June 30,	Total
2025	$ (618,222)
2026	(518,383)
2027	(246,215)
2028	64,710
2029	(449,296)
Thereafter	(107,938)
	$ (1,875,344)

NOTE 17. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Allamuchy Township School District by board resolution. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Balance at June 30, 2024	$ 71,813
Balance at June 30, 2025	$ 71,813

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension liability	0.0108838593%	0.0112990335%	0.0115549207%	0.0126826105%	0.0132548630%	0.0118344579%	0.0114393428%	0.0115443900%	0.0129141399%	0.0139346768%
District's proportionate share of the net pension liability	$ 2,443,208	$ 3,346,450	$ 2,689,801	$ 2,497,143	$ 2,388,329	$ 1,929,891	$ 1,355,162	$ 1,735,275	$ 1,870,532	$ 1,893,450
District's covered employee payroll	$ 763,085	$ 725,896	$ 844,343	$ 918,588	$ 892,734	$ 916,398	$ 842,113	$ 969,277	$ 1,043,189	$ 1,011,975
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	320.18%	461.01%	318.57%	271.85%	267.53%	210.60%	160.92%	179.03%	179.31%	187.10%
Plan fiduciary net position as a percentage of the total pension liability	47.92%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	81.07%	65.23%	68.22%

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	$ 96,798	$ 114,798	$ 112,949.01	$ 130,461	$ 133,160	$ 132,822	$ 147,294	$ 145,001	$ 226,253	$ 193,260
Contributions in relation to the contractually required contribution	(96,798)	(114,798)	(112,949)	(130,461)	(133,160)	(132,822)	(147,294)	(145,001)	(226,253)	(193,260)
Contribution deficiency/(excess)	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-
District's covered employee payroll	$ 725,896	$ 844,343	$ 918,588	$ 892,734	$ 916,398	$ 842,113	$ 969,277	$ 1,043,189	$ 1,011,975	$ 932,359
Contributions as a percentage of covered employee payroll	13.33%	13.60%	12.30%	14.61%	14.53%	15.77%	15.20%	13.90%	22.36%	20.73%

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
State's proportion of the net pension liability attributable to the District	0.0221522183%	0.0235400819%	0.0229126128%	0.0217996390%	0.0210587927%	0.0234119774%	0.0244730793%	0.0249042977%	0.0266264969%	0.0270300955%
State's proportionate share of the net pension liability attributable to the District	$ 14,001,148	$ 18,516,127	$ 15,448,510	$ 13,868,462	$ 12,923,980	$ 15,416,502	$ 11,765,479	$ 12,849,227	$ 13,588,212	$ 13,359,653
District's covered employee payroll	$ 2,343,733	$ 2,022,353	$ 2,209,360	$ 2,439,181	$ 2,602,542	$ 2,805,161	$ 2,973,390	$ 3,111,521	$ 3,324,551	$ 3,188,509
District's proportionate share of the net pension liability attributable to the district as a percentage of its covered employee payroll	597.39%	915.57%	699.23%	568.57%	496.59%	549.58%	395.69%	412.96%	408.72%	418.99%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%	37.99%

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	$ 854,896	$ 1,391,380	$ 1,070,195	$ 808,483	$ 762,290	$ 958,664	$ 276,847	$ 1,042,307	$ 1,109,427	$ 1,117,794
Contributions in relation to the contractually required contribution	-0-	-0-	328,822	422,845	522,718	711,403	1,025,225	(1,103,609)	(1,151,843)	(9,479,575)
Contribution deficiency/(excess)	$ 854,896	$ 1,391,380	$ 1,399,017	$ 1,231,328	$ 1,285,008	$ 1,670,067	$ 1,302,072	$ (61,302)	$ (42,416)	$ (8,361,781)
District's covered employee payroll	$ 2,022,353	$ 2,209,360	$ 2,439,181	$ 2,602,542	$ 2,805,161	$ 2,973,390	$ 3,111,521	$ 3,324,551	$ 3,188,509	$ 3,261,814
Contributions as a percentage of covered employee payroll	42.27%	62.98%	43.88%	31.07%	27.17%	32.24%	8.90%	31.35%	34.79%	34.27%

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB
LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIONS
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	$ 793,005	$ 660,555	$ 571,489	$ 577,488	$ 993,715	$ 875,775	$ 718,920	$ 687,276
Interest Cost	456,982	532,946	494,751	411,215	439,035	390,900	525,931	573,717
Changes to Benefit Terms					(18,014)			
Differences between Expected and Actual Experiences		(1,457,901)	(1,945,421)	3,696,317	(3,372,818)	891,050	(695,544)	353,852
Changes in Assumptions	(1,945,262)	(1,420,662)	168,964	3,507,237	16,697	(3,956,913)	30,099	1,303,911
Member Contributions	12,268	11,441	10,312	10,131	11,224	12,422	13,478	15,003
Gross Benefit Payments	(333,178)	(331,036)	(347,864)	(334,262)	(345,836)	(387,199)	(409,972)	(438,157)
Net Change in Total OPEB Liability	(1,016,185)	(2,004,657)	(1,047,769)	7,868,126	(2,275,997)	(2,173,965)	182,912	2,495,602
Total OPEB Liability - Beginning	15,400,795	14,384,610	12,379,953	11,332,184	19,200,310	16,924,313	14,750,348	14,933,260
Total OPEB Liability - Ending	$ 14,384,610	$ 12,379,953	$ 11,332,184	$ 19,200,310	$ 16,924,313	$ 14,750,348	$ 14,933,260	$ 17,428,862
District's Covered Employee Payroll *	$ 2,748,249	$ 3,053,703	$ 3,357,769	$ 3,495,276	$ 3,721,559	$ 3,815,503	$ 4,080,798	$ 4,194,173
Total OPEB Liability as a Percentage of Covered Employee Payroll	19%	25%	30%	18%	22%	26%	27%	24%

* - Covered payroll for the fiscal years ending June 30, 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024 are based on the payroll on the June 30, 2016, 2017, 2018, 2019, 2020, 2021, 2022, and 2023 census data.

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2018.

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

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2023 actuarial valuation the salary increases were 2.75 – 5.65% based on years of service while in the July 1, 2022 actuarial valuation the salary increases were 2.75% – 4.25% based on years of service.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2024 was 3.93%. The discount rate for June 30, 2023 was 3.65%, a change of .28%.

The health care trend rates in the valuation as of June 30, 2024 were based on the following:

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

The health care trend rates in the valuation as of June 30, 2023 were based on the following:

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 is increasing to 14.8% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 an 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 rate after seven years. For Medicare Part B reimbursement, the trend rate is 5.00%.

BUDGETARY COMPARISON SCHEDULES

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	$ 10,203,923		$ 10,203,923	$ 10,203,923	
Tuition From Individuals	306,052		306,052	251,583	$ (54,469)
Transportation Fees From Other LEAs	345,140		345,140	279,902	(65,238)
Rents and Royalties	25,000		25,000	16,040	(8,960)
Unrestricted Miscellaneous Revenues				107,606	107,606
Other Restricted Miscellaneous Revenues				10,169	10,169
Total Revenues from Local Sources	10,880,115		10,880,115	10,869,223	(10,892)
Revenues from State Sources:					
Categorical Transportation Aid	504,412		504,412	504,412	
Extraordinary Aid	40,000	$ 39,662	79,662	79,755	93
Categorical Special Education Aid	619,652		619,652	619,652	
Categorical Security Aid	62,110		62,110	62,110	
Nonpublic Transportation Aid				24,751	24,751
TPAF Post Retirement Contributions (Non-Budgeted)				330,666	330,666
TPAF Pension Contributions (Non-Budgeted)				1,117,794	1,117,794
TPAF Non-Contributory Insurance (Non-Budgeted)				13,846	13,846
TPAF Long-Term Disability Insurance (Non-Budgeted)				502	502
Reimbursed TPAF Social Security Contributions				235,679	235,679
Total Revenues from State Sources	1,226,174	39,662	1,265,836	2,989,167	1,723,331
TOTAL REVENUE	12,106,289	39,662	12,145,951	13,858,390	1,712,439

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	$ 212,528	$ (67)	$ 212,461	$ 212,461	
Kindergarten - Salaries of Teachers	259,541	(17,607)	241,934	241,934	
Grades 1-5 - Salaries of Teachers	1,110,354	(106,163)	1,004,191	1,004,191	
Grades 6-8 - Salaries of Teachers	668,607	(50,264)	618,343	618,343	
Regular Programs - Home Instruction:					
Salaries of Teachers	7,540	(3,127)	4,413	4,413	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	41,155	51,400	92,555	92,555	
Purchased Professional-Educational Services	42,000	(14,793)	27,207	27,207	
Purchased Technical Services	95,600	8,289	103,889	103,889	
Other Purchased Services (400-500 series)	77,244	(40,660)	36,584	36,584	
General Supplies	24,062	(5,404)	18,658	18,658	
Textbooks	83,388	(41,117)	42,271	42,271	
Other Objects	9,500	5,638	15,138	15,138	
Total Regular Programs - Instruction	2,631,519	(213,875)	2,417,644	2,417,644	
Special Education - Instruction:					
Emotional Regulation Impairment:					
Salaries of Teachers	69,028	(3,000)	66,028	66,028	
Total Emotional Regulation Impairment	69,028	(3,000)	66,028	66,028	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of Teachers	$ 123,876	$ (33,008)	$ 90,868	$ 90,868	
Total Multiple Disabilities	123,876	(33,008)	90,868	90,868	
Resource Room/Resource Center:					
Salaries of Teachers	182,996	(7,765)	175,231	175,231	
Other Salaries for Instruction	342,239	(39,888)	302,351	302,351	
Total Resource Room/Resource Center	525,235	(47,653)	477,582	477,582	
Preschool Disabilities - Part-Time:					
Salaries of Teachers	32,444	(10,413)	22,031	22,031	
Other Salaries for Instruction	27,805	(3,005)	24,800	24,800	
Total Preschool Disabilities - Part-Time	60,249	(13,418)	46,831	46,831	
TOTAL SPECIAL EDUCATION - INSTRUCTION	778,388	(97,079)	681,309	681,309	
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	77,350	(13,537)	63,813	55,550	$ 8,263
Supplies and Materials	3,235	(2,935)	300	300	
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	80,585	(16,472)	64,113	55,850	8,263
School-Sponsored Athletics - Instruction:					
Salaries	10,030	(1,575)	8,455	8,455	
Total School-Sponsored Athletics - Instruction	10,030	(1,575)	8,455	8,455	
Summer School - Instruction:					
Salaries of Teachers	10,939	20,734	31,673	31,673	
Other Salaries of Instruction	27,008	(15,543)	11,465	11,465	
Total Summer School - Instruction	37,947	5,191	43,138	43,138	
Total Summer School	37,947	5,191	43,138	43,138	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	$ 2,441,539	$ 69,951	$ 2,511,490	$ 2,511,490	
Tuition to Other LEAs Within the State-Special	130,884	52,172	183,056	183,056	
Tuition to County Voc. School Dist.-Regular	32,709	(1,729)	30,980	30,980	
Tuition to Priv. Sch. for the Handicap. W/I State	229,514	75,412	304,926	304,926	
Tuition - Other	61,863	(61,863)			
Total Undistributed Expenditures - Instruction	2,896,509	133,943	3,030,452	3,030,452	
Undistributed Expenditures - Health Services:					
Salaries	144,946	1,264	146,210	146,210	
Purchased Professional and Technical Services	4,000	(4,000)			
Supplies and Materials	2,500	(1,625)	875	875	
Other Objects	190	(85)	105	105	
Total Undist. Expenditures - Health Services	151,636	(4,446)	147,190	147,190	
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	86,688	(1,855)	84,833	84,833	
Purchased Professional - Educational Services	30,000	(4,500)	25,500	25,500	
Supplies and Materials	1,627	(1,434)	193	193	
Total Undist. Expend. - Speech, OT, PT, Related Svcs	118,315	(7,789)	110,526	110,526	
Undist.Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	51,960	73,957	125,917	125,917	
Purchased Professional - Educational Services	27,000	121,171	148,171	148,171	
Total Undist. Expend. - Other Supp. Srvs. Students - Extra. Serv.	78,960	195,128	274,088	274,088	
Undist.Expend.-Guidance:					
Salaries of Other Professional Staff	155,265	(25,483)	129,782	129,782	
Supplies and Materials	800	(560)	240	240	
Total Undist Expend. - Guidance	156,065	(26,043)	130,022	130,022	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	$ 126,532	$ 134,380	$ 260,912	$ 260,912	
Salaries of Secretarial and Clerical Assistants	11,184	354	11,538	11,538	
Purchased Professional - Educational Services	78,000	9,041	87,041	87,041	
Supplies and Materials	2,900	(264)	2,636	2,636	
Other Objects	200		200	200	
Total Undist Expend. - Child Study Team	218,816	143,511	362,327	362,327	
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	79,848	(3,000)	76,848	76,848	
Purchased Professional and Technical Services	5,000	12,992	17,992	17,992	
Total Undist Expend-Edu. Media Serv./Sch. Library	84,848	9,992	94,840	94,840	
Undist.Expend.-Instructional Staff Training Services:					
Other Purchased Services (400-500 series)	11,500	(1,149)	10,351	9,193	$ 1,158
Total Undist.Expend.-Instructional Staff Training Services	11,500	(1,149)	10,351	9,193	1,158
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	153,875	(11,323)	142,552	142,552	
Legal Services	40,000	69,989	109,989	109,989	
Audit Fees	27,000	10,000	37,000	37,000	
Other Purchased Professional Services	40,000	(10,841)	29,159	29,159	
BOE Other Purchased Services	1,000	(1,000)			
Miscellaneous Expenditures	21,570	36,298	57,868	57,868	
Total Undist. Expend.-Support Serv.-Gen. Admin.	283,445	93,123	376,568	376,568	
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Secretarial and Clerical Assistants	106,381	(22,792)	83,589	81,362	2,227
Purchased Professional and Technical Services	18,500	3,600	22,100	22,100	
Supplies and Materials	3,340	6,371	9,711	9,711	
Total Undist. Expend.-Support Serv.-School Adm.	128,221	(12,821)	115,400	113,173	2,227

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services:					
Salaries	$ 192,090	$ (267)	$ 191,823	$ 191,823	
Purchased Technical Services	15,000	58,246	73,246	73,246	
Total Undist. Expend. - Central Services	207,090	57,979	265,069	265,069	
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	96,260	(17,049)	79,211	79,211	
Cleaning, Repair, and Maintenance Services	107,000	16,096	123,096	123,096	
General Supplies	15,000	(6,910)	8,090	8,090	
Other Objects	1,000	(450)	550	550	
Total Undist. Expend.- Required Maint. for School Facilities	219,260	(8,313)	210,947	210,947	
Undist. Expend.-Custodial Services:					
Salaries	180,139	(6,865)	173,274	173,274	
Purchased Professional and Technical Services	15,000	7,090	22,090	22,090	
Cleaning, Repair, and Maintenance Services	112,000	(20,308)	91,692	91,692	
Other Purchased Property Services	20,000	(3,136)	16,864	16,864	
Insurance	62,560	14,817	77,377	77,377	
General Supplies	44,000	(3,873)	40,127	40,127	
Energy (Natural Gas)	5,000	(3,171)	1,829	1,829	
Energy (Electricity)	108,160	7,901	116,061	116,061	
Energy (Oil)	155,000	(56,703)	98,297	98,297	
Other Objects	5,000	(2,361)	2,639	2,639	
Total Undist. Expend.-Custodial Services	706,859	(66,609)	640,250	640,250	
Care and Upkeep of Grounds:					
Salaries	41,030	(2,850)	38,180	38,180	
Purchased Professional and Technical Services	8,000	(4,409)	3,591	3,591	
General Supplies	2,000	(2,000)			
Total Care And Upkeep Of Grounds	51,030	(9,259)	41,771	41,771	
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	977,149	(84,181)	892,968	892,968	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Sal. for Pupil Trans. (Bet. Home and Sch)-Reg.	$ 245,880	$ 62,403	$ 308,283	$ 308,283	
Sal. for Pupil Trans. (Bet. Home and Sch)-Spl. Ed.	48,312	(5,659)	42,653	42,653	
Other Purchased Professional and Technical Services	3,300	(325)	2,975	2,975	
Cleaning, Repair, and Maint. Services	104,000	(19,837)	84,163	84,163	
Lease Purchase Payments - School Buses	88,944	3,239	92,183	92,183	
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	50,000	25,298	75,298	75,298	
Contract. Serv.(Bet. Home & Sch.)-Vendors	15,000	4,602	19,602	19,602	
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAs	70,233	150,244	220,477	220,477	
Misc. Purchased Serv. - Transportation	30,057	(11,930)	18,127	18,127	
Transportation Supplies	96,000	(27,098)	68,902	68,902	
Other Objects	2,000	1,397	3,397	3,397	
Total Undist. Expend.-Student Trans. Serv.	753,726	182,334	936,060	936,060	
UNALLOCATED BENEFITS					
Social Security Contributions	130,000	11,844	141,844	141,844	
T.P.A.F. Contributions - ERIP	10,000	(10,000)			
Other Retirement Contributions - PERS	188,252	5,008	193,260	193,260	
Other Retirement Contributions - Regular	4,000	417	4,417	4,417	
Unemployment Compensation	10,000	(10,000)			
Workers Compensation	50,000	8,060	58,060	58,060	
Health Benefits	1,999,649	(331,051)	1,668,598	1,350,340	$ 318,258
Tuition Reimbursement	30,000	(7,741)	22,259	22,259	
Other Employee Benefits	15,000	16,119	31,119	31,119	
Unused Sick Payment to Terminated/Retired Staff	25,000	3,735	28,735	28,735	
TOTAL UNALLOCATED BENEFITS	2,461,901	(313,609)	2,148,292	1,830,034	318,258

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				$ 330,666	$ (330,666)
TPAF Pension Contributions (Non-Budgeted)				1,117,794	(1,117,794)
TPAF Non-Contributory Insurance (Non-Budgeted)				13,846	(13,846)
TPAF Long-Term Disability Insurance (Non-Budgeted)				502	(502)
Reimbursed TPAF Social Security Contributions				235,679	(235,679)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				1,698,487	(1,698,487)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	$ 2,461,901	$ (313,609)	$ 2,148,292	3,528,521	(1,380,229)
TOTAL UNDISTRIBUTED EXPENDITURES	8,528,181	365,972	8,894,153	10,270,997	(1,376,844)
TOTAL GENERAL CURRENT EXPENSE	12,066,650	42,162	12,108,812	13,477,393	(1,368,581)
CAPITAL OUTLAY					
School Buses - Regular	25,000	(2,500)	22,500		22,500
Total Equipment	25,000	(2,500)	22,500		22,500
Facilities Acquisition and Construction Serv.:					
Assessment for Debt Service on SDA Funding	1,366		1,366	1,366	
Total Facilities Acquisition and Const. Serv.	1,366		1,366	1,366	
TOTAL CAPITAL OUTLAY	26,366	(2,500)	23,866	1,366	22,500
Transfer of Funds to Charter Schools	13,273		13,273	13,273	
Total Transfer of Funds to Charter Schools	13,273		13,273	13,273	
TOTAL EXPENDITURES	12,106,289	39,662	12,145,951	13,492,032	(1,346,081)

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficit) of Revenues Over/(Under) Expenditures				$ 366,358	$ 366,358
Fund Balance, July 1	$ 320,178		$ 320,178	320,178	
Fund Balance, June 30	$ 320,178	$ -0-	$ 320,178	$ 686,536	$ 366,358
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				$ 315,407	
Maintenance Reserve				71,813	
Unemployment Compensation				24,472	
Unassigned Fund Balance				274,844	
				686,536	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(118,481)	
Fund Balance per Governmental Funds (GAAP)				$ 568,055	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources	$ 90,703	108,192	198,895	$ 198,895	
Local Sources		76,172	76,172	79,695	$ 3,523
Total Revenues	90,703	184,364	275,067	278,590	3,523
EXPENDITURES:					
Instruction					
Salaries of Teachers	25,395		25,395	25,395	
Purchased Professional/Technical Services		22,088	22,088	22,088	
Other Purchased Services	48,608	78,392	127,000	127,000	
General Supplies	4,750	10,814	15,564	15,564	
Other Objects	100		100	100	
Total Instruction	78,853	111,294	190,147	190,147	
Support Services					
Purchased Professional/Technical Services	3,450	10,097	13,547	13,547	
Other Objects	8,400		8,400	8,400	
Student Activities		62,973	62,973	62,973	
Total Support Services	11,850	73,070	84,920	84,920	
Total Expenditures	90,703	184,364	275,067	275,067	
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ - 0 -	$ - 0 -	$ - 0 -	$ 3,523	$ 3,523

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

Sources/Inflows of Resources:	General Fund	Special Revenue Fund
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	$ 13,858,390	$ 278,590
Difference - Budget to GAAP:		
Prior year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	106,167	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(118,481)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	$ 13,846,076	$ 278,590
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	$ 13,492,032	$ 275,067
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 13,492,032	$ 275,067

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2025 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are not substanial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted in the above paragraph. 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 General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Elementary and Secondary Education Act			I.D.E.A.	
	Title I	Title II	Title IV	Preschool	Basic
REVENUE:					
Local Sources					
Federal Sources	$ 26,245	$ 10,097	$ 10,000	$ 5,850	$ 104,866
Total Revenue	26,245	10,097	10,000	5,850	104,866
EXPENDITURES:					
Instruction:					
Salaries of Teachers	25,395				
Purchased Professional/Technical Services					
Other Purchased Services					104,866
General Supplies	750		4,000		
Other Objects	100				
Total Instruction	26,245		4,000		104,866
Support Services:					
Purchased Professional/Technical Services		10,097	3,450		
Other Objects			2,550	5,850	
Student Activities					
Total Support Services		10,097	6,000	5,850	
Total Expenditures	$ 26,245	$ 10,097	$ 10,000	$ 5,850	$ 104,866

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

	Local Grants	COVID-19 ARP ESSER III	COVID-19 ARP Evidence Based Comprehensive Beyond the School Day	COVID-19 ARP New Jersey High Impact Tutoring Competitive	Student Activities	Totals
REVENUE:						
Local Sources	$ 13,199				$ 66,496	$ 79,695
Federal Sources		$ 15,879	$ 3,870	$ 22,088		198,895
Total Revenue	13,199	15,879	3,870	22,088	66,496	278,590
EXPENDITURES:						
Instruction:						
Salaries of Teachers						25,395
Purchased Professional/Technical Services				22,088		22,088
Other Purchased Services	2,385	15,879	3,870			127,000
General Supplies	10,814					15,564
Other Objects						100
Total Instruction	13,199	15,879	3,870	22,088		190,147
Support Services:						
Purchased Professional/Technical Services						13,547
Other Objects						8,400
Student Activities					62,973	62,973
Total Support Services					62,973	84,920
Total Expenditures	$ 13,199	$ 15,879	$ 3,870	$ 22,088	$ 62,973	$ 275,067

CAPITAL PROJECTS FUND
(NOT APPLICABLE)

PROPRIETARY FUNDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2025

	Non-Major Fund Food Service	Major Fund Rutherfurd Hall	Totals
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 61,940		$ 61,940
Intergovernmental Accounts Receivable:			
State	89		89
Federal	1,842		1,842
Other Accounts Receivable	7,594		7,594
Inventories	9,475		9,475
Total Current Assets	80,940		80,940
Non-Current Assets:			
Capital Assets	103,971		103,971
Less: Accumulated Depreciation	(77,878)		(77,878)
Total Non-Current Assets	26,093		26,093
Total Assets	107,033		107,033
LIABILITIES:			
Current Liabilities:			
Accounts Payable		$ 172,447	172,447
Interfund Payable	19,391		19,391
Unearned Revenue - Summer Events		5,415	5,415
Unearned Revenue - Donations		3,725	3,725
Unearned Revenue - Donated Commodities	1,736		1,736
Unearned Revenue - Prepaid Sales	3,714		3,714
Total Current Liabilities:	24,841	181,587	206,428
Total Liabilities	24,841	181,587	206,428
NET POSITION:			
Investment in Capital Assets	26,093		26,093
Unrestricted/(Deficit)	56,099	(181,587)	(125,488)
Total Net Position/(Deficit)	$ 82,192	$ (181,587)	$ (99,395)

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Non-Major Fund	Major Fund	
	Food Service	Rutherfurd Hall	Totals
Operating Revenue:			
Daily Sales:			
Reimbursable Programs	$ 99,670		$ 99,670
Non-Reimbursable Programs	25,596		25,596
Program Fees		$ 112,289	112,289
Miscellaneous Revenue	85,105		85,105
Total Operating Revenue	210,371	112,289	322,660
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	64,680		64,680
Non-Reimbursable Programs	26,418		26,418
Salaries	60,729	72,322	133,051
Employee Benefits	19,049		19,049
Purchased Professional Technical Services		9,088	9,088
Supplies and Materials	2,444	12,384	14,828
Miscellaneous Expenses	137,761	9,472	147,233
Management Fee	9,223		9,223
Depreciation Expense	5,489		5,489
Total Operating Expenses	325,793	103,266	429,059
Operating Income/(Loss)	(115,422)	9,023	(106,399)
Non-Operating Revenue:			
Interest Income	771	1,060	1,831
State Sources:			
State School Lunch Program	2,052		2,052
State School Breakfast Program	18		18
Federal Sources:			
National School Lunch Program	33,446		33,446
School Breakfast Program	3,823		3,823
Summer-EBT Administrative Cost Reimbursement	643		643
Food Distribution Program	16,958		16,958
Total Non-Operating Revenue	57,711	1,060	58,771
Change in Net Position	(57,711)	10,083	(47,628)
Net Position / (Deficit) - Beginning of Year	139,903	(191,670)	(51,767)
Net Position / (Deficit) - End of Year	$ 82,192	$ (181,587)	$ (99,395)

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Non-Major Fund Food Service	Major Fund Rutherfurd Hall	Totals
Cash Flows from Operating Activities:			
Receipts from Customers	$ 205,564	$ 112,289	$ 317,853
Payments to Food Service Company	(97,192)		(97,192)
Payments to/for Employees	(79,778)	(72,322)	(152,100)
Payments to Suppliers	(140,205)	(41,027)	(181,232)
Net Cash (Used for) Operating Activities	(111,611)	(1,060)	(112,671)
Cash Flows from Financing Activities:			
Interest Income	771	1,060	1,831
Net Cash Provided by Financing Activities	771	1,060	1,831
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(21,051)		(21,051)
Net Cash (Used for) Capital and Related Financing Activities	(21,051)		(21,051)
Cash Flows by Noncapital Financing Activities:			
Interfund Returned - General Fund	88,514		88,514
State Sources	3,781		3,781
Federal Sources	36,194		36,194
Net Cash Provided by Noncapital Financing Activities	128,489		128,489
Net Decrease in Cash and Cash Equivalents	(3,402)		(3,402)
Cash and Cash Equivalents, July 1	65,342		65,342
Cash and Cash Equivalents, June 30	$ 61,940	$ -0-	$ 61,940
Adjustment to Reconcile Operating Income/(Loss) Net Cash (Used for) Operating Activities:			
Operating Income/(Loss)	$ (115,422)	$ 9,023	$ (106,399)
Depreciation	5,489		5,489
Food Distribution Program	16,958		16,958
Changes in Assets and Liabilities:			
(Increase)/Decrease in Other Accounts Receivable	(7,594)		(7,594)
Increase/(Decrease) in Accounts Payable	(8,703)	59,392	50,689
Increase/(Decrease) in Unearned Revenue - Summer Events		(69,475)	(69,475)
Increase/(Decrease) in Unearned Revenue - Donated Commodities	925		925
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	2,787		2,787
(Increase)/Decrease in Inventory	(6,051)		(6,051)
Net Cash (Used for) Operating Activities	$ (111,611)	$ (1,060)	$ (112,671)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at $17,883 and utilized U.S.D.A. Commodities valued at $16,958.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILIITES

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding June 30, 2025 Date	Amount	Interest Rate	Balance June 30, 2024	Matured	Balance June 30, 2025
2016 Refunding Bonds	2/11/2016	$ 8,740,000	3/15/2026	$ 565,000	4.00%			
			3/15/2027	585,000	4.00%			
			3/15/2028	615,000	4.00%			
			3/15/2029	640,000	4.00%			
			3/15/2030	665,000	4.00%			
			3/15/2031	695,000	4.00%			
			3/15/2032	725,000	4.00%			
			3/15/2033	755,000	4.00%	$ 5,785,000	$ 540,000	$ 5,245,000
						$ 5,785,000	$ 540,000	$ 5,245,000

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES PAYABLE

Item	Interest Rate	Original Issue	Balance June 30, 2024	Matured	Balance June 30, 2025
Buses (5)	2.444%	$ 569,850	$ 124,952	$ 61,721	$ 63,231
Various Capital Equipment	1.280%	325,000	131,765	65,464	66,301
Smartboards	3.380%	47,677	12,368	12,368	
Bus (1)	3.398%	113,157	67,843	21,863	45,980
			$ 336,928	$ 161,416	$ 175,512

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	$ 708,290		$ 708,290	$ 708,290	
State Sources:					
Debt Service State Aid Support	63,110		63,110	63,110	
Total Revenue	771,400		771,400	771,400	
EXPENDITURES:					
Regular Debt Service:					
Interest	231,400		231,400	231,400	
Redemption of Principal	540,000		540,000	540,000	
Total Regular Debt Service	771,400		771,400	771,400	
Total Expenditures	771,400		771,400	771,400	
Fund Balance, July 1					
Fund Balance, June 30	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-

STATISTICAL SECTION
(UNAUDITED)

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

	Exhibit
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	J-6 thru J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 thru J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
Operating Information These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	$ 1,455,944	$ 1,768,330	$ 2,039,067	$ 2,438,843	$ 2,743,305	$ 70,921	$ 300,284	$ 448,747	$ 613,523	$ 1,046,960
Restricted	632,514	658,727	575,340	397,812	561,315	431,880	330,967	331,126	328,500	454,067
Unrestricted/(Deficit)	(2,140,552)	(2,426,355)	(2,509,767)	(2,619,617)	(2,610,450)	(2,560,033)	(2,485,914)	(2,334,113)	(2,348,621)	(1,848,061)
Total Governmental Activities Net Position/(Deficit)	$ (52,094)	$ 702	$ 104,640	$ 217,038	$ 694,170	$ (2,057,232)	$ (1,854,663)	$ (1,554,240)	$ (1,406,598)	$ (347,034)
Business-Type Activities										
Investment in Capital Assets	$ 37,648	$ 82,270	$ 78,293	$ 70,587	$ 63,547	$ 20,230	$ 15,708	$ 16,020	$ 10,531	$ 26,093
Unrestricted/(Deficit)	(200,312)	(208,173)	(207,366)	(141,750)	(195,797)	(142,526)	(139,588)	(85,560)	(62,298)	(125,488)
Total Business-Type Activities Net Position/(Deficit)	$ (162,664)	$ (125,903)	$ (129,073)	$ (71,163)	$ (132,250)	$ (122,296)	$ (123,880)	$ (69,540)	$ (51,767)	$ (99,395)
District-Wide										
Net Investment in Capital Assets	$ 1,493,592	$ 1,850,600	$ 2,117,360	$ 2,509,430	$ 2,806,852	$ 91,151	$ 315,992	$ 464,767	$ 624,054	$ 1,073,053
Restricted	632,514	658,727	575,340	397,812	561,315	431,880	330,967	331,126	328,500	454,067
Unrestricted/(Deficit)	(2,340,864)	(2,634,528)	(2,717,133)	(2,761,367)	(2,806,247)	(2,702,559)	(2,625,502)	(2,419,673)	(2,410,919)	(1,973,549)
Total District Net Position/(Deficit)	$ (214,758)	$ (125,201)	$ (24,433)	$ 145,875	$ 561,920	$ (2,179,528)	$ (1,978,543)	$ (1,623,780)	$ (1,458,365)	$ (446,429)

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental Activities:										
Instruction:										
Regular	$ 2,516,299	$ 2,924,138	$ 4,074,799	$ 4,112,068	$ 3,992,227	$ 4,628,872	$ 4,632,400	$ 4,202,148	$ 4,371,130	$ 3,754,053
Special Education	833,425	675,940	1,068,179	802,038	925,123	1,022,845	1,055,898	1,259,853	1,341,304	1,039,702
Other Special Education						63,445	97,678	37,084	2,795	1,106
Other Instruction	102,342	92,967	129,017	168,952	153,456	135,516	188,951	192,408	270,411	182,830
Support Services:										
Tuition	2,881,678	2,852,171	2,614,756	2,596,940	2,668,966	2,769,239	2,579,406	2,742,843	2,945,281	3,030,452
Student & Instruction Related Services	931,559	1,018,138	1,279,539	1,318,807	1,268,744	1,054,840	1,051,905	1,170,928	1,186,261	1,569,343
General and Business Administrative Services	393,524	457,865	508,343	560,621	546,884	276,997	330,569	464,732	547,489	482,166
School Administrative Services	334,263	366,243	492,093	592,203	456,226	544,713	427,699	307,253	264,980	200,802
Central Services						279,703	249,523	284,144	335,810	398,988
Plant Operations And Maintenance	783,662	936,449	1,017,558	1,016,189	979,494	967,329	1,136,425	1,123,418	1,103,909	1,124,870
Pupil Transportation	861,670	963,716	1,019,483	1,059,522	1,103,246	978,568	1,211,113	1,076,085	1,186,093	1,130,536
Charter Schools			20,230	39,986				38,457		13,273
Interest On Long-Term Debt	259,588	366,004	348,442	331,831	318,950	304,233	285,600	266,167	245,992	225,100
Capital Outlay	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366
Total Governmental Activities Expenses	9,899,376	10,654,997	12,573,804	12,600,524	12,414,682	13,027,666	13,248,533	13,166,886	13,802,821	13,154,587
Business-Type Activities:										
Food Service	132,806	143,446	145,487	136,680	105,674	149,269	221,298	192,385	191,328	325,793
Rutherfurd Hall	201,541	214,470	215,375	219,399	193,199	63,246	152,163	190,484	144,789	103,266
Total Business-Type Activities Expenses	334,346	357,916	360,862	356,079	298,873	212,515	373,461	382,869	336,117	429,059
Total District Expenses	$ 10,233,722	$ 11,012,913	$ 12,934,666	$ 12,956,603	$ 12,713,555	$ 13,240,181	$ 13,621,994	$ 13,549,755	$ 14,138,938	$ 13,583,646

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)
(Continued)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Program Revenues:										
Governmental Activities:										
Charges For Services:										
Instruction (Tuition)	$ 215,540	$ 84,948	$ 65,612	$ 14,760	$ 62,974	$ 78,723	$ 185,563	$ 292,317	$ 546,785	$ 531,485
Student & Instruction Related Services	280,516	365,741	370,245	326,693	474,368	57,708	30,581	61,937	50,235	66,496
Operating Grants and Contributions	1,140,865	1,193,308	3,148,235	2,931,301	2,622,902	2,658,880	2,574,406	2,572,489	2,579,117	2,507,032
Total Governmental Activities Program Revenues	1,636,921	1,643,996	3,584,092	3,272,754	3,160,244	2,795,311	2,790,550	2,926,743	3,176,137	3,105,013
Business-Type Activities:										
Charges for Services:										
Food Service	114,531	120,104	118,562	101,055	70,699	2,280	8,456	119,545	131,099	210,371
Rutherfurd Hall	179,129	196,028	158,723	233,903	138,736	44,279	147,062	223,044	160,982	112,289
Operating Grants and Contributions	32,141	28,288	29,972	28,575	28,252	198,014	216,356	94,036	61,111	56,940
Total Business Type Activities Program Revenues	325,801	344,420	307,257	363,533	237,687	244,573	371,874	436,625	353,192	379,600
Total District Program Revenues	$ 1,962,722	$ 1,988,416	$ 3,891,349	$ 3,636,287	$ 3,397,931	$ 3,039,884	$ 3,162,424	$ 3,363,368	$ 3,529,329	$ 3,484,613
Net (Expense)/Revenue										
Governmental Activities	$ (8,262,455)	$ (9,011,001)	$ (8,989,712)	$ (9,327,770)	$ (9,254,438)	$ (10,232,355)	$(10,457,983)	$(10,240,143)	$(10,626,684)	$(10,049,574)
Business-Type Activities	(8,545)	(13,496)	(53,605)	7,454	(61,186)	32,058	(1,587)	53,756	17,075	(49,459)
Total District-Wide Net Expense	$ (8,271,000)	$ (9,024,497)	$ (9,043,317)	$ (9,320,316)	$ (9,315,624)	$ (10,200,297)	$(10,459,570)	$(10,186,387)	$(10,609,609)	$(10,099,033)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	$ 8,345,824	$ 8,512,609	$ 8,666,893	$ 8,811,890	$ 9,075,073	$ 9,336,672	$ 9,523,405	$ 9,713,873	$ 9,908,150	$ 10,203,923
Taxes Levied for Debt Service	554,962	395,046	363,241	428,719	443,850	706,637	708,106	708,841	704,250	708,290
Unrestricted Grants and Contributions	53,559	72,466	54,705	53,120	37,412	62,963	63,094	63,159	62,750	63,110
Investment Earnings	3,127	4,724	7,927	10,352	6,285	2	116			
Miscellaneous Income	102,455	128,953	50,883	186,087	91,515	280,672	608,392	54,693	99,176	133,815
Proceeds of Long-Term Debt	105,000									
Transfers		(50,000)	(50,000)	(50,000)						
Total Governmental Activities	9,164,927	9,063,797	9,093,649	9,440,168	9,654,136	10,386,946	10,903,113	10,540,566	10,774,326	11,109,138
Business-Type Activities:										
Investment Earnings	98	257	435	456	99	4	3	584	698	1,831
Miscellaneous Income						14,170				
Transfers		50,000	50,000	50,000						
Total Business-Type Activities	98	50,257	50,435	50,456	99	14,174	3	584	698	1,831
Total District-Wide	$ 9,165,025	$ 9,114,054	$ 9,144,084	$ 9,490,624	$ 9,654,235	$ 10,401,120	$ 10,903,116	$ 10,541,150	$ 10,775,024	$ 11,110,969
Change in Net Position										
Governmental Activities	902,472	52,796	103,937	112,399	399,698	154,591	445,130	300,423	147,642	1,059,564
Business-Type Activities	(8,447)	36,761	(3,170)	57,910	(61,087)	46,232	(1,584)	54,340	17,773	(47,628)
Total District	$ 894,025	$ 89,557	$ 100,767	$ 170,309	$ 338,611	$ 200,823	$ 443,546	$ 354,763	$ 165,415	$ 1,011,936

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Restricted	$ 497,893	$ 549,775	$ 564,484	$ 423,504	$ 531,988	$ 382,997	$ 286,948	$ 289,506	$ 289,648	$ 411,692
Assigned	290,777	173,221	118,295	68,458	53,000	181,481	161,892	58,219		
Unassigned/(Deficit)	218,650	211,064	235,785	215,885	217,264	180,366	253,874	(17,296)	(75,637)	156,363
Total General Fund	$ 1,007,320	$ 934,060	$ 918,564	$ 707,847	$ 802,252	$ 744,844	$ 702,714	$ 330,429	$ 214,011	$ 568,055
All Other Governmental Funds:										
Restricted	$ 52,067	$ 52,067			$ 66,627	$ 48,883	$ 44,019	$ 41,620	$ 38,852	$ 42,375
Total All Other Governmental Funds	$ 52,067	$ 52,067	$ -0-	$ -0-	$ 66,627	$ 48,883	$ 44,019	$ 41,620	$ 38,852	$ 42,375
Total Governmental Funds:										
Restricted	$ 549,960	$ 601,842	$ 564,484	$ 423,504	$ 598,615	$ 431,880	$ 330,967	$ 331,126	$ 328,500	$ 454,067
Assigned	290,777	173,221	118,295	68,458	53,000	181,481	161,892	58,219		
Unassigned/(Deficit)	218,650	211,064	235,785	215,885	217,264	180,366	253,874	(17,296)	(75,637)	156,363
Total Governmental Funds	$ 1,059,387	$ 986,127	$ 918,564	$ 707,847	$ 868,879	$ 793,727	$ 746,733	$ 372,049	$ 252,863	$ 610,430

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	$ 9,093,734	$ 9,207,135	$ 9,324,611	$ 9,510,217	$ 9,775,467	$ 10,043,309	$ 10,231,511	$ 10,422,714	$ 10,612,400	$ 10,912,213
Tuition Charges	215,540	84,948	65,612	14,760	62,974	78,723	185,563	292,317	224,016	251,583
Transportation Fees	87,568	66,261	75,768	57,085	217,824		384,788		322,769	279,902
Rents and Royalties						9,349	1,325		4,415	16,040
Restricted Miscellaneous Revenues						80,119	45,530	65,998	52,477	89,864
Unrestricted Miscellaneous Revenues	105,582	152,713	59,305	196,603	97,800	271,321	217,538	52,135	94,619	107,606
State Sources	1,058,077	1,077,370	1,448,322	1,547,626	1,703,835	1,994,676	2,463,712	2,755,322	2,933,986	3,039,963
Federal Sources	136,348	169,368	165,599	183,266	199,377	276,199	746,505	221,563	217,284	198,895
Total Revenue	10,696,849	10,757,794	11,139,217	11,509,557	12,057,277	12,753,696	14,276,472	13,810,049	14,461,966	14,896,066
Expenditures:										
Instruction:										
Regular Instruction	1,778,728	1,944,333	2,172,355	2,210,020	2,294,592	2,597,989	3,068,240	2,537,503	2,683,359	2,519,022
Special Education Instruction	616,800	489,385	602,118	445,373	545,283	693,358	726,251	840,126	1,012,228	792,025
Other Special Instruction						34,037	60,652	22,309	1,000	
Other Instruction	73,653	63,558	68,203	90,320	87,306	70,754	112,335	117,682	151,656	107,443
Support Services:										
Tuition	2,881,678	2,852,171	2,614,756	2,596,940	2,668,966	2,769,239	2,579,406	2,742,843	2,945,281	3,030,452
Student & Instruction Related Services	683,149	736,365	781,018	808,071	802,732	769,998	832,222	895,822	883,074	1,191,159
General And Business Administrative Services	370,722	367,961	351879	394,441	430,328	277,363	277,427	395,874	411,250	376,568
School Administrative Services	230,125	249,145	260,423	331,238	264,292	311,954	270,794	191,864	158,861	113,173
Central Services						165,850	193,427	204,117	225,240	265,069
Plant Operations And Maintenance	651,735	792,099	758,766	740,218	739,693	800,612	982,159	934,300	879,604	892,968
Pupil Transportation	745,652	835,149	759,838	806,013	861,338	792,050	1,040,521	890,037	968,507	936,060
Allocated and Unallocated Benefits	1,447,358	1,521,103	1,895,726	2,196,917	2,392,281	2,722,793	3,235,175	3,290,722	3,492,726	3,528,521
Debt Service:										
Principal	480,000	390,000	410,000	425,000	440,000	460,000	480,000	500,000	515,000	540,000
Interest And Other Charges	282,483	371,050	353,750	335,550	322,800	309,600	291,200	272,000	252,000	231,400
Capital Outlay	609,036	168,735	107,720	250,185	220,067	378,251	221,334	181,673	1,366	1,366
Charter Schools			20,230	39,988				38,457		13,273
Total Expenditures	10,851,119	10,781,054	11,156,781	11,670,273	12,069,678	13,153,848	14,371,143	14,055,329	14,581,152	14,538,499
Excess/(Deficiency) Of Revenues Over/(Under) Expenditures	(154,271)	(23,260)	(17,563)	(160,716)	(12,401)	(400,152)	(94,671)	(245,280)	(119,186)	357,567
Other Financing Sources (Uses)										
Financed Purchases (Non-Budgeted)	595,301				96,000	325,000	47,677	113,157		
Transfers Out		(50,000)	(50,000)	(50,000)						
Total Other Financing Sources (Uses)	595,301	(50,000)	(50,000)	(50,000)	96,000	325,000	47,677	113,157		
Net Change In Fund Balances	$ 441,030	$ (73,260)	$ (67,563)	$ (210,716)	$ 83,599	$ (75,152)	$ (46,994)	$ (132,123)	$ (119,186)	$ 357,567
Debt Service As A Percentage Of Noncapital Expenditures	7.44%	7.17%	6.91%	6.66%	6.44%	6.00%	5.43%	5.54%	5.24%	5.29%

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(*modified accrual basis of accounting)*

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Transportation	Prior Year Refunds	Other	Total
2016	$ 3,127	$ 215,540		$ 43,335	$ 148,122	$ 410,124
2017	4,724	87,448		29,485	165,898	287,555
2018	7,927	65,612		14,810	112,866	201,215
2019	10,352	14,760		33,274	209,898	268,284
2020	6,285	62,974		8,649	300,690	378,598
2021	231	78,723		1,032	279,409	359,395
2022	116	185,563		3,594	604,798	794,071
2023	9,104	142,644		19,866	175,396	347,010
2024	48,980	224,016		9,583	363,382	645,961
2025	43,414	251,583	$ 279,902		90,401	665,300

Source: Allamuchy Township School District records

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN YEARS
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Apartment	Total Assessed Value	Public Utilities [a]	Net Valuation Taxable	Total Direct School Tax Rate [b]	Estimated Actual (County Equalized Value)
2015	$ 6,991,900	$ 492,125,700	$ 22,373,000		$ 18,971,700		$ 540,462,300		$ 540,462,300	$ 1.609	$ 584,260,244
2016	7,160,000	501,673,600	22,372,200		18,041,700		549,247,500		549,247,500	1.664	602,220,217
2017	5,230,900	511,499,900	22,310,700		18,225,700		557,267,200		557,267,200	1.664	614,775,390
2018	5,359,200	521,386,900	22,511,400		13,722,900	$ 4,337,800	567,318,200		567,318,200	1.676	628,189,791
2019	7,407,400	527,255,300	22,551,500		13,887,900	4,337,800	575,439,900		575,439,900	1.699	654,727,387
2020	5,216,600	540,280,500	22,564,700		13,802,600	4,337,800	586,202,200		586,202,200	1.689	694,305,579
2021	2,598,000	553,041,700	22,117,300		13,802,600	4,337,800	595,897,400		595,897,400	1.696	763,011,808
2022	1,862,400	556,613,300	23,314,900		13,802,600	4,337,800	599,931,000		599,931,000	1.720	759,543,059
2023	1,992,800	555,875,800	22,460,000	$ 1,173,300	13,802,600	4,337,800	599,642,300		599,642,300	1.770	845,264,964
2024	1,878,900	558,553,900	20,812,900	1,158,900	13,802,600	4,337,800	600,545,000		600,545,000	1.817	911,853,890

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per $100 of assessed valuation.

Source: Municipal Tax Assessor

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per $100 of assessed value)

	Allamuchy Township School District Direct Rate			Overlapping Rates		
Year Ended December 31,	Basic Rate [a]	General Obligation Debt Service [b]	Total Direct	Allamuchy Township	Warren County	Total Direct and Overlapping Tax Rate
2015	$ 1.51	$ 0.10	$ 1.61	$ 0.43	$ 0.84	$ 2.87
2016	1.53	0.14	1.66	0.43	0.83	2.91
2017	1.53	0.14	1.66	0.43	0.84	2.94
2018	1.54	0.14	1.68	0.43	0.85	2.96
2019	1.57	0.13	1.70	0.45	0.82	2.96
2020	1.57	0.12	1.69	0.45	0.82	2.95
2021	1.58	0.12	1.70	0.45	0.83	2.97
2022	1.60	0.12	1.72	0.45	0.86	3.03
2023	1.65	0.12	1.77	0.45	0.89	3.11
2024	1.70	0.12	1.82	0.46	0.92	3.20

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

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

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

Source: Municipal Tax Collector and School Business Administrator

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

2025			2016		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Colonial Manor Panther Valley LLC	$ 4,337,800	0.72%	Baker Residential Ltd. Partnership	$ 7,362,400	1.36%
Kad Mall Properties LLC	4,049,000	0.67%	Allamuchy Mall Partners LLC	4,500,000	0.83%
Apex Panther Valley Gold Estates LL	1,776,200	0.30%	Colonial Manor at Panther Valley LLC	4,337,800	0.80%
Highpoint Estates At Allamuchy LLC	1,529,200	0.25%	EMS Partnership LLC	2,900,000	0.54%
Allamuchy Corp Center/D Vigilante	1,420,000	0.24%	Bowers Glen, Inc.	2,107,900	0.39%
Van Vugt, Arie & Florence	1,314,000	0.22%	Allamuchy Corp Center	1,420,000	0.26%
Russo Jr Lawrence C/O Russo Develop	1,146,600	0.19%	Berkowitz Flordia	1,400,000	0.26%
Berkowitz Florida LLC	1,100,000	0.18%	Individual Taxpayer #1	1,253,170	0.23%
Freeborn, Larry	866,300	0.14%	Individual Taxpayer #2	1,214,000	0.22%
Dauti, Eloise	824,500	0.14%	Allamuchy Land Development	1,186,800	0.22%
Total	$ 18,363,600	3.06%		$ 27,682,070	5.12%

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may not be the same individual taxpayers in the two years presented.

Source: Allamuchy Municipal Tax Assessor

Exhibit J-9

ALLAMUCHY 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 [a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	$ 9,093,734	$ 9,093,734	100.00%	-0-
2017	9,207,135	9,207,135	100.00%	-0-
2018	9,324,611	9,324,611	100.00%	-0-
2019	9,510,217	9,510,217	100.00%	-0-
2020	9,775,467	9,775,467	100.00%	-0-
2021	10,043,309	10,043,309	100.00%	-0-
2022	10,231,511	10,231,511	100.00%	-0-
2023	10,422,714	10,422,714	100.00%	-0-
2024	10,612,400	10,612,400	100.00%	-0-
2025	10,912,213	10,912,213	100.00%	-0-

[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.

Source: Allmuchy Township School District records, including the Certificate and Report of Report of School Taxes (A4F form).

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities				Total District	Percentage of Personal Income [a]	Per Capita [a]
	General Obligation Bonds	Certificates of Participation	Financed Purchases	Bond Anticipation Notes (BANs)			
2016	$ 9,405,000	-0-	$ 700,942	-0-	$ 10,105,942	4.42%	$ 2,209
2017	9,015,000	-0-	604,191	-0-	9,619,191	4.03%	2,089
2018	8,605,000	-0-	505,411	-0-	9,110,411	3.65%	1,966
2019	8,180,000	-0-	430,081	-0-	8,610,081	3.33%	1,842
2020	7,740,000	-0-	432,494	-0-	8,172,494	3.07%	1,720
2021	7,280,000	-0-	715,548	-0-	7,995,548	2.38%	1,474
2022	6,800,000	-0-	599,654	-0-	7,399,654	2.16%	1,360
2023	6,300,000	-0-	525,526	-0-	6,825,526	1.89%	1,253
2024	5,785,000	-0-	336,928	-0-	6,121,928	1.69%	1,124
2025	5,245,000	-0-	175,512	-0-	5,420,512	1.49%	990

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

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

Source: School District Financial Reports.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Net Valuation [a]	Per Capita [b]
2016	$ 9,405,000	-0-	$ 9,405,000	1.74%	$ 2,056.19
2017	9,015,000	-0-	9,015,000	1.64%	1,958.08
2018	8,605,000	-0-	8,605,000	1.54%	1,856.93
2019	8,180,000	-0-	8,180,000	1.44%	1,749.73
2020	7,740,000	-0-	7,740,000	1.35%	1,629.13
2021	7,280,000	-0-	7,280,000	1.24%	1,342.43
2022	6,800,000	-0-	6,800,000	1.14%	1,249.77
2023	6,300,000	-0-	6,300,000	1.05%	1,156.81
2024	5,785,000	-0-	5,785,000	0.96%	1,062.25
2025	5,245,000	-0-	5,245,000	0.87%	957.99

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

a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Source: School District Financial Reports.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
UNAUDITED
AS OF DECEMBER 31, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes:			
Allamuchy Township	$ 7,009,791	100.00%	$ 7,009,791
Warren County General Obligation Debt	10,290,000	5.815%	598,370
Subtotal, Overlapping Debt			7,608,160
Township of Allamuchy School District			5,245,000
Total Direct And Overlapping Debt			$ 12,853,160

Sources: Assessed value data used to estimate applicable percentages provided by the Township of Allamuchy Chief Financial Officer and Warren County Treasurer's Office; 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 Allamuchy. This process recognizes that, when considering the District's ability to issue and repay long-term, 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 unit.

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2025	
Year Ended December 31,	Equalized Valuation Basis
2024	$ 1,004,087,945
2023	908,686,619
2022	844,022,228
	$ 2,756,796,792
Average Equalized Valuation of Taxable Property	$ 918,932,264
Debt Limit (3% of Average Equalization Value) [a]	$ 27,567,968
Net Bonded School Debt	5,245,000
Legal Debt Margin	$ 22,322,968

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt Limit	$ 17,338,688	$ 17,430,494	$ 17,746,919	$ 18,125,596	$ 18,670,123
Total Net Debt Applicable to Limit	9,999,000	9,015,000	8,605,000	8,180,000	7,740,000
Legal Debt Margin	$ 7,339,688	$ 8,415,494	$ 9,141,919	$ 9,945,596	$ 10,930,123
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	57.67%	51.72%	48.49%	45.13%	41.46%

	Fiscal Year				
	2021	2022	2023	2024	2025
Debt Limit	$ 19,309,857	$ 19,832,027	$ 21,170,140	$ 21,170,140	$ 27,567,968
Total Net Debt Applicable to Limit	7,280,000	6,800,000	6,300,000	5,785,000	5,245,000
Legal Debt Margin	$ 12,029,857	$ 13,032,027	$ 14,870,140	$ 15,385,140	$ 22,322,968
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	37.70%	34.29%	29.76%	27.33%	19.03%

a - Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts.

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.

Exhibit J-14

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population [a]	Warren County Per Capita Personal Income [c]	Personal Income (thousands of dollars) [b]	Unemployment Rate [d]
2016	4,574	$ 50,021	$ 228,796,054	4.00%
2017	4,604	51,452	236,885,008	3.80%
2018	4,634	53,122	246,167,348	3.40%
2019	4,675	55,641	260,121,675	3.00%
2020	4,751	58,701	278,888,451	8.30%
2021	5,423	62,006	336,258,538	4.70%
2022	5,441	63,016	342,870,056	3.00%
2023	5,446	66,483	362,066,418	3.80%
2024	5,475	66,483 *	363,994,425 ***	4.20%
2025	5,475 **	66,483 *	363,994,425 ***	N/A

* - Latest Warren County per capita personal income available (2023) was used for calculation purposes.
** - Latest population data available (2024) was used for calculation purposes.
*** - Latest per capita personal income available (2023) and latest population data available (2024) was used for calculation purposes.
N/A - Information Not Available for this year

Sources:

a Population information provided by the NJ Dept 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 Dept of Labor and Workforce Development.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS, COUNTY OF WARREN
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2024		
Employer	Employees	Rank	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

	2015		
Employer	Employees	Rank (Optional)	Percentage of Total Employment
Mars Snack Foods	1,000	1	1.84%
Warren Hospital	1,000	2	1.84%
Hackettstown Regional Medical Center	900	3	1.65%
Warren County government	766	4	1.41%
Phillipsburg Board of Education	630	5	1.16%
Mallinckrodt/Baker, Inc.	483	6	0.89%
Genesis Health Center	425	7	0.78%
ShopRite of Greenwich	407	8	0.75%
Wal-Mart Stores, Inc.	363	9	0.67%
Centenary College	350	10	0.64%
	6,324		11.62%
Total Employment	54,424		

Source: New Jersey Department of Labor

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,
LAST TEN FISCAL YEARS
UNAUDITED

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction:											
Regular	29.2	26.5	27.9	38.5	30.5	31.5	32.0	29.0	31.0	31.0	32.0
Special Education	8.9	8.1	6.9	3.5	3.5	3.8	4.0	6.0	6.0	6.5	8.0
Other Special Education	6.0	6.4	5.0	10.5	7.5	9.5	12.0	13.0	13.0	13.5	10.0
Support Services:											
Student & Instruction Related Services	11.0	9.0	20.3	15.3	13.5	13.8	9.5	7.0	7.0	7.0	7.0
School Administrative Services	4.5	5.6	5.0	4.5	4.5	4.0	4.5	6.0	6.0	5.0	5.0
General Administrative Services	1.6	2.6	1.6	1.4	1.4	1.4	1.4	2.0	2.0	2.0	2.0
Plant Operations and Maintenance	5.7	5.7	5.4	4.0	4.0	5.0	6.0	7.5	7.5	7.0	10.0
Pupil Transportation	11.0	11.5	11.0	10.6	10.6	10.6	12.6	13.0	12.0	12.0	12.0
Total	77.9	75.4	83.1	88.3	75.5	79.6	82.0	83.5	84.5	84.0	86.0

Source: Allamuchy Township School District personnel records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil [d]	Percentage Change	Teaching Staff [b]	Pupil/ Teacher Ratio Elementary	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	423	$ 9,479,600	$ 22,410	1.20%	44	9.6	423.8	409.8	-2.28%	96.70%
2017	412	9,851,269	23,911	6.70%	40	10.3	413.9	394.9	-2.34%	95.41%
2018	425	10,285,311	24,201	1.21%	38	11.0	418.4	401.4	1.09%	95.94%
2019	431	10,659,539	24,732	2.20%	42	10.3	434.3	416.1	3.80%	95.81%
2020	431	11,086,811	25,723	4.01%	45	9.5	428.2	415.6	-1.40%	97.06%
2021	423	12,005,997	28,383	10.34%	48	8.7	418.9	404.7	-2.17%	96.61%
2022	424	13,378,609	31,553	11.17%	48	8.8	421.6	397.9	0.64%	94.38%
2023	421	13,101,656	31,120	-1.37%	45	9.3	420.3	394.3	-0.31%	93.81%
2024	457	13,744,034	30,074	-3.36%	51	8.9	456.3	405.7	8.57%	88.91%
2025	429	13,765,733	32,088	6.69%	50	8.6	428.1	401.3	-6.18%	93.74%

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.
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 The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost Per Pupil may be different from other Cost Per Pupil Calculations.

Source: Allamuchy Township School District records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Allamuchy Elementary School										
Square Feet	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879
Capacity (Students)	398	398	398	398	398	398	398	398	398	398
Enrollment	272	276	275	276	282	287	288	261	291	253
Mountain Villa School										
Square Feet	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260
Capacity (Students)	180	180	180	180	180	180	180	180	180	180
Enrollment	150	136	151	155	149	136	136	160	166	176

Number of Schools at June 30, 2025:

Elementary = 2

Note: Enrollment is based on the annual October District count.

Source: Allamuchy Township School District Facilities Office.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures:
Required Maintenance for School Facilities
11-000-261-XXX

School Facilities *	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Allamuchy Elementary School	$ 125,406	$ 209,679	$ 173,086	$ 137,400	$ 103,468	$ 82,013	$ 180,883	$ 125,140	$ 109,121	$ 142,603
Mountain Villa School	35,110	71,448	56,536	46,819	35,257	27,225	86,690	59,975	52,297	68,344
	$ 160,516	$ 281,127	$ 229,622	$ 184,219	$ 138,725	$ 109,238	$ 267,573	$ 185,115	$ 161,418	$ 210,947

* School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: Allamuchy Township School District records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED

	Coverage		Deductible
School Alliance Insurance Fund (SAIF):			
School Package Policy:			
Building & Personal Property	$ 29,909,900	Per Occurrence	$ 5,000
General Liability including Auto, Employee Benefits:	11,000,000	Per Occurrence	1,000
Workers Compensation	3,600,293	Per Occurrence	N/A
Equipment Breakdown	100,000,000		5,000
Valuable Papers	10,000,000		5,000
Extra Expense	50,000,000	Per Occurrence	5,000
Undergound Storage Tanks	1,000,000	Per Occurrence	10,000
Crime & Bonds			
Faithful Performance	1,000,000		1,000
Forgery & Alteration	100,000		1,000
Money & Securities	100,000		500
Money Orders/Counterfit	100,000		500
Computer Fraud	250,000		1,000
Crime- Blanket Employee Dishonesty	1,000,000		1,000
Per Loss member aggregate limit	400,000		N/A
Environmental Impairment Liability	1,000,000	Various	N/A
Non-SAIF Coverages:			
Employee Dishonesty	305,000		N/A
Student Accident Insurance	1,000,000		N/A
Selective Insurance Company of America:			
Bond for Board Secretary/School Business Administrator	180,000		N/A

Source: Allamuchy Township School District records.

SINGLE AUDIT SECTION

NISIVOCCIA
ASSURANCE · TAX · ADVISORY

Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ

973.298.8500
nisivoccia.com

Independent Member
BKR International

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*

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Allamuchy Township School District, in the County of Warren (the "District") as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District'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 the 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 out 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 were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Nisivoccia LLP
NISIVOCCIA LLP

November 17, 2025
Mount Arlington, New Jersey

John J. Mooney
Licensed Public School Accountant #2602
Certified Public Accountant

NISIVOCCIA
ASSURANCE · TAX · ADVISORY

Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ

973.298.8500
nisivoccia.com

Independent Member
BKR International

Report on Compliance for Each Major State Program;
Report on Internal Control Over Compliance Required by NJOMB 15-08

Independent Auditors' Report

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance 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 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 state program. Our audit does not provide a legal determination of the 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 or grant agreements applicable to the District's federal and state programs.

Auditors' 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 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 GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the 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's OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the 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 and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 Uniform Guidance or New Jersey's OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Nisivoccia LLP
NISIVOCCIA LLP

November 17, 2025
Mount Arlington, New Jersey

John J. Mooney
Licensed Public School Accountant #2602
Certified Public Accountant

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/ (Accounts Receivable) 6/30/2024	Due to Grantor 6/30/2024	Cash Received	Budgetary Expenditures	Cancellation	Balance at 6/30/2025 Accounts Receivable	Balance at 6/30/2025 Unearned Revenue	Due to Grantor 6/30/2025	Amount Paid to Subrecipients
Enterprise Fund													
U.S. Department of Agriculture													
Passed-through State Department of Agriculture:													
Child Nutrition Cluster:													
Federal Food Distribution Program	10.555	N/A	7/1/24-6/30/25	$ 17,883			$ 17,883	$ (16,147)			$ 1,736		
Federal Food Distribution Program	10.555	N/A	7/1/23-6/30/24	8,268	$ 811			(811)					
National School Lunch Program	10.555	N/A	7/1/24-6/30/25	33,446			31,788	(33,446)		$ (1,658)			
National School Lunch Program	10.555	N/A	7/1/23-6/30/24	35,460	(1,800)		1,800						
School Breakfast Program	10.555	N/A	7/1/24-6/30/25	3,823			3,639	(3,823)		(184)			
Total Child Nutrition Cluster					(989)		55,110	(54,227)		(1,842)	1,736		
Summer Electronic Benefit Transfer	10.646	N/A	7/1/24-6/30/25	643			643	(643)					
Total Enterprise Fund					(989)		55,753	(54,870)		(1,842)	1,736		
Special Revenue Fund:													
U.S. Department of Education:													
Passed-through State Department of Education:													
Elementary and Secondary Education Act Consolidated Grant:													
Title I	84.010	ESEA003025	7/1/24-6/30/25	26,245			26,245	(26,245)					
Title I	84.010	ESEA003024	7/1/23-9/30/24	23,368	(21,447)								
Title I	84.010	ESEA003023	7/1/22-9/30/23	21,547		$ 160						$ 160	
Title I	84.010	ESEA003021	7/1/20-9/30/21	29,914	(719)				719				
Title I	84.010	ESEA003020	7/1/19-9/30/20	37,200	(595)				595				
Title I	84.010	ESEA003016	7/1/15-6/30/16	16,156		39						39	
Total Title I					(22,761)	199	26,245	(26,245)	1,314			199	
Title IIA	84.367	ESEA003025	7/1/24-6/30/25	10,097			10,097	(10,097)					
Title IIA	84.367	ESEA003024	7/1/23-9/30/24	9,845	(9,845)								
Title IIA	84.367	ESEA003021	7/1/20-9/30/21	7,287		40						40	
Total Title IIA					(9,845)	40	10,097	(10,097)				40	
Title III	84.365	ESEA003024	7/1/23-9/30/24	1,655	(1,655)				1,655				
Total Title III					(1,655)		10,097		4,283				
Title IV	84.424	ESEA003025	7/1/24-6/30/25	10,000			10,000	(10,000)					
Title IV	84.424	ESEA003024	7/1/23-9/30/24	10,000	(10,000)		10,000						
Total Title IV					(10,000)		20,000	(10,000)	5,938				
Rural School Achievement Program	84.358A	S358A212829	7/1/22-9/30/23	46,129		2,717						2,717	
Total Rural School Achievement Program						2,717			11,876			2,717	
Special Education Cluster:													
U.S. Department of Education:													
I.D.E.A. Part B, Basic	84.027	IDEA-0030-25	7/1/24-6/30/25	104,866			104,866	(104,866)					
I.D.E.A. Part B, Basic	84.027	IDEA-0030-24	7/1/23-9/30/24	103,120	(103,120)		103,120						
I.D.E.A. Part B, Basic	84.027	IDEA-0030-21	7/1/20-9/30/21	94,762		933						933	
I.D.E.A. Part B, Preschool	84.173	IDEA-0030-25	7/1/24-6/30/25	5,850			5,850	(5,850)					
I.D.E.A. Part B, Preschool	84.173	IDEA-0030-24	7/1/23-9/30/24	5,938	(5,938)		5,938						
Total Special Education Cluster					(109,058)	933	219,774	(110,716)				933	
Education Stabilization Fund													
COVID-19 CARES - Emergency Relief Fund	84.425D	CARES003022	3/13/20-9/30/22	25,229		859						859	
COVID-19 CRRSA ESSER II	84.425D	S425D210027	3/13/20-9/30/24	98,056	(47,663)				$ 47,663				
COVID-19 CRRSA Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/24	25,000		497						497	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/ (Accounts Receivable) 6/30/2024	Due to Grantor 6/30/2024	Cash Received	Budgetary Expenditures	Cancellation	Balance at 6/30/2025 Accounts Receivable	Balance at 6/30/2025 Unearned Revenue	Due to Grantor 6/30/2025	Amount Paid to Subrecipients
COVID-19 ARP													
ESSER III	84.425U	S425D210027	3/13/20-9/30/24	$ 220,375	$ 6		$ 15,873	$ (15,879)					
Evidence Based Summer Learning and Enrichment	84.425U	S425D210027	3/13/20-9/30/24	40,000	(21,878)		21,878						
Evidence Based Comprehensive Beyond the School Day	84.425U	S425D210027	3/13/20-9/30/24	40,000	(20,530)		24,400	(3,870)					
New Jersey High Impact Tutoring Competitive	84.425C	S425D210027	10/11/23-8/31/24	38,000	(38,000)		3,040	(22,088)	$ 19,000	$ (38,048)			
Total Education Stabilization Fund					(128,065)	$ 1,356	65,191	(41,837)	66,663	(38,048)		$ 1,356	
Total Special Revenue Fund/U.S. Department of Treasury					(281,384)	5,245	$ 341,307	(198,895)	85,791	(38,048)		5,245	
Total Federal Awards					$ (282,373)	$ 5,245	$ 397,060	$ (253,765)	$ 85,791	$ (39,890)	$ 1,736	$ 5,245	$ -0-

N/A: Not Available/Applicable

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Budgetary Balance Unearned Revenue/ (Accounts Receivable) 6/30/2024	Due to Grantor 6/30/2024	Cash Received	Budgetary Expenditures	Balance at 6/30/2025 GAAP (Accounts Receivable)	Balance at 6/30/2025 Budgetary Unearned Revenue	Balance at 6/30/2025 Due to Grantor 6/30/2025	Memo Budgetary Receivable	Memo Cumulative Total Expenditures
General Fund												
NJ Department of Education:												
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	$ 504,412			$ 454,029	$ (504,412)				$ (50,383)	$ 504,412
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	619,652			557,758	(619,652)				(61,894)	619,652
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	62,110			55,906	(62,110)				(6,204)	62,110
Non-Public Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	24,751				(24,751)	$ (24,751)			(24,751)	24,751
Extraordinary Aid	25-495-034-5120-044	7/1/24-6/30/25	79,755				(79,755)	(79,755)			(79,755)	79,755
Reimbursed TPAF Social Security Contributions	25-495-034-5095-003	7/1/24-6/30/25	235,679			190,235	(235,679)	(45,444)			(45,444)	235,679
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	432,405	$ (43,185)		43,185						432,405
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	578,993	(57,825)		57,825						578,993
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	51,637	(5,157)		5,157						51,637
Non-Public Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	20,930	(20,930)		20,930						20,930
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	77,858	(77,858)		40,717						77,858
Reimbursed TPAF Social Security Contributions	24-495-034-5095-003	7/1/23-6/30/24	233,613	(11,589)		11,589						233,613
On-Behalf TPAF Post Retirement Contribution	25-495-034-5094-001	7/1/24-6/30/25	330,666			330,666	(330,666)					330,666
On-Behalf TPAF Pension Contribution	25-495-034-5094-002	7/1/24-6/30/25	1,117,794			1,117,794	(1,117,794)					1,117,794
On-Behalf TPAF Non-Contributory Insurance	25-495-034-5094-004	7/1/24-6/30/25	13,846			13,846	(13,846)					13,846
On-Behalf TPAF Long-Term Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	502			502	(502)					502
Total General Fund State Aid				(216,544)		2,900,139	(2,989,167)	(149,950)			(268,431)	4,384,603
Debt Service Fund:												
Debt Service Aid Type II	25-100-034-5120-124	7/1/24-6/30/25	63,110			63,110	(63,110)					63,110
Total Debt Service Aid						63,110	(63,110)					63,110
Special Revenue												
Educational Programs and Student Services												
Climate Change Education Grants to Schools	N/A	4/1/24-6/30/24	6,600		$ 60					$ 60		
Total Special Revenue Fund					60					60		
Total NJ Department of Education				(216,544)	60	2,963,249	(3,052,277)	(149,950)		60	(268,431)	4,447,713
New Jersey Department of Agriculture:												
Food Service Fund:												
School Lunch Program - State	25-100-010-3350-023	7/1/24-6/30/25	2,052			1,964	(2,052)	(88)			(88)	2,052
School Lunch Program - State	24-100-010-3350-023	7/1/23-6/30/24	2,225	(123)		123						2,225
School Breakfast Program - State	25-100-010-3350-021	7/1/24-6/30/25	18			17	(18)	(1)			(1)	18
Total NJ Department of Agriculture				(123)		2,104	(2,070)	(89)			(89)	4,295
Total State Awards Subject to Single Audit Determination				$ (216,667)	$ 60	$ 2,965,353	$ (3,054,347)	$ (150,039)	$ -0-	$ 60	$ (268,520)	$ 4,452,008
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Contributions	25-495-034-5094-001	7/1/24-6/30/25	$ (330,666)				$ 330,666					
On-Behalf TPAF Pension Contributions	25-495-034-5094-002	7/1/24-6/30/25	(1,117,794)				1,117,794					
On-Behalf TPAF Non-Contributory Insurance	25-495-034-5094-004	7/1/24-6/30/25	(13,846)				13,846					
On-Behalf TPAF Long-Term Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	(502)				502					
Subtotal - On-Behalf TPAF Pension System Contributions							1,462,808					
Total State Awards Subject to Single Audit Major Program Determination							$ (1,591,539)					

N/A - Not Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Note 1: Basis of Presentation

The accompanying schedules of expenditures of federal and state awards (the "Schedules") include the federal and state grant activity of the Allamuchy Board of Education under programs of the federal and state governments for the fiscal year ended June 30, 2025. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting. This basis of accounting is described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

The District has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4: 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 last two state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes these payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two 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 revenue, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($12,314) for the General Fund. See exhibit C-3 for a reconciliation of the Budgetary Basis to the modified accrual basis of accounting for the general and special revenue funds.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Note 4: Relationship to Basic Financial Statements (Cont'd)

Revenue from federal and state awards are reported in the Board's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund		$ 2,976,853	$ 2,976,853
Special Revenue Fund	$ 198,895		198,895
Debt Service Fund		63,110	63,110
Food Service Fund	54,870	2,070	56,940
Total Financial Awards	$ 253,765	$ 3,042,033	$ 3,295,798

Note 5: 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 6: Federal and State Loans Outstanding

The Allamuchy Township School District had no loan balances outstanding at June 30, 2025.

Note 7: Other

T.P.A.F. Social Security Contributions represent the amount reimbursed by the State for the employer's share of social security contributions for T.P.A.F. members for the fiscal year ended June 30, 2025. Revenue and expenditures reported under the Federal Food Distribution Program represents current year value received and current year distributions, respectively.

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

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP.			Unmodified	
Internal control over financial reporting:				
1.) Material weakness identified?		Yes	X	No
2.) Significant deficiencies identified?		Yes	X	None reported
Noncompliance material to basic financial statements noted?		Yes	X	No

Federal Awards

The District was not subject to the single audit provisions of the Uniform Guidance for the fiscal year ended June 30, 2025 as federal grant expenditures were less than the single audit threshold of $750,000 identified in the Uniform Guidance.

State Awards

Type of auditor's report issued on compliance for major programs:			Unmodified	
Internal control over major programs:				
1.) Material weakness identified?		Yes	X	No
2.) Significant deficiencies identified?		Yes	X	None reported
Noncompliance material to basic financial statements noted?		Yes	X	No
Any audit findings disclosed that are required to be reported in accordance with New Jersey's OMB Circular 15-08?		Yes	X	No

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period Start	Grant Period End	Award Amount	Budgetary Expenditures
State Aid Public:					
Special Education Aid	25-495-034-5120-089	7/1/24	6/30/25	$ 619,652	$ 619,652
Security Aid	25-495-034-5120-084	7/1/24	6/30/25	62,110	62,110

Dollar threshold used to distinguish between Type A and B programs			$ 750,000	
Auditee qualified as low-risk auditee?		Yes	X	No

Section II - Financial Statement Findings - N/A

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

Status of Prior Year Findings/Recommendations:

The prior year audit finding 2024-001 regarding the payroll reconciliation for all payroll accounts, payroll tax withholdings being remitted in a timely manner, and any analysis of the payroll agency account has been resolved.