SCHOOL DISTRICT OF THE
TOWNSHIP OF WEST MILFORD
COUNTY OF PASSAIC, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

School District
of

TOWNSHIP OF WEST MILFORD

TOWNSHIP OF WEST MILFORD BOARD OF EDUCATION
West Milford, New Jersey

Annual Comprehensive Financial Report
Year Ended June 30, 2025

Annual Comprehensive Financial Report

of the

TOWNSHIP OF WEST MILFORD
BOARD OF EDUCATION
West Milford, New Jersey

Year Ended June 30, 2025

Prepared by
Township of West Milford School District

WEST MILFORD BOARD OF EDUCATION
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INTRODUCTORY SECTION

WEST MILFORD PUBLIC SCHOOLS

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Brian Kitchin, Ed.D.
Superintendent

Melissa Bertagno
Business Administrator/Board Secretary

Daniel R. Novak
Assistant Superintendent

Dana Swarts, Ed.D.
Director of Special Services

December 23, 2025

Honorable President and
Members of the Board of Education
West Milford Township School District
County of Passaic, New Jersey

Dear Board Members/Citizens:

It is with pleasure that we submit the Annual Comprehensive Financial Report (ACFR) of the West Milford Township School District (District) for the fiscal year ending June 30, 2025. This ACFR includes the District's Basic Financial Statements in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (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 financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The ACFR 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 Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information, as well as the auditor's report thereon;
- The Statistical section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District generally presented on a multi-year basis;
- The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Board of Education of the Township of West Milford is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 14. All funds and account groups of the District are included in this report. The West Milford Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12. These include regular, vocational as well as special education for the District's special needs population. The District's current instructional facilities include five elementary schools (grades Pre-Kindergarten through grade 5), one middle school (grades 6, 7 and 8), and one high school (grades 9 through 12). During the 2022-23 school year, the District began the process of consolidating its six elementary school buildings into five elementary school buildings, and repurposing an elementary school building to serve other District needs. This change took effective in the 2023-24 school year. The District completed the 2024-25 fiscal year with an average daily enrollment of 2,965.6. The following details the changes in the student enrollment of the District over the last 12 years:

Student Enrollment Data

Fiscal Year	Student Enrollment	Percent Change
2024-25	3,075	-1.03%
2023-24	3,107	-0.77%
2022-23	3,131	-0.06%
2021-22	3,133	+4.47%
2020-21	2,999	-7.47%
2019-20	3,241	-4.51%
2018-19	3,394	-1.08%
2017-18	3,431	-2.64%
2016-17	3,524	-2.46%
2015-16	3,613	-2.61%
2014-15	3,710	-1.54%
2013-14	3,768	-1.21%

The Board of Education, comprised of nine members, meets on the third Tuesday of each month for the workshop Board meeting and the fourth Tuesday of each month for the regular Board meeting. For months where workshop & regular meetings are combined, the Board meets on the third Tuesday of the month.

The Parent Teacher Groups are highly active in the District and provide community support for a variety of programs and activities for the children.

2. ECONOMIC CONDITION AND OUTLOOK:

West Milford Township is a rural/suburban residential community with its working population primarily employed by the Board of Education, local businesses, and various businesses in the surrounding area. According to the most recent demographics data available, the Township's population of 24,240 has decreased by 2.5%, in comparison to the Township's population of 24,862 in April of 2020, and has decreased by approximately 6.2% in comparison to the Township's population of 25,850 in April of 2010. West Milford's current unemployment rate of 5.1% is below the Passaic County long term average of 7.41%. Per capita personal income is approximately 1.2 times the amount in Passaic County.

Since the last U.S. Census, the Township has experienced a slight decrease in population. There was a brief increase when the pandemic provided opportunities for people to work from home, and West Milford became very attractive to new families and the available housing inventory has since been significantly reduced. While the Highlands Act has always impeded new development, there were pockets of new homes being built, and many homes being renovated. The Township has had continued success with the redevelopment of existing commercial properties to attract new rateables. The Board of Education and Central Office Administration keep the lines of communication open with the community to listen to their concerns and suggestions. The district has implemented social media accounts as well as School Messenger announcements to provide information on important events in the District. The District's state aid has been reduced by over $9 million over the last seven years, with the final adjustments happening during the 2024-2025 school year. While the Board of Education and Central Office Administration is committed to containing expenses to maximize the dollars spent on education and to address facilities improvements, the state aid reductions are making it more difficult to maintain our comprehensive academic programs while placing a greater burden on the Township's taxpayers.

3. MAJOR INITIATIVES:

The District continues to advance a coordinated set of instructional initiatives focused on improving student achievement, strengthening instructional practice, and ensuring long-term sustainability of curriculum and technology investments. These initiatives reflect a strategic progression from initial adoption to refinement, with elevated expectations for fidelity of implementation, instructional consistency, and measurable student outcomes.

The District is entering Year 3 of implementation of the i-Ready diagnostic and instructional system for grades K–8. With foundational training and baseline data established, the focus has shifted to consistent classroom use, deeper data analysis, and targeted intervention planning. i-Ready supports personalized learning by identifying individual student needs in real time, allowing educators to respond with precision and accelerate academic growth.

At the elementary level, the District is in Year 3 of implementation of Eureka Math² and Wonders Language Arts for grades K–5. With materials in place and initial training completed, the emphasis is now on instructional coherence, consistency across classrooms, vertical alignment, and effective use of embedded assessments. These research-based programs provide rigorous, standards-aligned instruction designed to strengthen foundational literacy and numeracy skills.

At the middle school level, the District is entering Year 1 of implementation of Amplify Math, building on initial adoption. This phase emphasizes instructional refinement, increased student discourse, and effective use of formative assessments to strengthen conceptual understanding and problem-solving skills.

To support these curriculum initiatives, the District continues its investment in K–12 Mathematics Professional Development, led by nationally recognized expert Nancy Schultz. This professional learning

strengthens instructional practice, builds teacher capacity, and ensures curriculum implementation, which translates into improved classroom instruction and student outcomes.
The ongoing maintenance of the District's 1:1 Chromebook program remains a critical instructional and operational investment. As the program matures, the focus is on reliability, sustainability, and effective integration to support digital curricula, assessments, and personalized learning tools.

To ensure alignment, accountability, and long-term sustainability of these initiatives, the District has proposed the addition of an Elementary Instructional Supervisor. This position will provide dedicated oversight of K–5 curriculum implementation, instructional quality, and professional learning. The role is essential to protecting the District's instructional investments, supporting teachers, and maintaining high expectations for student achievement.

4. INTERNAL ACCOUNTING CONTROLS:

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

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

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

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the 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 canceled or are included as appropriations to fund balance in the subsequent year. Those amounts to be appropriated are reported as reservations of fund balance at fiscal year end.

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 and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act. Investment income is generated from interest on balances and certificate of deposits through Provident Bank.

8. RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, cyber liability, and fidelity bonds. Since the 1996-97 school year, the District has carried student and athletic accident and catastrophic injury insurance on every student enrolled in its schools. Through participation in a pooled insurance program, the District enjoys the benefits of distributed risks and reduced premium costs on all lines of insurance. The Board uses the pool to self-insure for workers' compensation, and continues to receive disbursements of surplus funds from prior years.

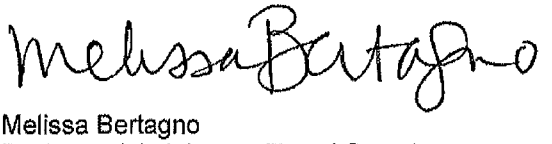
9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Wielkotz & Company, LLC. In addition to meeting the requirements of the Single Audit Act of 1996, the Uniform Guidance, and N.J. OMB Circular 15-08 the auditor's report on the general purpose financial statements, and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS:

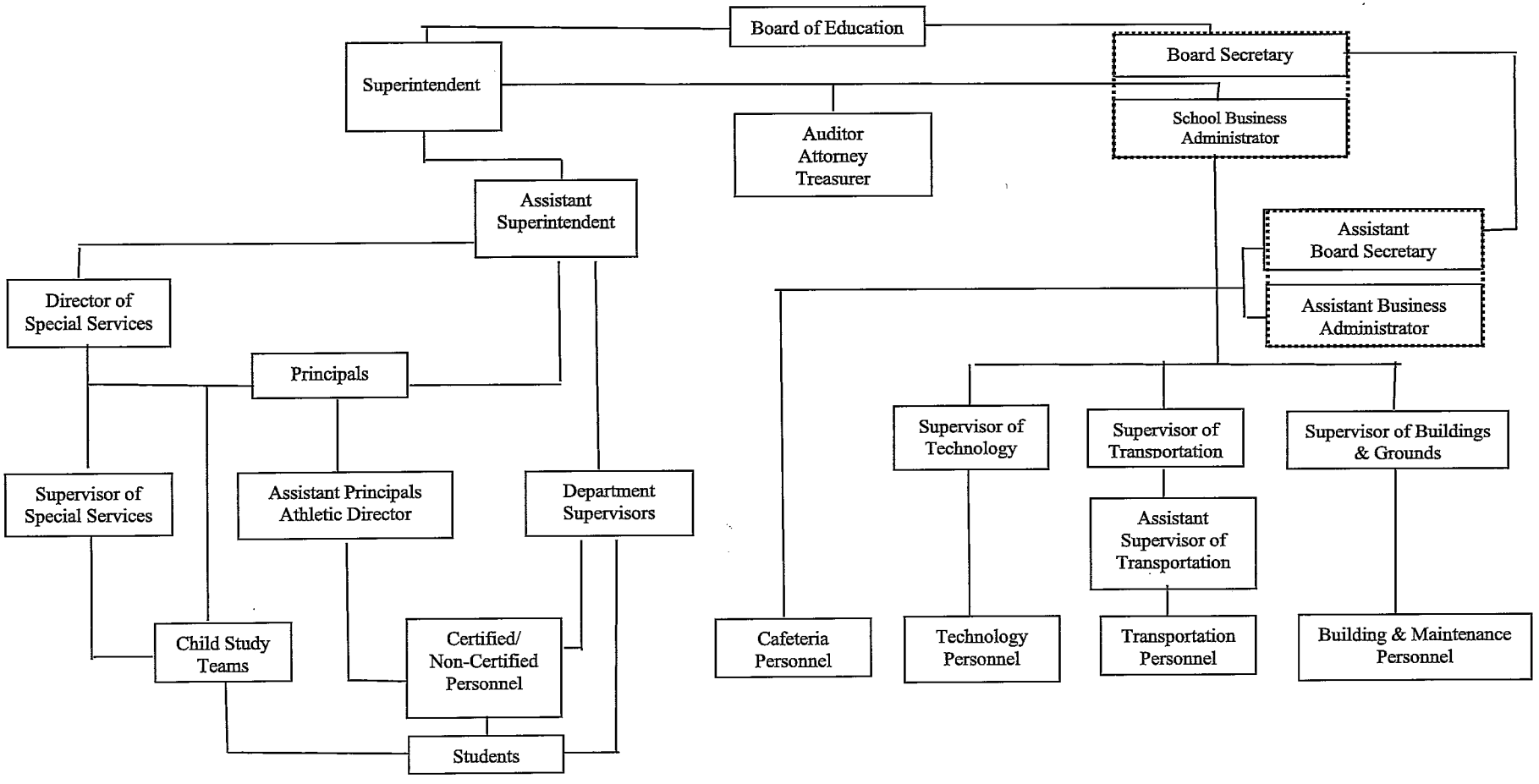
We would like to express our appreciation to the members of the West Milford Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administrative, financial, accounting, and secretarial staffs.

Respectfully submitted,



Melissa Bertagno
Business Administrator/Board Secretary

ORGANIZATIONAL CHART



Adopted: 25 April 2012
Revised: 24 September 2013
Revised: 27 May 2014
Revised: 19 June 2018
Revised: 19 February 2019
Revised: 29 April 2025

NOTE: Secretarial Staff are a direct report to their respective Administrator

WEST MILFORD BOARD OF EDUCATION
ROSTER OF OFFICIALS

June 30, 2025

Members of the Board of Education	**Term Expires**
Claire Lockwood, President	2027
Tara Racano, Vice President	2025
William Cytowicz	2025
Teresa Dwyer	2027
Raymond Guarino	2027
Miranda Jurgensen	2026
Peter Lippe	2025
Stephanie Marquard	2026
Lynda Van Dyk	2026

Other Officials:

Brian Kitchin, Ed.D., Superintendent

William Scholts, Business Administrator/Board Secretary

Daniel Novak, Director of Education
(July 1, 2024, through November 19, 2024)

Daniel Novak, Assistant Superintendent
(November 20, 2024, through June 30, 2025)

Derek Ressa, Ed.D., Director of Special Services

WEST MILFORD BOARD OF EDUCATION
2024-2025
Consultants and Advisors

ARCHITECTS

LAN Associates
445 Godwin Avenue
Midland Park, New Jersey 07432

Settembrino Architects
37 East Washington Avenue
Atlantic Highlands, New Jersey 07716

Environetics Group Architects, PC (ENV)
180 Sylvan Avenue #3
Englewood Cliffs, New Jersey 07632

AUDIT FIRM

Wielkotz & Company, LLC
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

BOARD ATTORNEY

Scarinci Hollenbeck, LLC
150 Clove Road
9th Floor
Little Falls, New Jersey 07424

LABOR NEGOTIATOR

Scarinci Hollenbeck, LLC
150 Clove Road
9th Floor
Little Falls, New Jersey 07424

SPECIAL EDUCATION ATTORNEY

Scarinci Hollenbeck, LLC
150 Clove Road
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Little Falls, New Jersey 07424

SPECIAL COUNSEL

David B. Rubin, PC
450 Main Street
Metchen, New Jersey 08840

FINANCIAL SECTION

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
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DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
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INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Township of West Milford School District
County of Passaic, New Jersey

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 Township of West Milford Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 misstatements, 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 Township West Milford Board of Education's ability to continue as a going concern for the next 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 generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

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

- Exercise professional judgement 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 Township of West Milford Board of Education'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of West Milford Board of Education'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of West Milford Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal 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* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal 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* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal 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* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

W&CO

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025 on our consideration of the Township of West Milford Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of West Milford Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 23, 2025

REQUIRED SUPPLEMENTARY INFORMATION - PART I

TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT
WEST MILFORD, NJ

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

The discussion and analysis of the Township of West Milford Board of Education's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by the program for the General Fund, Special Revenue Fund, Debt Service Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the West Milford Board of Education exceeded its liabilities, and deferred inflows of resources at the close of the fiscal year by $13,019,305. (Net Position).

- In total, net position decreased $1,889,446. Net position of the governmental activities decreased by $1,784,980 and net position of business-type activities decreased by $104,466.

- General revenues accounted for $79,200,030 in revenue or 94 percent of all governmental and business-type activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for $4,639,644 or 6 percent of total revenues of $83,839,674.

- The School District had $83,373,595 in expenses related to governmental activities; only $2,421,738 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (entitlements and property taxes) of $79,200,030 were adequate to provide for these programs.

- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of $10,058,555.

- The General Fund fund balance at June 30, 2025 was $8,251,758, a decrease of $2,769,822 compared to the ending fund balance at June 30, 2024 of $11,021,580.

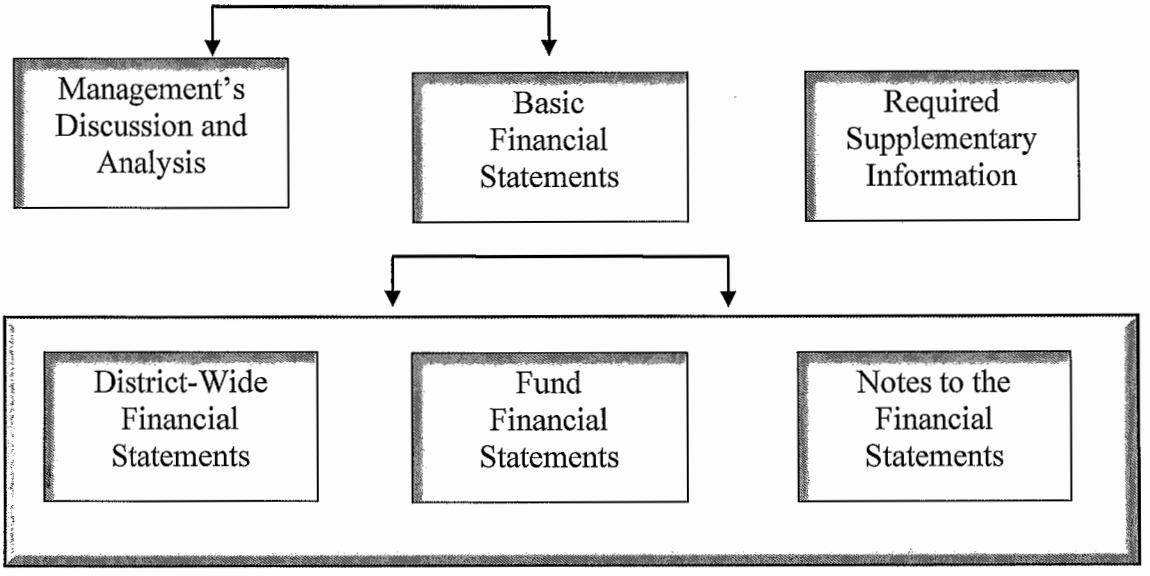
- The General Fund unassigned budgetary fund balance at June 30, 2025 was $1,859,424 which represents an increase of $101,026 compared to the ending unassigned budgetary fund balance at June 30, 2024 of $1,758,398. The decrease is primarily due to the increase of deferred state aid.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental 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 district governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)

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 are detailed below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as custodial accounts
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/ Deferred Outflows/ Inflows of Resources/ Liability Information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and dedications during the year, regardless of when cash is received or paid

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole (district-wide statements), and then proceed to provide an increasingly detailed look at specified financial activities.

District-Wide Financial Statements

The *statement of net position and statement of activities* reports information about the District as a whole and about its' activities in a manner that helps answer the question, "Is the District better or worse off as a result of the year's activities?" These statements include all assets and liabilities of the District using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

Both of the district-wide financial statements distinguish functions of the West Milford Board of Education that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

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

- Governmental Activities – All of the school district's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

- Business-type Activity – This service is provided on a charge for goods and services basis to recover all the expenses of the goods or services provided. The Food Service Program and the School Age Child Care Program are reported as business activities.

The two statements report the District's net position and changes in them. The change in net position can be utilized by a reader to assist in determining whether the District's financial health is improving or deteriorating. However, the reader should also consider non-financial factors such as property tax base, current New Jersey laws restricting revenue growth, student enrollment growth, facility conditions, required educational programs and other factors in determining the District's overall financial health.

USING THIS ANNUAL REPORT, (continued)

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. West Milford Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the district's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on balances of *spendable resources* available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash.

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

The West Milford Board of Education maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the general, special revenue and capital projects funds, which are considered to be major funds.

The West Milford Board of Education adopts annual appropriated budgets for its governmental funds. A budgetary comparison schedule has been provided for the general fund and special revenue fund to demonstrate compliance with their budgets.

USING THIS ANNUAL REPORT, (continued)

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The West Milford Board of Education uses proprietary funds to account for its' food service program and school age child care program.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

DISTRICT-WIDE FINANCIAL ANALYSIS

The Statement of Net Positions provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

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

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

The School District's net position was $13,019,305 at June 30, 2025 and $14,908,751 at June 30, 2024. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2025 compared to 2024 (Table 1) and change in net position (Table 2) of the School District.

Table 1

Net Position
June 30,

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	13,361,421	14,330,796	636,119	773,461	13,997,540	15,104,257
Capital Assets	30,294,165	32,606,810	275,374	280,851	30,569,539	32,887,661
Total Assets	43,655,586	46,937,606	911,492	1,054,312	44,567,079	47,991,919
Deferred Outflows:						
Deferred outflows of resources related to PERS	1,735,231	1,794,933			1,735,231	1,794,933
Total Deferred Outflows	1,735,231	1,794,933	-	-	1,735,231	1,794,933
Liabilities						
Current Liabilities	5,981,877	4,737,080	123,166	161,520	6,105,043	4,898,600
Noncurrent Liabilities	24,583,787	27,670,545	-	-	24,583,787	27,670,545
Total Laibilities	30,565,664	32,407,625	123,166	161,520	30,688,830	32,569,145
Deferred Outflows:						
Deferred inflows of resources related to PERS	2,594,175	2,308,956	-	-	2,594,175	2,308,956
Total Deferred Outflows	2,594,175	2,308,956	-	-	2,594,175	2,308,956
Net Assets						
Net Investment in Capital Assets	20,679,840	22,096,755	275,374	280,851	20,955,213	22,377,606
Restricted	8,199,131	8,897,225	-	-	8,199,131	8,897,225
Unrestricted	(16,647,992)	(16,978,021)	512,953	611,941	(16,135,039)	(16,366,081)
Total Net Position	12,230,978	14,015,959	788,327	892,792	13,019,305	14,908,751

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Changes in Net Position:

The District's total net position decreased $1,889,446 over the course of the 2024-2025 fiscal year (See Table 2). Net position invested in capital assets decreased 1,422,393 due to capital asset additions, offset by current fiscal year depreciation and paydown of right to use leased assets, offset by amortization. Restricted net position decreased $698,094 as a result of net decreases in the capital reserve and encumbrances, offset by a net increase in student activities. Unrestricted net position increased $231,042 primarily due to the changes in compensated absences payable, net position liability, deferred inflows and outflows of resources related to pensions, unexpected budget appropriations and an excess in state revenues.

Table 2 below shows the changes in net position for fiscal year 2025 compared to 2024.

Table 2
Changes in Net Position
Year Ended June 30,

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services and Sales	$ 1,052,582	$ 894,955	1,546,429	1,535,164	2,599,011	2,430,119
Operating Grants and Contributions	1,369,156	2,683,367	671,477	606,108	2,040,633	3,289,475
General Revenues:						
Taxes:						
Local tax levy	65,741,758	62,676,891	-	-	65,741,758	62,676,891
Federal and State Aid not Restricted	12,395,171	14,782,342	-	-	12,395,171	14,782,342
Restricted Federal and State Aid	327,380	1,155,559	-	-	327,380	1,155,559
Miscellaneous Income	702,567	439,615	33,154	16,437	735,721	456,053
Total Revenue and Transfers	81,588,614	82,632,729	2,251,060	2,157,709	83,839,675	84,790,439

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental Activities

Net position from the District's governmental activities decreased by $1,784,980 during the fiscal year. However, maintaining existing programs, the provision of multitude of special programs/services for student with special needs and the cost of employee benefits has places demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Net Position
June 30,

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Functions/Program Expenses						
Instruction	45,666,420	45,027,075	-	-	45,666,420	45,027,075
Support Services:						
Tuition and Student and Instruction					-	-
Related Services	13,724,935	13,980,056	-	-	13,724,935	13,980,056
General, School, and Central					-	-
Administrative Services	7,442,854	7,162,776	-	-	7,442,854	7,162,776
Plant Operations and Maintenance	8,272,621	8,127,379	-	-	8,272,621	8,127,379
Pupil Transportation	7,234,334	7,104,547	-	-	7,234,334	7,104,547
Non-instructional Services	-	-	-	-	-	-
Capital Outlay – Non Depreciable	902,553	27,501	-	-	902,553	27,501
Interest on Long Term Debt	60,729	72,107	-	-	60,729	72,107
Charter School	69,147	90,735	-	-	69,147	90,735
Food Service	-	-	1,922,740	1,815,828	1,922,740	1,815,828
School Aged Child Care	-	-	432,785	367,421	432,785	367,421
Total Expenses	83,373,594	81,592,175	2,355,526	2,183,250	85,729,119	83,775,425

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental Activities, (continued)

Table 3 presents the costs of six major District activities: instruction, pupil and instructional services, administrative and business, maintenance and operations, transportation, and other. The table also shows each activity's net costs (total cost less fees generated by the activities and intergovernmental aid provided for specific program). The net cost shows the financial burden places on the District's taxpayers by each of these functions.

Table 3
Net Cost of Governmental Activities
Year Ended June 30,

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
Instruction	$ 45,666,420	$ 45,027,075	$ 44,248,988	$ 42,953,346
Pupil and Instructional Services	13,724,935	13,980,056	12,720,629	12,475,463
Administrative and Business	7,442,854	7,162,776	7,442,854	7,162,776
Maintenance and Operations	8,272,622	8,127,379	8,272,621	8,127,379
Transportation	7,234,334	7,104,547	7,234,334	7,104,547
Other	1,032,430	190,343	1,032,430	190,343
	$ 83,373,595	$ 81,592,175	$ 80,951,856	$ 78,013,854

Governmental and Business -Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was $85,729,121. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only $65,741,758 because some of the cost was paid by those who benefitted from the programs $2,599,011, by other governments and organizations who subsidized certain programs with grants and contributions $14,763,184, and by miscellaneous sources $735,721.

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business -Type Activities, (continued)

The following schedules present a summary of governmental fund revenues and expenditures for the fiscal year ended June 30, 2025, and the amount and percentage of increases/(decreases) relative to the prior year.

Schedule of Change in Governmental Fund Revenue and Expenditures

Revenue	Amount	Percent of Total	Increase/(Decrease) from 2024	Percent of Increase/ (Decrease)	Prior Year
Local Source	$ 67,521,896	73.2%	$ 3,495,201	5.46%	$ 64,026,695
State Source	23,294,949	25.3%	(442,905)	-1.87%	23,737,854
Federal Source	1,428,087	1.5%	(2,204,978)	-60.69%	3,633,065
	$ 92,244,932	100.0%	$ 847,318	0.93%	$ 91,397,614

Expenditures	Amount	Percent of Total	Increase/(Decrease) from 2024	Percent of Increase/ (Decrease)	Prior Year
Current Expenditures					
Instruction	$ 30,584,950	32.0%	$ 1,310,462	4.48%	$ 29,274,488
Undistributed	62,862,528	65.9%	1,259,990	2.05%	61,602,538
Debt Service	616,000	0.6%	14,250	100.00%	601,750
Capital Outlay	1,191,702	1.3%	(832,091)	-41.12%	2,023,793
Transfer to Charter School	69,147	0.1%	(21,588)	-23.79%	90,735
	$ 95,324,327	100.0%	$ 1,731,023	1.85%	$ 93,593,304

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2025, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- During the fiscal year ended June 30, 2025, the School District amended the special revenue fund by $380,113 for increases in local and federal, and state grants.

General Fund

The general fund actual revenue was $89,397,984. That amount is $16,955,912 above the final amended budget of $72,442,072. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of $15,761,356 for TPAF pension and social security reimbursements, an excess in other state and federal aid of $768,523 and $426,031 excess in miscellaneous anticipated revenues.

The actual expenditures of the general fund were $92,472,704 including transfers which is $15,459,599 above the final amended budget of $77,013,104. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of $15,761,356 for TPAF pension and social security reimbursements, and $301,757 of unexpended budgeted funds.

General fund had total revenues and other financing sources of $89,698,148 and total expenditures of $92,472,704 and an ending fund balance $8,770,459 on the budgetary basis of accounting.

Special Revenue Fund

The special revenue fund actual revenue was $2,103,757. That amount is $537,359 above the final amended budget of $1,566,399. The variance between the actual revenues and the final budget was due to state and federal grant revenue that was anticipated to be spent by fiscal year end and the inclusion of student activity funds. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were $2,098,880, which is $532,481 above the final amended budget of $1,566,399. The variance between the actual expenditures and the final budget was due to the anticipation of fully expending state and federal grant programs and the inclusion of student activity accounts. Expenditures will be incurred in the next fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2025 the School District had $71,875,239 invested in sites, buildings, equipment, and construction in progress. Of this amount $41,305,701 in depreciation/amortization has been taken over the years. We currently have a net book value of $30,569,539. Total additions for the year were $444,389, the majority of which was for various technology and office equipment, transportation equipment, food service equipment and improvements to the District's facilities. Additions to construction in progress for the year were $22,774. Table 4 shows fiscal year 2025 balances compared to 2024.

Table 4
Capital Assets at June 30,
(Net of Depreciation/Amortization)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 2,327,249	$ 2,327,249	$ -	$ -	$ 2,327,249	$ 2,327,249
Construction in progress	730,956	708,181	-	-	730,956	708,181
Building and building improvements	23,650,036	25,137,655	-	-	23,650,036	25,137,655
Machinery and equipment	3,585,924	4,433,725	275,374	280,851	3,861,298	4,714,576
	$ 30,294,165	$ 32,606,810	$ 275,374	$ 280,851	$ 30,569,539	$ 32,887,661

For more detailed information, please refer to the Notes to Basic Financial Statements.

Debt Administration

At June 30, 2025, the District had $25,901,318 of outstanding debt. Of this amount, $2,480,370 is for compensated absences; $3,025,000 represents bonds payable; $6,589,325 represents the lease liability for the rental of various items; and $13,806,623 is for net pension liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The district continues to rely predominately upon local property taxes as its main source of funding. Therefore, in consideration of current economic conditions and the anticipation of continued flat state aid support, the Board of Education has sought to control budget expenses to minimize the impact on the local tax levy.

The following factors were considered in preparing the 2025-2026 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues

Prior to the end of fiscal year 2004, S1701 was enacted. This law is meant to control public school district budgets by revising the calculation of budget caps and reducing surplus. Starting in 2005-06 the CAP will be set at 2.5% or cost of living, whichever is greater. A number of other changes will affect the calculation of SGLA's and per pupil administrative costs. Any undesignated general fund fund balance in excess of 2% or $250,000, which is greater, must be appropriated for tax relief.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Township of West Milford School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Melissa Bertagno
School Business Administrator
Township of West Milford School District
46 Highlander Drive
West Milford, NJ 07480

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and Cash Equivalents	9,786,211	485,141	10,271,352
Receivables, net	2,061,439	137,624	2,199,063
Inventory	-	13,353	13,353
Restricted Assets:			
Cash and Cash Equivalents	1,471,417	-	1,471,417
Capital Assets:			
Land	2,327,249	-	2,327,249
Construction in Progress	730,956	-	730,956
Other Capital Assets, net	27,235,959	275,374	27,511,333
Total Assets	43,613,232	911,492	44,524,725
Deferred Outflows:			
Deferred Outflows of Resources Related to PERS	1,735,231	-	1,735,231
Liabilities:			
Accounts Payable:			
Other	3,180,039	84,356	3,264,395
Related to Pensions	1,333,582	-	1,333,582
Accrued Interest Payable	27,897	-	27,897
Unearned Revenue	80,473	38,810	119,283
Noncurrent Liabilities:			
Due Within One Year	1,317,532	-	1,317,532
Due Beyond One Year	24,583,787	-	24,583,787
Total Liabilities	30,523,310	123,166	30,646,476
Deferred Inflows:			
Deferred Inflows of Resources Related to PERS	2,594,175	-	2,594,175
Net Position:			
Net Investment in Capital Assets	20,679,840	275,374	20,955,213
Restricted for:			
Capital Projects	2,206,818	-	2,206,818
Maintenance	400,000	-	400,000
Excess Surplus	3,577,351	-	3,577,351
Unemployment Compensation	1,103,546	-	1,103,546
Scholarships	305,341	-	305,341
Student Activities	366,055	-	366,055
Other Purposes	240,020	-	240,020
Unrestricted	(16,647,992)	512,953	(16,135,039)
Total Net Position	12,230,978	788,327	13,019,305

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

Exhibit A-2

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: 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
Governmental Activities:								
Instruction:								
Regular	20,768,544	11,128,227	313,464	1,103,968	-	(30,479,339)	-	(30,479,339)
Special Education	7,631,439	3,953,243	-	-	-	(11,584,682)	-	(11,584,682)
Other Special Instruction	484,280	-	-	-	-	(484,280)	-	(484,280)
Other Instruction	1,700,686	-	-	-	-	(1,700,686)	-	(1,700,686)
Support Services:								
Tuition	2,733,112	-	-	-	-	(2,733,112)	-	(2,733,112)
Student & Instruction Related Services	8,951,813	2,040,011	739,118	265,188	-	(9,987,517)	-	(9,987,517)
General Administrative Services	1,429,507	357,510	-	-	-	(1,787,017)	-	(1,787,017)
School Administrative Services	2,377,447	1,680,820	-	-	-	(4,058,267)	-	(4,058,267)
Central Services and Admin. Info. Tech.	1,143,012	454,558	-	-	-	(1,597,570)	-	(1,597,570)
Plant Operations and Maintenance	6,447,962	1,824,659	-	-	-	(8,272,621)	-	(8,272,621)
Pupil Transportation	5,853,118	1,381,216	-	-	-	(7,234,334)	-	(7,234,334)
Capital Outlay - Non-depreciable	902,553		-	-	-	(902,553)	-	(902,553)
Charter School	69,147	-	-	-	-	(69,147)	-	(69,147)
Interest on Long-term Debt	60,729	-	-	-	-	(60,729)	-	(60,729)
Total Governmental Activities	60,553,350	22,820,245	1,052,582	1,369,156	-	(80,951,856)	-	(80,951,856)
Business-type Activities:								
Food Service	1,897,415	25,326	1,090,504	671,477	-	-	(160,760)	(160,760)
School Aged Child Care	432,533	252	455,926	-	-	-	23,140	23,140
Total Business-type Activities	2,329,948	25,578	1,546,429	671,477	-	-	(137,619)	(137,619)
Total Primary Government	62,883,298	22,845,822	2,599,011	2,040,633	-	(80,951,856)	(137,619)	(81,089,476)
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes, net						65,335,198	-	65,335,198
Taxes Levied for Debt Service						406,560	-	406,560
Federal and State Aid not Restricted						12,395,171	-	12,395,171
State Aid - Restricted for Debt Service						209,440	-	209,440
Investment Earnings - Unrestricted						-	33,154	33,154
Investment Earnings - Restricted						40,475	-	40,475
Federal Aid - Capital Outlay						117,940	-	117,940
Miscellaneous Income - Unrestricted						662,092	-	662,092
Total General Revenues, Special Items, Extraordinary Items and Transfers						79,166,876	33,154	79,200,030
Change in Net Position						(1,784,980)	(104,466)	(1,889,446)
Net Position - Beginning						14,015,958	892,792	14,908,751
Net Position - Ending						12,230,978	788,327	13,019,305

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

FUND FINANCIAL STATEMENTS

WEST MILFORD BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and Cash Equivalents	7,924,177	671,396	1,190,638	-	9,786,211
Interfund Loan Receivables	92,924	-	-	-	92,924
Receivables from Federal Government	-	39,962	-	-	39,962
Receivables from State Government	1,811,649	-	-	-	1,811,649
Receivables from Other Governments	122,538	-	-	-	122,538
Other Accounts Receivable	87,290	-	-	-	87,290
Restricted Cash and Cash Equivalents	1,471,417		-	-	1,471,417
Total Assets	11,509,995	711,358	1,190,638	-	13,411,991
Liabilities and Fund Balances:					
Liabilities:					
Interfund Loans Payable	-	37,687	55,237	-	92,924
Accounts Payable:					
Payroll Deductions and Withholding Payable	25,214	-	-	-	25,214
Unemployment Compensation Claims Payable	64,115	-	-	-	64,115
Other	3,090,710	-		-	3,090,710
Unearned Revenue	78,198	2,275	-	-	80,473
Total Liabilities	3,258,237	39,962	55,237	-	3,353,436
Fund Balances:					
Assigned to:					
Other Purposes	240,020	-	-	-	240,020
Designated For Subsequent Year's Expenditures	954,471	-	-	-	954,471
Restricted for:					
Capital Reserve Account	1,071,417	-	-	-	1,071,417
Maintenance Reserve Account	400,000	-	-	-	400,000
Excess Surplus	920,622	-	-	-	920,622
Excess Surplus Designated for Subsequent Year's Expenditures	1,702,258	-	-	-	1,702,258
Capital Projects Fund	-	-	1,135,401	-	1,135,401
Unemployment Compensation	1,103,546	-	-	-	1,103,546
Scholarships	-	305,341	-	-	305,341
Student Activities	-	366,055	-	-	366,055
Unassigned:					
General Fund	1,859,424	-	-	-	1,859,424
Total Fund Balances (Deficit)	8,251,758	671,396	1,135,401	-	10,058,555
Total Liabilities and Fund Balances	11,509,995	711,358	1,190,638	-	

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

WEST MILFORD BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
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.	(27,897)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $71,377,640 and the accumulated depreciation is $41,083,475.	30,294,165
Accounts Payable for subsequent Pension payment is not a payable in the funds	(1,333,582)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred Outflows of Resources Related to PERS Pension Liability	1,735,231
Deferred Inflows of Resources Related to PERS Pension Liability	(2,594,175)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(25,901,319)
Net Position of Governmental Activities	12,230,978

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

Exhibit B-2

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues:					
Local Sources:					
Local Tax Levy	65,335,198	-	-	406,560	65,741,758
Tuition Charges	313,464	-	-	-	313,464
Interest Earned on Capital Reserve Funds	40,475	-	-	-	40,475
Local Grants and Funds	-	764,107	-	-	764,107
Rents and Royalties	20,242	-	-	-	20,242
Unrestricted Miscellaneous Revenues	641,850	-	-	-	641,850
Total - Local Sources	66,351,229	764,107	-	406,560	67,521,896
State Sources	22,992,936	92,574	-	209,440	23,294,949
Federal Sources	58,553	1,369,534	-	-	1,428,087
Total Revenues	89,402,718	2,226,215	-	616,000	92,244,932
Expenditures:					
Current:					
Instruction:					
Regular Instruction	19,664,576	1,103,968	-	-	20,768,544
Special Education Instruction	7,631,439	-	-	-	7,631,439
Other Special Instruction	484,280	-	-	-	484,280
Other Instruction	1,700,686	-	-	-	1,700,686
Support Services and Undistributed Costs:					
Tuition	2,733,112	-	-	-	2,733,112
Student & Instruction Related Services	7,952,384	999,429	-	-	8,951,813
General Administrative Services	1,429,507	-	-	-	1,429,507
School Administrative Services	2,421,438	-	-	-	2,421,438
Central Services and Admin. Infor. Tech.	1,143,012	-	-	-	1,143,012
Plant Operations and Maintenance	6,863,800	-	-	-	6,863,800
Pupil Transportation	6,489,183	-	-	-	6,489,183
Unallocated Employee Benefits	32,830,664	-	-	-	32,830,664
Capital Outlay	1,059,476	117,940	14,286	-	1,191,702
Transfer to Charter School	69,147	-	-	-	69,147
Debt Service:					
Principal	-	-	-	550,000	550,000
Interest and Other Charges	-	-	-	66,000	66,000
Total Expenditures	92,472,704	2,221,337	14,286	616,000	95,324,327
Excess (Deficiency) of Revenues Over Expenditures	(3,069,986)	4,877	(14,286)	-	(3,079,395)
Other Financing Sources/(Uses)					
Financed Purchases (non-budgeted)	750,164	-	-	-	750,164
Transfers in - from Capital Reserve	-	-	450,000	-	450,000
Transfers out - to Capital Projects	(450,000)	-	-	-	(450,000)
Total Other Financing Sources and Uses	300,164	-	450,000	-	750,164
Net Change in Fund Balances	(2,769,822)	4,877	435,714	-	(2,329,231)
Fund Balance—July 1	11,021,580	666,519	699,687	-	12,387,786
Fund Balance—June 30	8,251,758	671,396	1,135,401	-	10,058,555

* Special Revenue Fund now includes revenues from student activities and Scholarships.
** Special Revenue Fund now includes expenditures from student activities and Scholarships.

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

WEST MILFORD BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Total net change in fund balances - governmental funds (from B-2)		(2,329,231)
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, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year.		
Depreciation expense	(2,759,708)	
Non-depreciable capital outlay - Construction in Progress	22,774	
Depreciable outlays	424,289	
		(2,312,645)
Repayment of long-term debt is reported as an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. In the current year, these amounts consist of:		
Principal Payments on Financed Purchases		1,095,894
Principal Payments on Bonds Payable		550,000
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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is and addition in the reconciliation (+).		
(Increase) Decrease in Compensated Absences Payable		180,954
District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the statement of net position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.		
District Pension Contributions	1,382,609	
Less: Pension Expense	(392,332)	
(Increase)/Decrease in Pension Expense		1,774,941
Per GASB No. 68 non-employer contributing entities are required to record an increases in revenue and expense for on-behalf TPAF pension payments paid by the State of New Jersy on the statement of of activities that are in excess of those amounts reported in the fund financial statements.		
Decrease in On-behalf State Aid TPAF Pension		(10,941,694)
Decrease in On-behalf TPAF Pension Expense		10,941,694
Per GASB No. 75 non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.		
Increase in On-behalf State Aid TPAF Post Retirement Medical Revenue		285,376
Increase in On-behalf State Aid TPAF Post Retirement Medical Expense		(285,376)
Proceeds from debt issues are a financing source in the government funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.		
Financed Purchase Proceeds		(750,164)
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the funds, interest is reported when due. The change in accrued interest is an (increase)/decrease to the reconciliation.		
Increase in Accrued Interest		5,271
Change in net position of governmental activities		(1,784,980)

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

Exhibit B-4

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-type Activities - Enterprise Funds		
	Food Service	School Age Child Care	Total Enterprise Fund
Assets:			
Current Assets:			
Cash and Cash Equivalents	113,629	371,512	485,141
Intergovernmental Receivables:			
State	9,713	-	9,713
Federal	97,326	-	97,326
Other Accounts Receivable	27,280	3,305	30,585
Inventories	13,353	-	13,353
Total Current Assets	261,301	374,817	636,119
Non-Current Assets:			
Furniture, Machinery & Equipment	495,079	2,520	497,599
Less Accumulated Depreciation	(220,319)	(1,907)	(222,225)
Total Non-Current Assets	274,761	613	275,374
Total Assets	536,062	375,430	911,492
Liabilities:			
Current Liabilities:			
Accounts Payable			
Other	83,600	756	84,356
Deferred Revenue			
Prepaid Sales	32,922	-	32,922
Commodities	974	-	974
Tuition	-	4,914	4,914
Total Current Liabilities	117,496	5,670	123,166
Net Position:			
Invested in Capital Assets Net of Related Debt	274,761	613	275,374
Unreserved Retained Earnings	143,805	369,148	512,953
Total Net Position	418,566	369,761	788,327

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

Exhibit B-5

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities - Enterprise Fund		
	Food Service	School Age Child Care	Total Enterprise Fund
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	729,486	-	729,486
Daily Sales - Non-Reimbursable Programs	323,779	-	323,779
Tuition	-	455,926	455,926
Miscellaneous	37,238	-	37,238
Total Operating Revenues	1,090,504	455,926	1,546,429
Operating Expenses:			
Salaries	328,997	392,616	721,613
Employee Benefits	87,871	30,010	117,881
Purchased Professional/Technical Services	563,608	-	563,608
Purcahsed Property Services	94,377	-	94,377
Other Purchased Services	18,648	4,519	23,167
Supplies and Materials	43,150	5,388	48,538
Depreciation	25,326	252	25,578
Cost of Sales- Reimbursable	605,323	-	605,323
Cost of Sales - Non-Reimbursable	131,421	-	131,421
Miscellaneous	24,021	-	24,021
Total Operating Expenses	1,922,740	432,785	2,355,526
Operating Income/(Loss)	(832,237)	23,140	(809,096)
Non-Operating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	47,448	-	47,448
State School Breakfast Program	3,977	-	3,977
Federal Sources:			
National School Lunch Program	51,617	-	51,617
School Breakfast Program	455,681	-	455,681
Supply-chain Assistance Program - 4th Round	5,081	-	5,081
USDA Commodities	107,673	-	107,673
Interest and Investment Revenue	14,236	18,918	33,154
Total Non-Operating Revenues/(Expenses)	685,713	18,918	704,631
Income/(Loss) Before Contributions & Transfers	(146,524)	42,058	(104,466)
Total Net Position - Beginning	565,090	327,702	892,792
Total Net Position - Ending	418,566	369,761	788,327

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

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities - Enterprise Funds		
	Food Service	School Age Child Care	Total Enterprise Fund
Cash Flows from Operating Activities			
Receipts from Customers	1,090,331	454,502	1,544,834
Receipts/(Payments) for Interfunds	(209,979)	(400)	(210,379)
Payments to Employees	(328,997)	(392,616)	(721,613)
Payments to Suppliers	(1,604,738)	(42,610)	(1,647,348)
Net Cash Provided by/(Used for) Operating Activities	(1,053,382)	18,875	(1,034,507)
Cash Flows from Non-capital Financing Activities			
State Sources	597,635	-	597,635
Federal Sources	47,489	-	47,489
Net Cash Provided by/(Used for) Non-capital Financing Activities	645,123	-	645,123
Cash Flows from Capital and Related Financing Activities			
Purchases of Capital Assets	(20,100)	-	(20,100)
Net Cash Provided by/(Used for) Capital and Related Financing Activities	(20,100)	-	(20,100)
Cash Flows from Investing Activities			
Interest and Dividends	14,236	18,918	33,154
Net Cash Provided by/(Used for) Investing Activities	14,236	18,918	33,154
Net Increase/(Decrease) in Cash and Cash Equivalents	(414,123)	37,793	(376,330)
Balances—Beginning of Year	527,751	333,719	861,470
Balances—End of Year	113,629	371,512	485,141
Reconciliation of Operating Income/(loss) to Net Cash Provided/ (Used) by Operating Activities:			
Operating Income/(Loss)	(832,237)	23,140	(809,096)
Adjustments to Reconcile Operating Loss to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	25,326	252	25,578
(Increase)/Decrease in Accounts Receivable	(3,652)	(1,258)	(4,909)
(Increase)/Decrease in Inventories	2,655	-	2,655
Increase/(Decrease) in Accounts Payable	(38,974)	(2,693)	(41,668)
Increase/(Decrease) in Interfund Payable	(209,979)	(400)	(210,379)
Increase/(Decrease) in Deferred Revenue	3,480	(166)	3,314
Total Adjustments	(221,145)	(4,265)	(225,410)
Net Cash Provided by/(Used for) Operating Activities	(1,053,382)	18,875	(1,034,507)

Non-cash Non-capital Financing Activities:
During the year, the District received $107,673 of food commodities from the U.S. Department of Agriculture.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Description of the School District and Reporting Entity

The Board of Education ("Board") of the Township of West Milford School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Township of West Milford School District is a Type II district located in the County of Passaic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools and a junior/senior high school, located in the Township of West Milford. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Currently the District does not have any fiduciary funds.

District-wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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, including its fiduciary funds. Separate statements for each fund category - *government, proprietary,* and *fiduciary* - 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 funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed 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 from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Fund Financial Statements, (continued)

GOVERNMENTAL FUNDS, (continued)

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

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

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund and the School Age Child Care.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Measurement Focus

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange 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 a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D. Basis of Accounting, (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

Available means that 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.

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, 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. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, special revenue and debt service funds. The budgets are submitted to the county superintendent's office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal 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 accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

F. Encumbrances

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G. Cash, Cash Equivalents and Investments

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

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

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

H. Tuition Revenues/Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

I. Tuition Payable

Tuition charges were established by the receiving district. The charges are subject to adjustment when the final costs have been determined.

J. Inventories

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

K. Lease Receivable

Lease receivables recorded on the government-wide financial statement, in the governmental funds, and in the proprietary fund types represents a contract that conveys control of the right to use the School District's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The School District was not a lessor during the fiscal year ended June 30, 2025.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

M. Short-Term Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

N. Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated capital assets are valued at their acquisition value on the date received. The capital assets acquired or constructed prior to June 29, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. The Board maintains a capitalization threshold of $2,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

N. Capital Assets, (continued)

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activity Estimated Lives
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

O. Compensated Absences

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

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

P. Unearned revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Q. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

R. Interfund Activity

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

S. Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers,* as well as the requirements of Statement No. 50, *Pension Disclosures,* as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

S. Accounting and Financial Reporting for Pensions, (continued)

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

T. Bond Discounts/Premiums

Bond discounts/premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts/premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

U. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

V. Financing Agreements

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

W. Right to Use Assets

The District has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

X. Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITA's) 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. The district does not have any subscription-based information technology arrangements that qualify for presentation under GASB 96.

Y. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).

- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.

- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Z. Fund Balances, (continued)

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

AA. Net Position

Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

AB. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

AC. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

AD. Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, medical and dental benefits and TPAF on-behalf contributions were allocated based on salaries of that program. Changes in compensating absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

AE. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

AF. Recently Issued Accounting Pronouncements

The GASB has issued the following statements that will become effective for the School District for fiscal years ending June 30, 2025, and 2026:

GASB Statement No. 101, Compensated Absences, became effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

AF. Recently Issued Accounting Pronouncements, (continued)

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

In September 2024, the Government Accounting Standards Board issued GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025. Management is currently reviewing the provisions of this Statement and its effect on the financial statements of the District.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2025, $-0- of the District's bank balance of $11,419,609 was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS, (continued)

Credit Risk

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

Concentration of Credit Risk

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

NOTE 3. RECEIVABLES

Receivables at June 30, 2025 consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
State Aid	$ 1,811,649	$ 9,713	$ 1,821,362
Federal Aid	39,962	97,326	137,288
Other	209,828	30,585	240,413
Interfunds	92,924	-	-
Gross Receivables	2,154,363	137,624	2,199,063
Less: Allowance for Uncollectibles	-	-	-
Total Receivables, Net	$ 2,154,363	$ 137,624	$ 2,199,063

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Balance due to/from other funds at June 30, 2025 consist of the following:

$	37,687	Due to the General Fund from the Special Revenue Fund for excess funds turned over.
	55,237	Due to the General Fund from the Capital Projects Fund for excess funds turned over.
$	92,924	

It is anticipated that all interfunds will be liquidated within the fiscal year.

NOTE 5. CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental activities:				
Capital assets that are not being depreciated:				
Land	$ 2,327,249			$ 2,327,249
Construction in Progress	708,182	22,774		730,956
Total capital assets not being depreciated	3,035,431	22,774	-	3,058,206
Capital assets being depreciated:				
Building and building Improvements	52,833,832	346,706		53,180,538
Machinery and equipment	15,061,313	77,583		15,138,896
Totals at historical cost	67,895,145	424,289	-	68,319,434
Less accumulated depreciation for :				
Building and building Improvements	(27,696,178)	(1,834,324)		(29,530,502)
Machinery and equipment	(10,627,589)	(925,384)		(11,552,973)
Total accumulated depreciation	(38,323,767)	(2,759,708) *	-	(41,083,475)
Total capital assets being depreciated, net of accumulated depreciation	29,571,379	(2,335,419)	-	27,235,959
Government activities capital assets, net	$ 32,606,810	$(2,312,645)	$ -	$ 30,294,165
Business-type activities:				
Machinery and equipment				
Food Service	$ 474,979	20,100		$ 495,079
School Age Child Care	2,520			2,520
Less accumulated depreciation for :				
Machinery and equipment				
Food Service	(194,993)	(25,326)		(220,319)
School Age Child Care	(1,655)	(252)		(1,907)
Business-type activities capital assets, net	$ 280,851	$ (5,478)	$ -	$ 275,374

* Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	$ 1,686,211
Special	117,803
Support Service:	
Student & Instruction Related Services	232,691
General Administration	42,102
School Administration	81,541
Central Services and Admin. Info. Tech.	42,102
Plant Operations and Maintenance	290,079
Pupil Transportation	267,180
Total Depreciation Expense	$ 2,759,708

NOTE 6. LONG-TERM OBLIGATION ACTIVITY

Changes in long-term obligations for the fiscal year ended June 30, 2025, were as follows:

	Beginning Balance	Issued	Retired	Ending Balance	Within One Year
Governmental Activities:					
Other Liabilities:					
Financed Purchases Payable	$ 6,935,055	750,164	(1,095,894)	$ 6,589,325	767,532
Compensated Absences Payable	2,661,325	27,333	(208,288)	2,480,370	
Bonds Payable	3,575,000		(550,000)	3,025,000	550,000
Net Pension Liability PERS	15,877,444		(2,070,821)	13,806,623	
Total other liabilities	29,048,824	777,497	(3,925,003)	25,901,318	1,317,532
	$ 29,048,824	777,497	(3,925,003)	$ 25,901,318	1,317,532

A. Bonds Payable:

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

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

Outstanding Bonds Payable at June 30, 2025 consisted of the following:

Issue	Amount Issued	Issue Date	Interest Rates	Date of Maturity	Principal Balance June 30, 2025
School Bonds of 2016	$ 6,500,000	7/15/2016	1.00-2.00%	7/15/2029	$ 3,025,000

Principal and interest due on bonds outstanding is as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 550,000	$ 55,000	$ 605,000
2027	590,000	43,600	633,600
2028	600,000	31,700	631,700
2029	625,000	19,450	644,450
2030	660,000	6,600	666,600
	$ 3,025,000	$ 156,350	$ 3,181,350

NOTE 6. LONG-TERM OBLIGATION ACTIVITY, (continued)

B. Bonds Authorized But Not Issued:

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

C. Financed Purchases Payable:

The District entered into a Financed Purchases agreement to fund an Energy Savings Incentive Program (ESIP) in 2020. The proceeds of that agreement totaled $7,490,000 to be repaid over a 20 year period with an interest rate of 2.123%.

The following is a schedule of the future minimum Financed Purchases payments, and the present value of the net minimum Financed Purchases payments at June 30, 2025.

Year	Principal	Interest	Total
2026	$ 767,532	$ 176,267	$ 943,799
2027	632,028	151,421	783,449
2028	553,304	122,146	675,450
2029	404,030	99,728	503,758
2030	398,517	89,855	488,372
2031-2035	2,298,597	313,890	2,612,487
2036-2039	1,535,317	83,302	1,618,619
	$ 6,589,325	$ 1,036,609	$ 7,625,934

Total minimum lease payments	$ 7,625,934
Less: Amount representing interest	(1,036,609)
Present value of lease payments	$ 6,589,325

D. Compensated Absences:

District employees are entitled to sick, vacation, and personal leave in accordance with Board policy and negotiated agreements. Unused leave may accumulate and, in certain cases, is payable upon retirement, resignation or termination.

NOTE 6. LONG-TERM OBLIGATION ACTIVITY, (continued)

D. Compensated Absences, (continued)

Effective for the year ended June 30, 2025, the District implemented GASB Statement No. 101, Compensated Absences, which requires recognition of a liability for leave that (a) has not been used and (b) has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more than likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In the government-wide financial statements, compensated absences are reported as a liability in the governmental fund statements.

Compensated absences will be paid from the fund which the employees' salaries are paid.

At June 30, 2025, the District's compensated absences liability was $2,480,370.

E. Net Pension Liability:

For details on the net pension liability, refer to Note 7. The District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

NOTE 7. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

NOTE 7. PENSION PLANS, (continued)

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who 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 before age 62 with 25 or more years of service credit 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.

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

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

NOTE 7. PENSION PLANS, (continued)

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 $1/55^{th}$ of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of $1/60^{th}$ 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 before age 62 with 25 or more years of service credit 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.

Defined Contribution Retirement Program

Empower Financial Services 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 expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

NOTE 7. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

Contributions Requirements Fund Based Statements

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year Ending	PERS	DCRP
6/30/25	$1,382,623	$42,059
6/30/24	1,465,072	64,246
6/30/23	1,369,065	54,783

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post- retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year Ending	Pension Contribution	Post-Retirement Medical Contributions	NCGI Premium	Long-Term Disability Insurance Contributions
6/30/2025	10,351,201	3,062,096	128,224	3,567
6/30/2024	10,925,873	3,007,535	124,604	3,373
6/30/2023	10,726,277	2,856,861	148,815	3,221

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board $2,216,268 during the year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2025, the District had a liability of $13,806,623 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and 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 governmental entities, actuarially determined. At June 30, 2024, the District's proportion was 0.1016085985 percent, which was a decrease of 0.00800914 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of $392,332. At June 30, 2025, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 276,572	$ 36,757
Changes of Assumptions	17,152	157,088
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		640,175
Changes in Proportion and Differences Between the District's Contributions and Proportionate Share of Contributions	107,925	1,760,155
District Contributions Subsequent to the Measurement Date	1,333,582	
	$ 1,735,231	$ 2,594,175

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS), (continued)

The $1,333,582 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2025	$(586,195)
2026	453,580
2027	(260,955)
2028	(150,647)
2029	3,921

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 years for 2024, 2023, 2022, 2021, 2020 and 2019 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

		June 30, 2024	June 30, 2023
Collective deferred outflows of resources	$	1,079,580,780	1,080,204,730
Collective deferred inflows of resources		1,611,322,898	1,780,216,457
Collective net pension liability		13,588,045,796	14,484,374,047
District's Proportion		0.1016085985%	0.1096177418%

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS), (continued)

Actuarial Assumptions

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

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

Mortality Rates

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 with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and a 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 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued

Public Employees Retirement System (PERS), (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. 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'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 Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS), (continued)

Discount Rate

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

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

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

	June 30, 2024		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the pension liability	$18,383,815	$13,806,623	$9,911,458

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS), (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Teachers Pensions and Annuity Fund (TPAF)

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.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2025 was as follows:

Net Pension Liability:	
District's proportionate share	$ -
State's proportionate share associated with the District	126,723,820
	$ 126,723,820

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2024. The net pension liability associated with the District 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 school districts and the State, actuarially determined. At June 30, 2024, the proportion of the TPAF net pension liability associated with the District was 0.2563956438%.

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Teachers Pensions and Annuity Fund (TPAF), (continued)

For the year ended June 30, 2025, the District recognized on-behalf pension expense and revenue of $(462,269) for contributions provided by the State in the District-Wide Financial Statements.

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:	2.75-6.25% based on years of service	
Investment Rate of Return		7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with an 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 with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and a 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 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Teachers Pensions and Annuity Fund (TPAF), (continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 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 Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Teachers Pensions and Annuity Fund (TPAF), (continued)

Discount Rate

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

NOTE 8. POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

The State of New Jersey sponsors and administers the post-retirement health benefit program for school districts.

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

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

State Health Benefit State Retired Employees Plan, (continued)

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

The total non-employer 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 local education employers.

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 above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	153,556
Total	372,741

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the postemployment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of the plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Total Nonemployer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is 0.00%. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the District as of June 30, 2024 is $186,924,003. Since the OPEB liability associated with the District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. For the June 30, 2024, measurement date, the State's proportionate share of the non-employer OPEB liability associated with the District was 0.3133646725%, which was an increase/(decrease) of 0.0083464354% from its proportion measured as of June 30, 2023.

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Total Nonemployer OPEB Liability, (continued)

The actuarial assumptions and other inputs vary for each plan member depending on the pension plan the member is enrolled in. The actuarial valuation at July 1, 2023, which was rolled forward to June 30, 2024, used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF/ABP*	PERS*	PFRS*
Salary Increases:	2.75 – 5.65%	2.75 – 6.55%	3.25 – 16.25%

* Based on service years

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

Experience Studies – 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 to June 30, 2021.

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

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

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2025 (measurement date June 30, 2024) is as follows:

Balance, June 30, 2024	$ 168,453,303
Changes for the Year:	
Service Cost	5,264,285
Interest Cost	6,153,095
Changes of Benefit Terms	
Differences between Expected and Actual Experiences	(2,392,768)
Changes of Assumptions	13,984,401
Member Contributions	160,906
Gross Benefit Payments	(4,699,219)
Net Changes	18,470,700
Balance, June 30, 2025	$ 186,924,003

Differences between expected and actual experience reflect an increase in liability for the measurement period from June 30, 2023 to June 30, 2024 due to combined effect of updates in census information and premium and claims experience.

Changes in assumptions reflect an increase in the liability for the measurement period from June 30, 2023 to June 30, 2024 due to the combined effect of the discount rate change and changes in the trend update.

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The State's proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using a discounted rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	June 30, 2024		
	Decrease 2.93%	Discount Rate 3.93%	Increase 4.93%
District's proportionate share of the pension liability	$218,928,040	$186,924,003	$161,186,114

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates

The State's proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the pension liability	$155,709,055	$186,924,003	$227,583,532

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense – For the fiscal year ended June 30, 2025, the District recognized $285,376 in OPEB revenue and expense in the government-wide financial statements for the State's proportionate share of the OPEB Plan's OEPB expense associated with the District. This revenue and expense was based on the OPEB Plan's June 30, 2024 measurement date.

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Deferred Outflows and Inflows of Resources – In accordance with GASB No. 75, the District's proportionate share of the OPEB liability is $ -0-. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the District, however, at June 30, 2025, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources associated with the District from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 19,989,320	$ 34,907,906
Changes of Assumptions	31,352,067	36,546,493
Total	$ 51,341,387	$ 71,454,399

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability associated with the District will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	(6,630,413)
2026	(5,559,640)
2027	(2,640,652)
2028	694,009
2029	(4,818,689)
Thereafter	(1,157,628)

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, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable

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.

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

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 reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balances for the current and previous year:

Fiscal Year	Employee Contributions	Interest Earnings	Amount Reimbursed	Ending Balance
2024-25	$ 73,593	$ 45,594	$ 74,591	$ 1,103,546
2023-24	70,195	37,074	52,193	1,058,950
2022-23	70,822	17,549	115,126	1,003,874
2021-22	70,082	1,878	-	1,030,629

NOTE 11. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Township of West Milford Board of Education by inclusion of $10,000 on September 26, 2000 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). 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 appropriation amounts, 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. 6A:23A-2.14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2024	$ 1,480,941
Increased by:	
Interest Earnings	40,475
	1,521,417
Decreased by:	
Budget Appropriations	450,000
Ending Balance, June 30, 2025	$ 1,071,417

NOTE 12. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Board of Education resolution adopted on June 26, 2012 in the amount of $500,000. The account is maintained in the general fund. The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund.

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

Beginning Balance, July 1, 2024	$ 550,000
Decreased by:	
Budget Appropriations	150,000
Ending Balance, June 30, 2025	$ 400,000

NOTE 13. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the $8,251,758 General Fund fund balance at June 30, 2025, $240,020 is reserved for encumbrances; $2,622,880 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7; $1,702,258 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025; $1,071,417 has been restricted in the Capital Reserve Account; $400,000 has been restricted in the Maintenance Reserve Account; $1,103,546 has been restricted in the Unemployment Account; $954,471 has been assigned as revenue for the year ending June 30, 2025; and $1,859,424 is unrestricted and unassigned.

Special Revenue Fund (Exhibit B-1) - $671,396 is restricted for Student Activities and Scholarship Funds.

Capital Projects Fund (Exhibit B-1) - $1,135,401 has been restricted for ongoing capital projects.

NOTE 14. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 is $2,622,880 of which $920,622 is the result of current year operations.

NOTE 15. INVENTORY

Inventory in the Food Service Fund at June 30, 2025 consisted of the following:

Food	$	6,950
Supplies		6,403
	$	13,353

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as unearned revenue.

NOTE 16. CONTINGENT LIABILITIES

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

Litigation - The District's General Counsel and Special Legal Counsel advises us that there are no material litigation pending against the Board.

NOTE 17. SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 23, 2025, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local Sources:					
Local Tax Levy	64,322,721	1,012,477	65,335,198	65,335,198	-
Tuition - Individuals	48,000	-	48,000	58,400	10,400
Tuition From Other LEAS Within the State	177,000	-	177,000	251,642	74,642
Tuition From Other Sources	-	-	-	3,422	3,422
Transportation Fees From Other LEAs	40,000	-	40,000	-	(40,000)
Rents and Royalities	125,000	-	125,000	20,242	(104,758)
Unrestricted Miscellaneous Revenue	200,000	-	200,000	641,850	441,850
Interest Earned on Capital Reserve Funds	-	-	-	40,475	40,475
Total - Local Sources	64,912,721	1,012,477	65,925,198	66,351,229	426,031
State Sources:					
Categorical Transportation Aid	842,009	-	842,009	842,009	-
Extraordinary Aid	850,000	-	850,000	1,654,136	804,136
Categorical Special Education Aid	2,725,234	-	2,725,234	2,725,234	-
Equalization Aid	1,582,808	-	1,582,808	1,582,808	-
Categorical Security Aid	339,929	-	339,929	339,929	-
Stabilization Aid	-	36,692	36,692	36,692	-
Non-Public Transportation Aid	-	-	-	45,766	45,766
Menstrual Product Reimbursement	-	-	-	272	272
On-behalf TPAF Pension (non-budgeted)	-	-	-	10,351,201	10,351,201
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	128,224	128,224
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	3,062,096	3,062,096
On-Behalf TPAF Long-Term Disability Insurance (non-budgeted)	-	-	-	3,567	3,567
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,216,268	2,216,268
Total State Sources	6,339,980	36,692	6,376,672	22,988,202	16,611,530
Federal Sources:					
Medicaid Reimbursement	140,202	-	140,202	58,553	(81,649)
Total Federal Sources	140,202	-	140,202	58,553	(81,649)
Total Revenues	71,392,903	1,049,169	72,442,072	89,397,984	16,955,912
Expenditures:					
General Current Expenses:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	926,525	(71,550)	854,975	853,692	1,283
Grades 1-5 - Salaries of Teachers	6,322,890	244,600	6,567,490	6,564,702	2,787
Grades 6-8 - Salaries of Teachers	4,037,436	112,385	4,149,821	4,145,614	4,207
Grades 9-12 - Salaries of Teachers	6,193,350	77,050	6,270,400	6,260,442	9,958
Regular Programs - Home Instruction:					
Salaries of Teachers	40,000	47,500	87,500	87,379	121
Purchased Professional-Educational Services	26,000	(2,950)	23,050	17,665	5,385
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	259,526	(86,000)	173,526	173,092	435
Purchased Professional-Educational Services	168,219	55,175	223,394	208,974	14,421
Purchased Technical Services	11,900	(2,921)	8,980	5,474	3,506
Other Purchased Services (400-500 Series)	38,698	(210)	38,488	32,824	5,664
General Supplies	1,386,124	(109,214)	1,276,910	1,199,618	77,292
Textbooks	24,360	67,680	92,040	89,086	2,955
Other Objects	38,111	(3,627)	34,484	26,016	8,468
Total Regular Programs - Instruction	19,473,139	327,918	19,801,057	19,664,576	136,482
Learning and/or Language Disabilities - Mild to Moderate					
Salaries of Teachers	376,660	78,850	455,510	455,466	44
Other Salaries for Instruction	190,663	69,400	260,063	259,680	383
General Supplies	2,698	(37)	2,661	2,508	154
Total Learning and/or Language Disabilities - Mild to Moderate	570,021	148,213	718,234	717,654	580
Emotional Regulation Impairment					
Salaries of Teachers	447,240	(65,800)	381,440	380,333	1,107
Other Salaries for Instruction	280,187	82,000	362,187	361,608	579
General Supplies	9,980	7,551	17,531	12,675	4,856
Other Objects	1,300	-	1,300	-	1,300
Total Emotional Regulation Impairment	738,707	23,751	762,458	754,615	7,842
Multiple Disabilities:					
Salaries of Teachers	299,700	16,000	315,700	315,471	229
Other Salaries for Instruction	417,986	(101,553)	316,433	316,369	64
General Supplies	3,014	5,292	8,306	7,768	538
Total Multiple Disabilities	720,700	(80,261)	640,438	639,608	830
Resource Room/Resource Center:					
Salaries of Teachers	3,494,480	95,250	3,589,730	3,589,316	414
Other Salaries for Instruction	420,829	79,300	500,129	500,047	82
General Supplies	14,950	(244)	14,706	13,240	1,465
Textbooks	750	-	750	125	625
Other Objects	11,720	2,875	14,595	10,241	4,354
Total Resource Room/Resource Center	3,942,729	177,181	4,119,910	4,112,968	6,941

WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism:					
Salaries of Teachers	340,700	(46,500)	294,200	294,110	90
Other Salaries for Instruction	443,509	141,000	584,509	584,048	460
Purchased Professional-Educational Services	-	13,460	13,460	11,060	
General Supplies	7,500	11,532	19,032	15,504	3,528
Total Autism	791,709	119,491	911,200	904,722	6,479
Preschool Disabilities - Part-Time:					
Salaries of Teachers	272,750	21,200	293,950	293,873	77
Other Salaries for Instruction	190,708	(1)	190,708	190,079	629
General Supplies	5,700	-	5,700	4,518	1,182
Total Preschool Disabilities - Part-Time	469,158	21,200	490,358	488,471	1,887
Home Instruction					
Purchased Professional - Educational Services	41,250	(22,182)	19,068	13,401	5,667
Total Home Instruction	41,250	(22,182)	19,068	13,401	5,667
Total Special Education - Instruction	7,274,274	387,392	7,661,666	7,631,439	30,227
Basic Skills/Remedial - Instruction					
Salaries of Teachers	291,500	89,708	381,208	381,057	152
General Supplies	2,660	-	2,660	2,347	313
Total Basic Skills/Remedial - Instruction	294,160	89,708	383,868	383,404	464
Bilingual Education - Instruction					
Salaries of Teachers	117,090	(16,000)	101,090	100,547	543
Other Purchased Services (400-500 Series)	600	-	600	-	600
General Supplies	1,257	-	1,257	330	927
Other Objects	130	-	130	-	130
Total Bilingual Education - Instruction	119,077	(16,000)	103,077	100,877	2,200
School-Spon. Co/Extra Curr. Actvts. - Instruction					
Salaries	220,689	36,455	257,144	232,793	24,351
Other Objects	4,000	-	4,000	-	4,000
Total School-Spon. Co/Extra Curr. Actvts. - Instruction	224,689	36,455	261,144	232,793	28,351
School-Sponsored Athletics - Instruction					
Salaries	696,350	(18,800)	677,550	673,517	4,033
Purchased Services (300-500 Series)	161,518	(31,500)	130,018	117,469	12,549
Supplies and Materials	95,860	(20,010)	75,850	59,841	16,009
Other Objects	97,725	-	97,725	88,024	9,701
Total School-Sponsored Athletics - Instruction	1,051,453	(70,310)	981,143	938,850	42,293
Other Suppl/At-Risk Prog - Instruction					
Salaries of Reading Specialists	479,600	50,000	529,600	529,044	557
Total Other Suppl/At-Risk - Instruction	479,600	50,000	529,600	529,044	557
Total Instruction	28,916,391	805,164	29,721,555	29,480,981	240,574
Undistributed Expenditures - Instruction (Tuition)					
Tuition to Other LEAs Within the State - Regular	25,000	-	25,000	-	25,000
Tuition to Other LEAs Within the State - Special	-	91,300	91,300	91,300	-
Tuition to County Voc. School Dist.- Regular	793,458	0	793,458	793,458	0
Tuition to County Voc. School Dist.- Special	74,674	(28,735)	45,939	38,499	7,440
Tuition to CSSD & Reg. Day Schools	475,569	(183,600)	291,969	291,969	-
Tuition to Priv.Sch. for the Disabled W/I State	1,803,462	(280,649)	1,522,813	1,517,886	4,927
Total Undistributed Expenditures - Instruction (Tuition)	3,172,163	(401,683)	2,770,480	2,733,112	37,367
Undist. Expend.-Attendance and Social Work					
Salaries	30,466	360	30,826	30,821	5
Total Undist. Expend. - Attendance and Social Work	30,466	360	30,826	30,821	5
Undist. Expenditures- Health Services					
Salaries	607,548	18,100	625,648	624,810	838
Purchased Professional and Technical Services	76,615	(17,264)	59,351	48,888	10,463
Supplies and Materials	31,950	2,129	34,079	32,827	1,251
Total Undist. Expenditures- Health Services	716,113	2,965	719,078	706,526	12,552
Undist. Expend.-Speech, OT, PT and Related SVCS					
Salaries	1,178,847	5,400	1,184,247	1,184,068	179
Purchased Professional - Educational Services	406,940	238,811	645,751	645,101	650
Supplies and Materials	30,931	(8,871)	22,060	17,571	4,489
Total Undist. Expend.-Speech, OT, PT and Related SVCS	1,616,718	235,340	1,852,058	1,846,740	5,318
Undist. Expend. - Extraordinary Services					
Purchased Professional - Educational Services	66,850	660,161	727,011	726,869	142
Total Undist. Expend. - Extraordinary Services	66,850	660,161	727,011	726,869	142

WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	805,680	79,991	885,671	885,597	74
Salaries of Secretarial and Clerical Assistants	161,880	(3,200)	158,680	158,551	129
Purchased Professional - Educational Services	1,300	-	1,300	876	424
Other Purchased Prof. And Tech. Services	27,600	-	27,600	24,845	2,755
Supplies and Materials	11,220	1,883	13,103	11,962	1,141
Total Undist. Expenditures - Guidance	1,007,680	78,674	1,086,354	1,081,831	4,523
Undist. Expenditures -Child Study Teams					
Salaries of Other Professional Staff	2,176,482	10,094	2,186,576	2,185,107	1,469
Salaries of Secretarial and Clerical Assistants	248,361	(400)	247,961	246,814	1,147
Purchased Professional - Educational Services	6,795	(6,795)	-	-	-
Other Purchased Services (400-500 series)	5,976	-	5,976	5,976	-
Supplies and Materials	23,000	2,559	25,559	23,794	1,765
Other Objects	1,500	-	1,500	267	1,233
Total Undist. Expenditures -Child Study Teams	2,462,114	5,458	2,467,572	2,461,958	5,614
Undist. Expend.-Improv. Of Inst. Serv.					
Sal of Supervisor of Instruction	615,668	16,000	631,668	631,528	140
Sal of Secr and Clerical Assist.	30,349	201	30,550	30,473	76
Other Purchased Services (400-500)	9,904	-	9,904	8,044	1,860
Other Objects	11,210	(9,667)	1,543	1,153	390
Total Undist. Expend.-Improv. Of Inst. Serv.	667,131	6,533	673,664	671,198	2,466
Undist. Expend.-Edu. Media Serv./Library					
Salaries	326,757	(48,700)	278,057	278,056	1
Supplies and Materials	88,642	(26,130)	62,512	59,783	2,729
Other Objects	175	-	175	-	175
Total Undist. Expend.-Edu. Media Serv./Library	415,574	(74,830)	340,744	337,839	2,905
Undist. Expend.-Instr. Staff Training Serv.					
Salaries of Supervisors of Instruction	38,637	(7,000)	31,637	30,862	774
Other Purchased Prof. and Tech. Services	31,680	6,285	37,965	33,735	4,230
Other Purchased Services (400-500 series)	9,600	5,115	14,715	12,988	1,727
Supplies and Materials	1,050	-	1,050	63	987
Other Objects	79,930	(51,132)	28,798	10,955	17,842
Total Undist. Expend.-Instr. Staff Training Serv.	160,897	(46,733)	114,164	88,604	25,560
Undist. Expend.-Support Serv.-Gen. Admin					
Salaries	687,472	2,907	690,379	689,890	489
Legal Services	136,000	(10,000)	126,000	103,362	22,638
Audit Fees	95,365	(9,000)	86,365	40,800	45,565
Architectural/Engineering Services	88,389	149,549	237,937	111,313	126,625
Other Purchased Professional Services	29,250	26,738	55,988	46,709	9,280
Purchased Technical Services	72,823	(17,200)	55,623	53,089	2,534
Communications / Telephone	253,837	(17,684)	236,153	216,386	19,767
BOE Other Purchased Services	10,600	3,811	14,411	9,639	4,772
Misc. Purch Serv (400-500)[Other than 530 & 585]	95,283	(5,000)	90,283	90,028	255
General Supplies	29,810	(3,867)	25,943	14,095	11,848
Judgment Against The School District	29,000	(20,740)	8,260	4,052	4,208
Miscellaneous Expenditures	32,706	(10,054)	22,652	19,813	2,839
BOE Membership Dues and Fees	30,900	-	30,900	30,333	567
Total Undist. Expend.-Support Serv.-Gen. Admin.	1,591,435	89,460	1,680,895	1,429,507	251,387
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Asst. Principals/Prog. Dir	1,559,951	18,000	1,577,951	1,576,800	1,151
Salaries of Secretarial and Clerical Assistants	790,397	23,374	813,771	809,119	4,652
Purchased Professional and Technical Services	13,390	(2,932)	10,458	7,472	2,985
Other Purchased Services (400-500 Series)	7,800	-	7,800	7,800	-
Supplies and Materials	18,772	(92)	18,680	12,325	6,356
Other Objects	8,715	2,931	11,646	7,921	3,725
Total Undist. Expend. - Support Serv. - School Admin.	2,399,025	41,282	2,440,307	2,421,438	18,869
Undist. Expend. - Central Services					
Salaries	446,575	8,500	455,075	453,704	1,370
Purchased Technical Services	23,700	(1,300)	22,400	20,623	1,778
Misc. Purchased Services (400-500)[O/T 594]	900	1,512	2,412	1,557	856
Supplies and Materials	11,200	(212)	10,988	7,753	3,235
Miscellaneous Expenditures	7,000	-	7,000	6,559	442
Total Undist. Expend. - Central Services	489,375	8,500	497,875	490,195	7,680
Undist. Expend. - Admin. Info. Technology					
Salaries	489,661	(49,239)	440,422	440,422	-
Purchased Technical Services	191,646	17,807	209,453	209,452	1
Other Purchased Services (400-500 Series)	2,500	-	2,500	1,836	664
Supplies and Materials	1,200	(405)	795	485	310
Other Objects	1,000	-	1,000	622	378
Total Undist. Expend. - Admin. Info. Technology	686,007	(31,838)	654,170	652,817	1,353

WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Required Maint For Sch Fac.					
Salaries	404,816	(25,200)	379,616	376,695	2,921
Cleaning, Repair and Maintenance Services	460,560	12,780	473,340	458,646	14,694
General Supplies	130,100	1,338	131,438	127,225	4,212
Total Undist. Expend.-Required Maint For Sch Fac.	995,476	(11,083)	984,394	962,567	21,827
Undist. Expend. - Custodial Services					
Salaries	2,196,427	(21,623)	2,174,804	2,142,011	32,793
Salaries of Non-Instructional Aides	191,190	(175,000)	16,190	-	16,190
Purchased Professional and Technical Services	25,320	7,000	32,320	24,005	8,315
Cleaning, Repair and Maintenance Services	173,282	(19,779)	153,503	136,499	17,003
Other Purchased Property Services	314,058	(206,078)	107,980	105,245	2,735
Insurance	1,240,901	(2,275)	1,238,626	1,209,327	29,299
General Supplies	274,078	(24,456)	249,623	244,562	5,061
Energy (Natural Gas)	211,269	211,148	422,417	404,563	17,854
Energy (Electricity)	315,022	220,661	535,683	516,282	19,401
Energy (Oil)	120,000	(49,000)	71,000	70,786	214
Other Objects	42,261	(5,927)	36,334	36,334	-
Interest - Energy Savings Impr. Prog. Bonds	127,215	-	127,215	127,214	1
Principal - Energy Savings Impr. Prog. Bonds	349,010	-	349,010	349,009	1
Total Undist. Expend. - Custodial Services	5,580,033	(65,330)	5,514,703	5,365,837	148,866
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	229,651	51,575	281,226	275,901	5,325
Cleaning, Repair, and Maintenance Services	10,000	(6,500)	3,500	2,724	776
General Supplies	71,000	(39,073)	31,927	27,549	4,378
Total Care and Upkeep of Grounds	310,651	6,002	316,653	306,174	10,479
Undist. Expend. - Security					
Salaries	123,438	6,000	129,438	129,098	340
Purchased Professional and Technical Services	7,000	-	7,000	-	7,000
General Supplies	75,415	1,839	77,254	76,523	731
Other Objects	25,200	351	25,551	23,601	1,950
Total Undist. Expend. - Security	231,053	8,189	239,242	229,222	10,020
Total Undist. Expend.-Oper. And Maint. Of Plant Serv.	7,117,214	(62,221)	7,054,992	6,863,800	191,192
Undist. Expend.-Student Transportation Serv.					
Salaries of Non-Instructional Aides	147,420	25,139	172,559	172,559	-
Sal. For Pupil Trans(Bet Home & Sch)-Reg	1,876,534	(363,412)	1,513,122	1,503,278	9,843
Sal. For Pupil Trans(Bet Home & Sch)-Sp Ed	386,474	(63,978)	322,496	320,821	1,675
Sal. For Pupil Trans(Other than Bet. Home & Sch)	192,758	(56,714)	136,044	135,386	657
Management Fee - ESC & CTSA Trans. Program	60,197	(0)	60,197	59,736	461
Other Purchased Prof. and Technical Serv.	66,385	(19,000)	47,385	47,327	58
Cleaning, Repair, & Maint. Services	19,861	32,270	52,131	36,300	15,831
Lease Purchase Payments - School Buses	799,532	(295,612)	503,919	499,786	4,134
Contr Serv - Aid in Lieu Pymts - NonPub Sch	78,600	30,000	108,600	102,667	5,933
Contr Serv (Bet. Home and Sch) - Vendors	1,058,071	241,075	1,299,146	1,299,146	-
Contr Serv (Oth. Than Bet Home&Sch) - Vendors	84,250	126,428	210,678	207,214	3,464
Contr Serv (Special Ed) - Vendors	1,504,921	149,030	1,653,951	1,653,779	172
Misc. Purchased Services - Transportation	97,125	14,205	111,330	111,330	-
Transportation Supplies	481,565	(127,141)	354,424	337,576	16,848
Other Objects	4,663	(351)	4,312	2,278	2,035
Total Undist. Expend.-Student Transportation Serv.	6,858,356	(308,062)	6,550,294	6,489,183	61,111
Unallocated Benefits:					
Social Security Contributions	910,000	40,542	950,542	925,246	25,296
Other Retirement Contributions - PERS	1,596,326	(164,780)	1,431,546	1,424,682	6,864
Workmen's Compensation	390,723	2,275	392,998	392,998	-
Health Benefits	14,185,776	(214,460)	13,971,316	13,955,426	15,890
Tuition Reimbursement	111,000	10,000	121,000	106,700	14,300
Other Employee Benefits	63,450	23,000	86,450	81,961	4,489
Unused Sick Payments to Term/Retired Staff	-	182,295	182,295	182,295	-
Total Unallocated Benefites	17,257,275	(121,128)	17,136,147	17,069,308	66,839
On-Behalf Contributions					
On-behalf TPAF Pension (non-budgeted)	-	-	-	10,351,201	(10,351,201)
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	128,224	(128,224)
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	3,062,096	(3,062,096)
On-Behalf TPAF Long-Term Disability Insurance (non-budgeted)	-	-	-	3,567	(3,567)
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,216,268	(2,216,268)
Total On-Behalf Contributions	-	-	-	15,761,356	(15,761,356)
Total Personal Services - Employee Benefits	17,257,275	(121,128)	17,136,147	32,830,664	(15,694,517)
Total Undistributed Expenditures	46,714,391	82,237	46,796,628	61,863,099	(15,066,471)
Total General Current Expense	75,630,782	887,401	76,518,183	91,344,080	(14,825,897)

WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Capital Outlay					
Equipment					
Grades 6-8	12,338	-	12,338	9,819	2,519
Grades 9-12	82,533	1,300	83,833	83,829	4
Special Education - Preschool Disabilities	24,600	-	24,600	24,600	-
School-Sponsored and Other Instructional Program	10,000	20,010	30,010	25,010	5,000
Undist. Expend. - Instruction	17,777	54,621	72,398	70,793	1,605
Undist. Expend. - Support Services - Related & Extra.	-	2,430	2,430	2,430	-
Undist. Expend. - Required Maint for School Fac.	34,500	-	34,500	11,000	23,500
Undist. Expend. - Custodial Services	-	13,426	13,426	13,426	-
Undist. Expend. - Security	12,631	-	12,631	12,631	-
Undist. Expend. - Student Tansportation Services	-	19,981	19,981	3,986	15,995
Total Equipment	194,379	111,768	306,147	257,523	48,624
Facilities Acquisition and Const. Serv.					
Construction Services	92,126	-	92,126	24,288	67,838
Assessment for Debt Service on SDA Funding	27,501	-	27,501	27,501	-
Total Facilities Acquisition and Const. Serv.	119,627	-	119,627	51,789	67,838
Assets Acquired Under Financed Purchases (non-budgeted)					
Support Services - Transportation	-	-	-	485,504	(485,504)
Support Services - Plant Operation and Maintenance	-	-	-	264,660	(264,660)
Total Assets Acquired Under Financed Purchases (non-budgeted)	-	-	-	750,164	(750,164)
Total Capital Outlay	314,006	111,768	425,774	1,059,476	(633,702)
Transfer of Funds to Charter Schools	69,147	-	69,147	69,147	-
Total Expenditures	76,013,935	999,169	77,013,104	92,472,704	(15,459,599)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,621,032)	50,000	(4,571,032)	(3,074,720)	1,496,313
Other Financing Sources (Uses):					
Financed Purchases (non-budgeted)	-	-	-	750,164	750,164
Capital Reserve - Transfer to Capital Projects	(450,000)	-	(450,000)	(450,000)	-
Total Other Financing Sources:	(450,000)	-	(450,000)	300,164	750,164
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(5,071,032)	50,000	(5,021,032.45)	(2,774,556)	2,246,477
Fund Balance, July 1	11,545,015	-	11,545,015	11,545,015	-
Fund Balance, June 30	6,473,983	50,000	6,523,983	8,770,459	2,246,477
Recapitulation of excess (deficiency) of revenues under expenditures:					
Adjustment for Prior Year Encumbrances	(1,345,006)	-	(1,345,006)	(1,345,006)	-
Budgeted Fund Balance	(3,126,026)	-	(3,126,026)	920,025	4,046,051
Budgeted Withdrawal from Capital Reserve	(450,000)	-	(450,000)	(450,000)	-
Budgeted Withdrawal from Maintenance Reserve	(150,000)	-	(150,000)	(150,000)	-
Increase in Capital Reserve:					
Interest	-	-	-	40,475	40,475
	(5,071,032)	-	(5,071,032.45)	(984,506)	4,086,526

Recapitulation:	
Restricted Fund Balance:	
Capital Reserve	1,071,417
Maintenance Reserve	400,000
Excess Surplus	920,622
Excess Surplus - Designated for Subsequent Year's Expenditures	1,702,258
Unemployment Compensation	1,103,546
Assigned Fund Balance:	
Year End Encumbrances	240,020
Designated for Subsequent Year's Expenditures	954,471
Unassigned Fund Balance	2,378,125
	8,770,459
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment not recognized on GAAP basis	(518,701)
	8,251,758

Exhibit C-2

WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Transfers	Final Budget	Actual	Variance Final to Actual	
Revenues:						
Local Sources	-	32,669	32,669	765,039	732,370	Note 1
State Sources	-	30,907	30,907	19,978	(10,929)	
Federal Sources	1,186,286	316,536	1,502,822	1,318,740	(184,082)	
Total Revenues	1,186,286	380,113	1,566,399	2,103,757	537,359	
Expenditures:						
Instruction:						
Salaries of Teachers	339,561	(46,351)	293,210	188,633	104,578	
Other Purchased Services (400-500 series)	762,455	125,814	888,269	888,269	-	
Instructional Supplies	-	20,621	20,621	18,748	1,872	
Total Instruction	1,102,016	100,084	1,202,100	1,095,650	106,450	
Support Services:						
Salaries - Support	75,100	(32,152)	42,948	23,928	19,020	
Employee Benefits	-	25,484	25,484	16,752	8,732	
Purchased Professional and Tech Services	9,170	155,794	164,964	135,863	29,101	
Purchased Property Services	-	5,000	5,000	5,000	-	
Other Purchased Services	-	70,473	70,473	41,687	28,787	
Supplies and Materials	-	43,703	43,703	36,033	7,669	
Scholarships Awarded	-	2,000	2,000	15,000	(13,000)	Note 1
Student Activities	-	-	-	719,241	(719,241)	Note 1
Total Support Services	84,270	270,301	354,571	993,503	(638,932)	
Facilities Acquisition and Construction Services:						
Instructional Equipment		9,728	9,728	9,728	-	
Total Facilities Acquisition and Construction Services	-	9,728	9,728	9,728	-	
Total Expenditures	1,186,286	380,113	1,566,399	2,098,881	(532,482)	
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	4,877	4,877	
Fund Balance, July 1				666,519		
Fund Balance, June 30				671,396		
Recapitulation:						
Restricted:						
Scholarships				305,341		
Student Activities				366,055		
Total Fund Balance				671,396		

Note 1 - Not reqired to budget for these funds.

WEST MILFORD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

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

		General Fund		Special Revenue Fund
Sources/Inflows of Resources:				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	89,397,984	[C-2]	2,103,757
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Add: Prior Year Encumbrances		-		126,021
Less: Current Year Encumbrances		-		(3,564)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognized the related expense (GASB 33).				
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(518,701)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		523,435		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	89,402,718	[B-2]	2,226,215
Uses/Outflows of Resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	92,472,704	[C-2]	2,098,880
Differences - budget to GAAP				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.				
Add: Prior Year Encumbrances		-		126,021
Less: Current Year Encumbrances		-		(3,564)
Total revenues as reported on the statement of revenues expenditures, and changes in fund balances - governmental funds	[B-2]	92,472,704	[B-2]	2,221,337

REQUIRED SUPPLEMENTARY INFORMATION - PART III

Exhibit L-1

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - PERS
LAST 10 FISCAL YEARS

Fiscal Year Ending June30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportion Share of the Net Pension Liability (Asset)	District's Covered Payrol - PERS Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a perecntage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2016	0.1275700160%	$ 28,636,912	$ 8,485,838	337.47%	47.93%
2017	0.1274011928%	37,732,759	8,609,095	438.29%	59.86%
2018	0.1244999422%	28,981,597	8,490,515	341.34%	48.10%
2019	0.1258679051%	24,782,763	8,510,503	291.20%	53.60%
2020	0.1196533870%	21,559,725	8,518,227	253.10%	56.27%
2021	0.1198839548%	19,549,938	7,967,996	245.36%	58.32%
2022	0.1168449357%	13,842,034	8,220,034	168.39%	70.33%
2023	0.1085656514%	16,384,051	8,036,980	203.86%	62.91%
2024	0.1096177418%	15,877,444	7,796,794	203.64%	65.23%
2025	0.1016085985%	13,806,623	8,118,453	195.57%	68.22%

Exhibit L-2

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - PERS
LAST 10 FISCAL YEARS

Fiscal Year Ending June30,	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's PERS Covered-Employee Payroll	Contributions as a Percentage of PERS Covered-Employee Payroll
2016	$ 1,096,760	$ (1,096,760)	$ -	8,485,838	12.92%
2017	1,131,814	(1,131,814)	-	8,609,095	13.15%
2018	1,153,359	(1,153,359)	-	8,490,515	13.58%
2019	1,251,979	(1,251,979)	-	8,510,503	14.71%
2020	1,163,881	(1,163,881)	-	8,518,227	13.66%
2021	1,311,472	(1,311,472)	-	7,967,996	16.46%
2022	1,368,390	(1,368,390)	-	8,220,034	16.65%
2023	1,369,065	(1,369,065)	-	8,036,980	17.03%
2024	1,465,071	(1,465,071)	-	7,796,794	18.79%
2025	1,382,609	(1,382,609)	-	8,118,453	17.03%

Exhibit L-3

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - TPAF
LAST 10 FISCAL YEARS

Fiscal Year Ending June30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportion Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payrol - TPAF Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a perecntage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2016	0.2854159332%	$ -	$ 180,395,058	$ 29,529,656	0.00%	28.71%
2017	0.2880639774%	-	226,609,466	30,487,554	0.00%	28.75%
2018	0.2842699377%	-	191,665,042	31,509,557	0.00%	34.07%
2019	0.2914283214%	-	185,400,438	31,395,034	0.00%	26.49%
2020	0.2907659254%	-	178,445,793	31,090,627	0.00%	26.95%
2021	0.2925037311%	-	192,610,187	30,380,526	0.00%	24.60%
2022	0.2863954181%	-	137,685,138	30,260,922	0.00%	35.52%
2023	0.2769381144%	-	142,884,602	30,018,916	0.00%	32.29%
2024	0.2623806123%	-	133,899,831	29,380,398	0.00%	34.68%
2025	0.2563956438%	-	126,723,820	30,645,220	0.00%	37.99%

Exhibit L-4

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - TPAF
LAST 10 FISCAL YEARS

This Schedule is not applicable.

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

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

WEST MILFORD BOARD OF EDUCATION
NOTE TO REQUIRED SCHEDULES OF SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDING 2025

Public Employees' Retirement System (PERS)

Change in benefit terms

None.

Change in assumptions

Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 9 of the Notes to the Financial Statements.

Teachers Pension and Annuity Fund (TPAF)

Change in assumptions

Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 9 of the Notes to the Financial Statements.

Exhibit M-1

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN DISTRICT'S PROPORTIONATE SHARE OF THE STATE OPEB LIABILITY
LAST 10 FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019
Total OPEB Liability							
Service Costs	$ 5,264,285	$ 5,324,869	$ 7,158,087	$ 8,397,737	$ 4,744,430	$ 4,685,800	$ 5,228,766
Interest on Total OPEB Liability	6,153,095	5,932,719	4,367,603	5,028,390	4,883,515	6,118,117	6,513,196
Change on Benefit Terms	-	-	-	(206,318)	-	-	-
Difference Between Expected and Actual Experiences	(2,392,768)	(3,479,564)	7,842,377	(35,168,631)	36,802,469	(27,571,149)	(13,166,469)
Changes in Assumptions	13,984,401	339,532	(44,211,322)	191,237	40,082,150	2,037,027	(17,835,284)
Contribution from the Member	160,906	152,035	138,788	128,551	115,786	124,317	143,634
Gross Benefit Payments	(4,699,219)	(4,624,651)	(4,326,240)	(3,960,963)	(3,820,079)	(4,193,851)	(4,155,890)
Net Changes in total Share of OPEB Liability	18,470,700	3,644,940	(29,030,707)	(25,589,997)	82,808,271	(18,799,739)	(23,272,047)
Total OPEB Liability - Beginning	168,453,303	164,808,363	193,839,070	219,429,067	136,620,796	155,420,535	178,692,582
Total OPEB Liability - Ending	$ 186,924,003	$ 168,453,303	$ 164,808,363	$ 193,839,070	$ 219,429,067	$ 136,620,796	$ 155,420,535
District's Proportionate Share of OPEB Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of OPEB Liability	186,924,003	168,453,303	164,808,363	193,839,070	219,429,067	136,620,796	155,420,535
Total OPEB Liability - Ending	$ 186,924,003	$ 168,453,303	$ 164,808,363	$ 193,839,070	$ 219,429,067	$ 136,620,796	$ 155,420,535
District's Covered Employee Payroll	$ 38,763,673	$ 37,177,192	$ 38,055,896	$ 38,480,956	$ 38,348,522	$ 39,608,854	$ 39,905,537
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

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

Change in assumptions	Assumptions used in calculating the OPEB liability are presented in Note 10.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

Exhibit E-1

WEST MILFORD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	Brought Forward from (Ex. E-1a)	Title I - Part A Improving Basic Programs	Title II - Part A Teacher/Principal Training & Recruiting	Title III	Title IV - Part A Student Support and Academic Enrichment	A.R.P. - E.S.S.E.R. Beyond School Day	Total 2025
Revenues:							
Federal Sources	1,136,523	104,274	43,020	100	34,162	662	1,318,740
State Sources	19,978	-	-	-	-	-	19,978
Local Sources	765,039	-	-	-	-	-	765,039
Total Revenues	1,921,540	104,274	43,020	100	34,162	662	2,103,757
Expenditures:							
Instruction:							
Salaries of Teachers	137,349	51,283	-	-	-	-	188,633
Purchased Services	888,269	-	-	-	-	-	888,269
Instructional Supplies	17,986	-	-	100	-	662	18,748
Total Instruction	1,043,604	51,283	-	100	-	662	1,095,650
Support Services:							
Salaries	-	9,640	5,550	-	9,435	-	24,625
Employee Benefits	10,507	4,400	425	-	722	-	16,054
Professional Tech. Services	63,093	31,220	34,250	-	7,300	-	135,863
Purchased Property Services	5,000	-	-	-	-	-	5,000
Other Purchased Services	34,574	1,253	295	-	5,564	-	41,687
Supplies and Materials	20,644	1,748	2,500	-	11,141	-	36,033
Scholarships Awarded	15,000	-	-	-	-	-	15,000
Student Activities	719,241	-	-	-	-	-	719,241
Total Support Services	868,059	48,262	43,020	-	34,162	-	993,503
Facilities Acquisition and Construction Services:							
Instructional equipment	5,000	4,728	-	-	-	-	9,728
Total Facilities Acquisition and Construction Services	5,000	4,728	-	-	-	-	9,728
Total Expenditures	1,916,663	104,274	43,020	100	34,162	662	2,098,880
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,877	-	-	-	-	-	4,877
Fund Balance, July 1	666,519	-	-	-	-	-	666,519
Fund Balance, June 30	671,396	-	-	-	-	-	671,396

Exhibit E-1a

WEST MILFORD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	Total Brought Forward from (Ex. E-1b)	I.D.E.A.		A.R.P. - E.S.S.E.R.			Total Carried Forward to (Ex. E-1)
		Basic	Preschool	E.S.S.E.R.	Accelerated Learning	Summer Learning	
Revenues:							
Federal Sources	-	888,269	39,664	164,339	23,116	21,135	1,136,523
State Sources	19,978	-	-	-	-	-	19,978
Local Sources	765,039	-	-	-	-	-	765,039
Total Revenues	785,017	888,269	39,664	164,339	23,116	21,135	1,921,540
Expenditures:							
Instruction:							
Salaries of Teachers	7,104	-	-	129,114	-	1,132	137,349
Purchased Services	-	888,269	-	-	-	-	888,269
Instructional Supplies	17,986	-	-	-	-	-	17,986
Total Instruction	25,090	888,269	-	129,114	-	1,132	1,043,604
Support Services:							
Salaries	-	-	-	-	-	-	-
Employee Benefits	543	-	-	9,877	-	87	10,507
Professional Tech. Services	-	-	39,664	11,186	12,243	-	63,093
Purchased Property Services	-	-	-	-	-	5,000	5,000
Other Purchased Services	5,371	-	-	14,163	7,235	7,806	34,574
Supplies and Materials	9,895	-	-	-	3,638	7,111	20,644
Scholarships Awarded	15,000	-	-	-	-	-	15,000
Student Activities	719,241	-	-	-	-	-	719,241
Total Support Services	750,050	-	39,664	35,226	23,116	20,003	868,059
Facilities Acquisition and Constrcution Services:							
Instructional equipment	5,000	-	-	-	-	-	5,000
Total Facilities Acquisition and Construction Services	5,000	-	-	-	-	-	5,000
Total Expenditures	780,140	888,269	39,664	164,339	23,116	21,135	1,916,663
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,877	-	-	-	-	-	4,877
Fund Balance, July 1	666,519	-	-	-	-	-	666,519
Fund Balance, June 30	671,396	-	-	-	-	-	671,396

Exhibit E-1b

WEST MILFORD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	Computer Science Grant	Local Grants	Student Activities	Scholarship Funds	Total Carried Forward to (Ex. E-1a)
Revenues:					
Federal Sources	-	-	-	-	-
State Sources	19,978	-	-	-	19,978
Local Sources	-	25,921	728,364	10,754	765,039
Total Revenues	19,978	25,921	728,364	10,754	785,017
Expenditures:					
Instruction:					
Salaries of Teachers	1,850	5,254	-	-	7,104
Purchased Services	-	-	-	-	-
Instructional Supplies	17,986	-	-	-	17,986
Total Instruction	19,836	5,254	-	-	25,090
Support Services:					
Salaries	-	-	-	-	-
Employee Benefits	142	402	-	-	543
Professional Tech. Services	-	-	-	-	-
Purchased Property Services	-	-	-	-	-
Other Purchased Services	-	5,371	-	-	5,371
Supplies and Materials	-	9,895	-	-	9,895
Scholarships Awarded	-	-	-	15,000	15,000
Student Activities	-	-	719,241	-	719,241
Total Support Services	142	15,667	719,241	15,000	750,050
Facilities Acquisition and Construction Services:					
Instructional equipment		5,000	-	-	5,000
Total Facilities Acquisition and Construction Services	-	5,000	-	-	5,000
Total Expenditures	19,978	25,921	719,241	15,000	780,140
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	9,123	(4,246)	4,877
Fund Balance, July 1	-	-	356,932	309,587	666,519
Fund Balance, June 30	-	-	366,055	305,341	671,396

CAPITAL PROJECTS FUND

Exhibit F-1

WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

Project Description	Appropriation	Expenditures		Canceled	Unexpended Balance
		Prior Years	Current Year		
					-
Upper Greenwood Lake Septic	250,000	313	14,286	-	235,401
Upper Greenwood Lake Windows & Doors	900,000	-	-	-	900,000
	1,150,000	313	14,286	-	1,135,401

Exhibit F-2

WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

Revenue and Other Financing Sources:	
Transfer from Capital Reserve	450,000
Total Revenues and Other Financing Sources	450,000
Expenditures and Other Financing Uses:	
Architectural/Engineering Services	1,786
Construction Services	12,500
Total Expenditures and Other Financing Uses	14,286
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and other Financing Sources (Uses)	435,714
Fund Balance - Beginning of Year	699,687
Fund Balance - End of Year	1,135,401

Exhibit F-2a

WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
UPPER GREENWOOD LAKE ELEMENTARY SCHOOL SEPTIC
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	250,000	-	250,000	250,000
Total Revenues	250,000	-	250,000	250,000
Expenditures and Other Financing Uses:				
Architectural/Engineering Services	313	1,786	2,099	2,100
Construction Services		12,500	12,500	247,900
Total Expenditures and Other Financing Uses	-	14,286	14,599	250,000
Excess (Deficiency) or Revenues Over (under) Expenditures	250,000	(14,286)	235,401	-
Additional Project Information:				
Original Authorized Costs			250,000	
Additional Authorized Costs			-	
Revised Authorized Costs			250,000	
Percentage Increase over Original Authorized Costs			0.00%	
Percentage of Completion			5.84%	

Exhibit F-2b

WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
UPPER GREENWOOD LAKE ELEMENTARY SCHOOL WINDOWS & DOORS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transferred from Capital Reserve	450,000	450,000	900,000	900,000
Total Revenues	450,000	450,000	900,000	900,000
Expenditures and Other Financing Uses:				
Construction Services	-	-	-	900,000
Total Expenditures and Other Financing Uses	-	-	-	900,000
Excess (Deficiency) or Revenues Over (under) Expenditures	450,000	450,000	900,000	-

Additional Project Information:	
Original Authorized Costs	450,000
Additional Authorized Costs	-
Revised Authorized Costs	450,000
Percentage Increase over Original Authorized Costs	0.00%
Percentage of Completion	0.00%

PROPRIETARY FUNDS

Exhibit G-1

WEST MILFORD BOARD OF EDUCATION
COMBINING STATEMENT OF NET POSITION
ENTERPRISE FUNDS
JUNE 30, 2025

	Food Service Program	School Age Child Care	Totals
Assets:			
Current Assets:			
Cash and Cash Equivalents	113,629	371,512	485,141
Accounts Receivable:			
State	9,713	-	9,713
Federal	97,326	-	97,326
Other	27,280	3,305	30,585
Inventories	13,353	-	13,353
Total Current Assets	261,301	374,817	636,119
Noncurrent Assets:			
Capital Assets:			
Equipment	495,079	2,520	497,599
Less: Accumulated Depreciation	(220,319)	(1,907)	(222,225)
Total Capital Assets (Net of Accumulated Depreciation)	274,761	613	275,374
Total Assets	536,062	375,430	911,492
Liabilities:			
Current Liabilities:			
Accounts Payable:			
Other	83,600	756	84,356
Deferred Revenue			
Prepaid Sales	32,922	-	32,922
Commodities	974	-	974
Tuition	-	4,914	4,914
Total Current Liabilities	117,496	5,670	123,166
Total Liabilities	117,496	5,670	123,166
Net Position:			
Invested in Capital Assets Net of Related Debt	274,761	613	275,374
Unrestricted	143,805	369,148	512,953
Total Net Position	418,566	369,761	788,327

Exhibit G-2

WEST MILFORD BOARD OF EDUCATION
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Food Service Program	School Age Child Care	Totals
Operating Revenues:			
Local Sources:			
Daily Sales - Reimbursable Programs	729,486.43	-	729,486
Daily Sales - Non-reimbursable Programs	323,779	-	323,779
Tuition	-	455,926	455,926
Miscellaneous	37,238	-	37,238
Total Operating Revenues	1,090,504	455,926	1,546,429
Operating Expenses:			
Salaries	328,997	392,616	721,613
Employee Benefits	87,871	30,010	117,881
Purchased Professional/Technical Services	563,608	-	563,608
Purchased Property Services	94,377	-	94,377
Other Purchased Services	18,648	4,519	23,167
Supplies and Materials	43,150	5,388	48,538
Depreciation	25,326	252	25,578
Cost of Sales - Reimbursable	605,323	-	605,323
Cost of Sales - Non-reimbursable	131,421	-	131,421
Misc. Expenditures	24,021	-	24,021
Total Operating Expenses	1,922,740	432,785	2,355,526
Operating Income/(Loss)	(832,237)	23,140	(809,096)
Non-operating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	47,448	-	47,448
State School Breakfast Program	3,977	-	3,977
Federal Sources:			
School Breakfast Program	51,617	-	51,617
National School Lunch Program	455,681	-	455,681
Supply-chain Assistance Program	5,081	-	5,081
Food Distribution Program	107,673	-	107,673
Interest and Investment Revenue	14,236	18,918	33,154
Total Non-operating Revenues/(Expenses)	685,713	18,918	704,631
Change in Net Position	(146,524)	42,058	(104,466)
Total Net Position - Beginning	565,090	327,702	892,792
Total Net Position - Ending	418,566	369,761	788,327

WEST MILFORD BOARD OF EDUCATION
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Food Service Program	School Age Child Care	Totals
Cash Flows from Operating Activities:			
Receipts from Customers	1,090,331	454,502	1,544,834
Receipts/(Payments) for Interfunds	(209,979)	(400)	(210,379)
Payments to Employees for Services	(328,997)	(392,616)	(721,613)
Payments to Suppliers	(1,604,738)	(42,610)	(1,647,348)
Net Cash Provided by/(Used for) Operating Activities	(1,053,382)	18,875	(1,034,507)
Cash Flows from Non-capital Financing Activities:			
Federal Sources	597,635	-	597,635
State Sources	47,489	-	47,489
Net Cash Provided by/(Used for) Non-capital Financing Activities	645,123	-	645,123
Cash Flow from Capital and Related Financing Activities:			
Purchase of Capital Assets	(20,100)	-	(20,100)
Net Cash Provided by/(Used for) Capital and Related Financing Activities	(20,100)	-	(20,100)
Cash Flow from Investing Activities:			
Interest on Cash Equivalents	14,236	18,918	33,154
Net Cash Provided by/(Used for) Investing Activities	14,236	18,918	33,154
Net Increase (Decrease) in Cash and Cash Equivalents	(414,123)	37,793	(376,330)
Balances-Beginning of Year	527,751	333,719	861,470
Balances-End of Year	113,629	371,512	485,141
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income/(Loss)	(832,237)	23,140	(809,096)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided by/(Used for) Operating Activities			
Depreciation	25,326	252	25,578
Changes in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	(3,652)	(1,258)	(4,909)
(Increase)/Decrease in Inventory	2,655	-	2,655
Increase/(Decrease) in Accounts Payable	(38,974)	(2,693)	(41,668)
Increase/(Decrease) in Interfund Payable	(209,979)	(400)	(210,379)
Increase/(Decrease) in Deferred Revenue	3,480	(166)	3,314
Total Adjustments	(221,145)	(4,265)	(225,410)
Net Cash Provided by/(Used for) Operating Activities	(1,053,382)	18,875	(1,034,507)

LONG-TERM DEBT

WEST MILFORD BOARD OF EDUCATION
GENERAL LONG TERM DEBT ACCOUNT GROUP
STATEMENT OF SERIAL BONDS
JUNE 30, 2025

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2024	Retired	Balance June 30, 2025
School Bonds of 2016	7/15/2016	6,500,000	7/15/2025	550,000	2.00%			
			7/15/2026	590,000	2.00%			
			7/15/2027	600,000	2.00%			
			7/15/2028	625,000	2.00%			
			7/15/2029	660,000	2.00%	3,575,000	550,000	3,025,000

Exhibit I-2

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Issue	Interest Rate Payables	Amount of Original Issue	Amount Outstanding on July 1, 2024	Issued in Current Year	Retired in Current Year	Amount Outstanding on June 30, 2025
2021 School Buses (2-54 Pass., 2-24 Pass.)	3.70%	747,836	154,918	-	154,918	-
34 Savin Digital Copiers	3.50%	206,230	51,478	-	43,991	7,486
2022 School Buses (3-24 Pass., 5-54 Pass.)	3.94%	763,841	308,850	-	151,443	157,407
2023 School Buses (1-24 Pass., 2-54 Pass.)	7.33%	358,780	203,726	-	63,166	140,561
2023 School Buses (Mintour)	7.97%	185,534	105,534	-	34,393	71,141
2024 School Buses (Thomas)	7.21%	151,628	118,353	-	31,359	86,994
2025 School Bus (1-54 Pass.)	7.25%	151,628	-	151,628	68,737	82,891
2025 School Bus (2-24 Pass.)	7.98%	222,584	-	222,584	101,434	121,150
2025 School Bus (1-44 Pass.)	7.98%	11,292	-	111,292	30,616	80,676
2025 Ford Trucks w/ Accessories (1-F-150, 1-F-550)	7.99%	147,000	-	147,000	40,514	106,486
2025 Ford Trucks w/ Accessories (2-F-350)	7.41%	117,660	-	117,660	26,314	91,346
Energy Savings Incentive Program	2.13%	7,490,000	5,992,197	-	349,009	5,643,187
Total			6,935,055	750,164	1,095,894	6,589,325

Exhibit I-3

WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Revenues:				
Local sources:				
Local tax levy	406,560	406,560	406,560	-
Total revenues - local sources	406,560	406,560	406,560	-
State sources:				
Debt service aid type II	209,440	209,440	209,440	-
Total state sources	209,440	209,440	209,440	-
Total Revenues	616,000	616,000	616,000	-
Expenditures:				
Regular debt service:				
Interest on Bonds	66,000	66,000	66,000	-
Redemption of principal	550,000	550,000	550,000	-
Total regular debt service	616,000	616,000	616,000	-
Total Expenditures	616,000	616,000	616,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Fund Balances, July 1	-	-	-	-
Fund Balances, June 30	-	-	-	-

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

J-1 Net Position by Component
J-2 Changes in Net Position
J-3 Fund Balances - Governmental Funds
J-4 Changes in Fund Balances - Governmental Funds
J-5 General Fund Other Local Revenue by Source

Revenue Capacity

J-6 Assessed Value and Estimated Actual Value of Taxable Property
J-7 Direct and Overlapping Property Tax Rates
J-8 Principal Property Taxpayers
J-9 Property Tax Levies and Collections

Debt Capacity

J-10 Ratios of Outstanding Debt by Type
J-11 Ratios of General Bonded Debt Outstanding
J-12 Direct and Overlapping Governmental Activities Debt
J-13 Legal Debt Margin Information

Demographic and Economic Information

J-14 Demographic and Economic Statistics
J-15 Principal Employers

Operating Information

J-16 Full-time Equivalent District Employees by Function/Program
J-17 Operating Statistics
J-18 School Building Information*
J-19 Schedule of Allowable Maintenance Expenditures by School Facility
J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time. **J-1 to J-5**

Revenue Capacity
These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax. **J-6 to 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 to 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. **J-14 to J-15**

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs. **J-16 to J-20**

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

Exhibit J-1

WEST MILFORD SCHOOL DISTRICT

Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Invested in capital assets, net of related debt	19,535,989	17,423,192	18,571,495	19,369,256	20,808,409	21,550,828	22,183,508	22,008,235	22,096,755	20,679,840
Restricted	7,082,783	9,830,847	8,137,799	7,860,210	8,412,347	10,528,465	9,846,006	8,811,747	8,897,225	8,199,130
Unrestricted	(28,842,210)	(31,564,210)	(31,874,212)	(31,571,082)	(30,178,977)	(27,208,323)	(21,412,315)	(17,844,576)	(16,978,021)	(16,647,992)
Total governmental activities net position	(2,223,437)	(4,310,171)	(5,164,918)	(4,341,616)	(958,221)	4,870,969	10,617,199	12,975,406	14,015,959	12,230,978
Business-type activities										
Invested in capital assets, net of related debt	59,175	65,339	64,065	66,394	66,474	78,781	94,068	149,873	280,851	275,374
Restricted	47,906	42,950	43,050	4,100	-	-	-	-	-	-
Unrestricted	77,415	58,736	21,680	92,412	21,231	-	550,149	768,459	611,941	512,953
Total business-type activities net position	184,495	167,025	128,795	162,906	87,705	78,781	644,217	918,332	892,792	788,327
District-wide										
Invested in capital assets, net of related debt	19,595,164	17,488,531	18,635,560	19,435,650	20,874,883	21,629,609	22,277,576	22,158,108	22,377,606	20,955,214
Restricted	7,130,689	9,873,797	8,180,849	7,864,310	8,412,347	10,528,465	9,846,006	8,811,747	8,897,225	8,199,130
Unrestricted	(28,764,795)	(31,505,474)	(31,852,531)	(31,478,670)	(30,157,746)	(27,208,323)	(20,862,166)	(17,076,117)	(16,366,080)	(16,135,039)
Total district net position	(2,038,942)	(4,143,146)	(5,036,123)	(4,178,710)	(870,516)	4,949,751	11,261,416	13,893,738	14,908,751	13,019,305

Source: ACFR Schedule A-1

WEST MILFORD SCHOOL DISTRICT

Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction										
Regular	35,397,999	39,420,525	40,763,496	37,390,157	34,111,561	38,662,244	33,760,938	31,715,542	32,133,593	31,896,771
Special education	11,785,583	13,745,328	14,226,531	12,933,182	12,010,835	13,552,176	11,542,240	11,204,303	11,063,197	11,584,682
Other special education	313,341	288,723	301,309	319,072	346,903	271,003	373,907	341,143	210,566	484,280
Other instruction	1,339,603	1,471,639	1,473,306	1,413,154	1,320,817	1,358,065	1,436,531	1,501,247	1,619,719	1,700,686
Support Services:										
Tuition	4,113,329	4,768,524	4,313,254	3,905,318	3,738,633	3,408,345	2,775,994	3,548,527	3,418,081	2,733,112
Student & instruction related services	10,020,550	11,196,726	11,511,824	11,103,269	10,438,181	10,921,286	10,171,672	10,578,772	10,561,975	10,991,824
General administrative services	1,715,623	1,852,747	1,832,412	1,736,709	1,685,135	1,689,065	1,655,487	1,606,885	1,611,324	1,787,017
School administrative services	4,803,145	5,465,106	5,494,488	4,933,840	4,552,472	5,256,009	4,362,945	4,118,316	3,934,649	4,058,267
Central Services and Admin. Info. Tech.	1,626,964	1,856,924	1,866,713	1,738,594	1,630,974	1,829,219	1,893,543	1,639,577	1,616,803	1,597,570
Plant operations and maintenance	8,021,118	8,978,761	8,977,810	8,680,486	8,321,824	9,850,384	8,076,078	8,375,187	8,127,379	8,272,622
Pupil transportation	5,704,056	6,287,804	6,701,989	6,571,627	5,647,451	5,998,229	5,713,852	6,790,467	7,104,547	7,234,334
Charter Schools	27,501	29,237	-	-	-	42,825	44,402	65,427	90,735	69,147
Non-instructional services	-	-	-	-	221	-	-	1,399	-	60,729
Interest on Long term debt	28,340	130,386	91,701	114,395	135,338	102,441	92,889	82,408	72,107	-
Capital Outlay - Non-depreciable	32,777	27,501	27,501	174,018	27,501	27,501	27,501	27,501	27,501	902,553
Unallocated Benefits	17,656	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	84,947,584	95,519,929	97,582,335	91,013,821	83,967,846	92,968,792	81,927,979	81,596,701	81,592,175	83,373,594
Business-type activities:										
Food service	1,240,543	1,314,371	1,307,906	1,335,322	1,095,866	945,551	1,643,110	1,649,633	1,815,828	1,922,742
School Aged Child Care	471,027	427,969	420,506	452,933	362,871	126,418	245,141	275,104	367,421	432,785
Total business-type activities expense	1,711,569	1,742,341	1,728,412	1,788,255	1,458,736	1,071,969	1,888,251	1,924,737	2,183,249	2,355,527
Total district expenses	86,659,153	97,262,270	99,310,747	92,802,076	85,426,583	94,040,761	83,816,230	83,521,438	83,775,424	85,729,121
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	363,804	342,190	298,606	242,559	188,738	126,062	319,242	95,455	136,668	313,464
Support Services	-	-	-	-	-	228,165	699,691	805,723	758,287	739,118
Plant operations and maintenance	-	-	-	-	2,077	-	-	-	-	-
Pupil transportation	465	13,572	-	-	-	-	-	-	-	-
Operating grants and contributions	1,423,795	1,381,971	1,319,278	1,297,061	1,226,983	1,617,983	2,163,706	2,045,428	2,683,367	1,369,156
Total governmental activities program revenues	1,788,064	1,737,734	1,617,885	1,539,620	1,417,798	1,972,209	3,182,639	2,946,606	3,578,322	2,421,738
Business-type activities:										
Charges for services										
Food service	763,809	792,535	853,813	888,221	606,128	750	38,724	1,084,357	1,100,077	1,090,504
School Aged Child Care	396,731	403,564	382,121	480,825	287,647	77,271	355,495	410,973	435,087	455,926
Operating grants and contributions	355,600	371,102	387,264	384,616	316,567	797,134	2,059,048	695,984	606,108	671,477
Total business type activities program revenues	1,516,140	1,567,200	1,623,197	1,753,662	1,210,342	875,156	2,453,267	2,191,313	2,141,272	2,217,907
Total district program revenues	3,304,204	3,304,934	3,241,082	3,293,282	2,628,140	2,847,365	5,635,906	5,137,919	5,719,594	4,639,645

WEST MILFORD SCHOOL DISTRICT

Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental activities	(83,159,519)	(93,782,196)	(95,964,450)	(89,474,201)	(82,550,049)	(90,996,582)	(78,745,340)	(78,650,095)	(78,013,853)	(80,951,856)
Business-type activities	(195,430)	(175,140)	(105,214)	(34,593)	(248,394)	(196,813)	565,016	266,576	(41,977)	(137,620)
Total district-wide net expense	(83,354,949)	(93,957,336)	(96,069,665)	(89,508,794)	(82,798,443)	(91,193,396)	(78,180,324)	(78,383,519)	(78,055,830)	(81,089,476)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	53,542,837	53,542,837	55,015,708	56,113,022	56,113,022	57,515,848	58,666,165	59,710,949	62,383,738	65,335,198
Taxes levied for debt service	524,720	514,393	360,313	270,260	270,260	299,710	294,349	304,084	293,153	406,560
Unrestricted grants and contributions	37,326,592	40,647,902	34,490,148	29,159,726	29,159,726	36,545,689	24,859,353	20,419,819	15,733,306	12,395,171
Restricted State Aid	893	60,818	184,621	190,740	190,740	205,913	203,150	208,165	204,595	327,380
Miscellaneous income	467,602	409,242	311,123	370,486	370,486	817,172	468,553	365,286	439,616	702,567
Transfers	(156,547)	(65,488)	(64,410)	(170,791)	(170,791)	(187,700)	-	-	-	-
Total governmental activities	91,706,097	95,109,703	90,297,503	85,933,443	85,933,443	95,196,633	84,491,570	81,008,302	79,054,408	79,166,876
Business-type activities:										
Investment earnings	1,254	1,496	4,293	2,403	2,403	190	419	7,538	16,437	33,154
Transfers	156,547	65,488	64,410	170,791	170,791	187,700	-	-	-	-
Total business-type activities	157,801	66,984	68,703	173,194	173,194	187,889	419	7,538	16,437	33,154
Total district-wide	91,863,898	95,176,688	90,366,206	86,106,637	86,106,637	95,384,522	84,491,989	81,015,840	79,070,845	79,200,030
Change in Net Position										
Governmental activities	8,546,577	1,327,508	(5,666,947)	(3,540,758)	3,383,394	4,200,050	5,746,230	2,358,207	1,040,555	(1,784,980)
Business-type activities	(37,629)	(108,156)	(36,511)	138,601	(75,201)	(8,924)	565,435	274,114	(25,540)	(104,466)
Total district	8,508,948	1,219,352	(5,703,459)	(3,402,157)	3,308,194	4,191,126	6,311,665	2,632,321	1,015,015	(1,889,446)

Source: ACFR Schedule A-2

Exhibit J-3

WEST MILFORD SCHOOL DISTRICT

Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	7,469,447	6,678,225	6,707,127	6,094,059	6,639,112	8,661,334	8,100,557	7,206,148	6,186,013	5,197,843
Committed										
Assigned	770,194	732,086	620,762	1,125,221	1,544,059	543,609	2,628,090	2,939,154	3,077,169	1,194,491
Unassigned	(22,246)	(2,441)	283,906	588,100	482,026	2,723,707	2,879,809	2,981,489	1,758,398	1,859,424
Total general fund	8,217,395	7,407,871	7,611,795	7,807,380	8,665,197	11,928,649	13,608,456	13,126,791	11,021,580	8,251,758
All Other Governmental Funds										
Assigned:										
Debt service fund	-	-	-	-	-	100,001	100,001	104,002	-	-
Committed	91,595	113,921	3,897	737	-	-	-	-	-	-
Restricted:										
Special revenue fund	-	-	-	-	-	660,356	663,381	633,199	666,519	671,396
Capital projects fund	(1,248,454)	2,306,613	871,498	540,191	1,043,149	663,167	361,893	23,542	699,688	1,135,401
Debt service fund	1	2	2	100,003	100,003	-	-	-	-	-
Total all other governmental funds	(1,156,857)	2,420,536	875,398	640,931	1,143,152	1,423,524	1,125,275	760,743	1,366,207	1,806,797

Source: ACFR Schedule B-1

WEST MILFORD SCHOOL DISTRICT

Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	54,080,579	54,067,557	54,057,230	55,376,021	56,383,282	57,815,558	58,960,514	60,015,033	62,676,891	65,741,758
Tuition charges	363,804	342,190	298,606	242,559	188,738	126,062	319,242	95,455	136,668	313,464
Bond Proceeds	-	6,500,000	-	-	-	-	-	-	-	-
Miscellaneous	638,189	407,161	541,319	312,507	457,651	1,049,837	1,092,423	1,190,181	1,213,136	1,466,674
State sources	22,922,509	23,425,658	25,165,996	26,334,923	25,782,970	26,725,417	27,709,401	27,338,938	23,737,854	23,294,949
Federal sources	1,535,250	1,476,787	1,452,244	1,438,740	1,363,689	1,779,188	2,283,538	2,459,950	3,633,065	1,428,087
Total revenue	79,540,331	86,219,353	81,515,394	83,704,750	84,176,329	87,496,061	90,365,118	91,099,558	91,397,614	92,244,932
Expenditures										
Instruction										
Regular Instruction	21,013,763	20,959,577	21,584,843	21,338,475	20,286,831	20,691,065	20,960,293	20,179,933	20,517,211	20,768,544
Special education instruction	6,241,764	6,550,956	6,790,092	6,815,361	6,847,921	6,753,995	6,901,403	7,097,968	6,926,992	7,631,439
Other special instruction	313,341	288,723	301,309	319,072	346,903	271,003	373,907	341,143	210,566	484,280
Other instruction	1,339,603	1,471,639	1,473,306	1,559,671	1,452,480	1,482,131	1,567,670	1,639,862	1,619,719	1,700,686
Support Services:										
Tuition	4,113,329	4,768,524	4,313,254	3,905,318	3,738,633	3,408,345	2,775,994	3,548,527	3,418,080	2,733,112
Student & instruction related services	7,090,211	7,419,527	7,594,501	7,846,180	7,656,076	7,285,752	7,623,901	8,298,530	8,265,643	8,951,813
General administrative services	1,266,389	1,242,662	1,199,448	1,209,560	1,232,821	1,123,395	1,225,087	1,255,907	1,259,952	1,429,507
School Administrative services	2,516,280	2,490,357	2,417,694	2,405,687	2,420,975	2,452,913	2,472,619	2,413,946	2,219,105	2,421,438
Central Services	1,014,190	1,066,400	1,047,457	1,058,774	1,050,362	1,070,631	1,115,144	1,167,034	1,141,774	1,143,012
Plant operations and maintenance	5,737,746	6,005,768	5,863,839	6,091,728	6,088,909	6,930,403	6,848,382	6,540,647	6,559,234	6,863,800
Pupil transportation	4,219,835	4,353,973	4,674,919	4,948,112	4,337,643	4,219,474	4,880,943	5,879,134	6,360,578	6,489,183
Unallocated employee benefits	19,402,412	21,129,834	22,691,016	23,607,853	23,908,633	26,972,418	30,301,182	31,533,430	32,378,171	32,830,664
Charter Schools	28,340	29,237	-	-	-	42,825	44,402	65,427	90,735	69,147
Operation of Non-Instructional Services	-	-	-	-	221	-	-	1,399	-	-
Capital outlay	6,358,893	5,220,130	2,172,095	3,197,715	3,355,477	3,125,729	9,271,355	1,370,640	2,023,793	1,191,702
Debt Service:										
Principal	504,559	504,559	392,559	429,558	450,000	500,000	500,000	525,000	525,000	550,000
Interest and Other Charges	37,554	21,054	182,652	115,375	111,000	105,625	97,500	87,250	76,750	66,000
Total expenditures	81,198,209	83,522,918	82,698,985	84,848,439	83,284,884	86,435,705	96,959,782	91,945,775	93,593,304	95,324,327
Excess (Deficiency) of revenues over (under) expenditures	(1,657,877)	2,696,434	(1,183,590)	(1,143,689)	891,445	1,060,357	(6,594,664)	(846,217)	(2,195,689)	(3,079,395)
Other Financing sources (uses)										
Capital leases (non-budgeted)	910,885	227,982	-	1,234,704	639,384	1,042,024	7,972,642	-	695,942	750,164
Transfers in	2,538,568	1,706,250	300,000	100,000	1,601,870	959,102	913,434	525,000	856,755	450,000
Transfers out	(2,696,176)	(1,862,796)	(457,623)	(164,410)	(1,772,660)	(1,146,802)	(913,434)	(525,000)	(856,755)	(450,000)
Total other financing sources (uses)	753,277	71,435	(157,623)	1,170,294	468,594	854,324	7,972,642	-	695,942	750,164
Net change in fund balances	$ (904,600)	$ 2,767,870	$ (1,341,213)	$ 26,605	$ 1,360,039	$ 1,914,681	$ 1,377,978	$ (846,217)	$ (1,499,747)	$ (2,329,231)
Debt service as a percentage of noncapital expenditures	0.724%	0.671%	0.714%	0.667%	0.702%	0.727%	0.681%	0.676%	0.657%	0.654%

Source: ACFR Schedule B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

Exhibit J-5

WEST MILFORD SCHOOL DISTRICT

General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Interest on Investments	Rentals	Tuition	Transportation	Misc.	Total
2016	1,870	137,174	363,804	465	482,709	986,023
2017	1,846	126,793	342,190	13,572	258,326	742,728
2018	3,697	109,379	298,606	-	425,146	836,828
2019	10,312	24,955	242,559	-	275,857	553,683
2020	11,852	1,928	188,738	2,077	441,794	646,389
2021	1,304	441	126,062	-	815,427	943,234
2022	3,187	26,462	319,242	-	352,123	701,014
2023	16,269	21,960	95,455	-	327,057	460,741
2024	22,561	23,554	136,668	-	393,500	576,283
2025	40,475	20,242	313,464	-	641,850	1,016,031

Source: District Records, B-2

WEST MILFORD SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities [a]	Net Valuation Taxable	Total Direct School Tax Rate [b]	Estimated Actual (County Equalized Value)
2016	71,726,400	2,395,301,900	46,594,900	551,500	203,171,500	42,229,100	1,643,600	2,761,218,900	100	2,761,219,000	1.958	3,009,175,013
2017	71,272,800	2,389,560,800	47,925,600	557,500	194,201,100	42,229,100	1,643,600	2,747,390,500	-	2,747,390,500	1.968	2,987,917,990
2018	69,741,300	2,386,624,000	49,136,900	570,800	191,330,900	42,015,100	1,643,600	2,741,062,600	100	2,741,062,700	2.021	2,984,770,664
2019	69,399,300	2,389,459,300	47,526,600	592,600	190,758,100	42,015,100	1,543,600	2,741,294,600	100	2,741,294,700	2.057	3,137,210,675
2020	67,939,100	2,387,463,500	48,468,800	594,000	194,950,000	41,891,200	1,543,600	2,742,850,200	100	2,742,850,300	2.108	3,162,151,487
2021	70,991,000	2,384,412,800	48,351,700	593,500	181,994,300	41,891,200	1,543,600	2,729,778,100	100	2,729,778,200	2.160	3,430,231,340
2022	70,996,600	2,387,634,300	49,761,200	587,800	181,104,800	41,136,500	1,543,600	2,732,764,800	-	2,732,764,800	2.196	3,837,075,079
2023	69,872,200	2,392,565,100	50,753,100	676,000	180,891,700	41,256,700	1,543,600	2,737,558,400	100	2,737,558,500	2.290	4,182,032,486
2024	69,279,100	2,396,851,900	51,177,100	633,800	181,146,000	40,946,700	1,543,600	2,741,578,200	100	2,741,578,300	2.398	4,635,742,645
2025	69,246,800	2,396,779,700	52,708,900	652,100	188,741,500	40,770,400	1,563,600	2,750,463,000	-	2,750,463,000	2.504	N/A

Source: Passaic County, Abstract of Ratables & Municipal Tax Assessor

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

Reassessment occurs when County Board of Taxation requests Treasury to order reassessment.

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

b Tax rates are per $100 of assessed value

c Revaluation/Reassessment Year.

WEST MILFORD SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

(rate per $100 of assessed value)

Fiscal Year Ended June 30,	West Milford Board of Education			Township of West Milford [c]	Passaic County	Total Direct and Overlapping Tax Rate
	Basic Rate [a]	General Obligation Debt Service [b]	Total Direct			
2016	1.939	0.019	1.958	0.925	0.826	3.709
2017	1.949	0.019	1.968	0.929	0.807	3.703
2018	2.008	0.013	2.021	0.865	0.800	3.686
2019	2.046	0.010	2.056	0.863	0.774	3.693
2020	2.098	0.010	2.108	0.863	0.774	3.745
2021	2.149	0.011	2.160	0.862	0.763	3.785
2022	2.185	0.011	2.196	0.878	0.794	3.868
2023	2.279	0.011	2.290	0.878	0.783	3.951
2024	2.387	0.011	2.398	0.877	0.779	4.054
2025	2.489	0.015	2.504	0.893	0.817	4.214

Source: District Records and Municipal Tax Collector

Note:

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.

WEST MILFORD SCHOOL DISTRICT

Principal Property Tax Payers,
Current Year and Ten Years Ago

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
City of Newark	$ 43,193,200	1	1.57%	$ 39,490,500	1	1.43%
Tenneco Pipeline	25,284,400	2	0.92%	25,284,400	2	0.91%
Inserra West Milford LLC	18,099,700	3	0.66%	17,096,800	3	0.62%
Tennessee Gas Pipeline	11,462,300	4	0.42%			
HCRI NY-NJ Properies LLC	10,634,000	5	0.39%			
Sprint-DBA T-Mobile	5,271,700	6	0.19%			
Lakeland State Bank	4,380,000	7	0.16%	5,970,600	7	0.22%
NSA Property Holdings LLC	4,262,000	8	0.15%			
Suez Water NJ C/O Veolia	3,930,600	9	0.14%			
KYH Properties LLC C/O Ted Porebski	3,912,700	10	0.14%			
West Milford Shopping Plaza				16,864,400	4	0.61%
Bald Eagle Senior Living				9,995,500	5	0.36%
Spring - Overland Park				6,457,800	6	0.23%
David & Kate Hayman				5,444,600	8	0.20%
Bald Eagle Square				4,950,000	9	0.18%
69 Maple Ave. Associates				4,650,000	10	0.17%
Total	$ 130,430,600		4.74%	$ 136,204,600		4.93%

Source: Municipal Tax Assessor's Office

Exhibit J-9

WEST MILFORD SCHOOL DISTRICT

Property Tax Levies and Collections, Last Ten Fiscal Years

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	54,080,579	54,080,579	100.00%	-
2017	54,067,557	54,067,557	100.00%	-
2018	54,057,230	54,057,230	100.00%	-
2019	55,376,021	55,376,021	100.00%	-
2020	56,113,022	56,113,022	100.00%	-
2021	57,515,848	57,515,848	100.00%	-
2022	58,666,165	58,666,165	100.00%	-
2023	59,710,949	59,710,949	100.00%	-
2024	62,676,891	62,676,891	100.00%	-
2025	65,741,758	65,741,758	100.00%	-

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

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

Exhibit J-10

WEST MILFORD SCHOOL DISTRICT

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities					
Fiscal Year Ended June 30,	General Obligation Bonds	Loans Payable	Financed Purchases	Total District	Percentage of Personal Income [a]	Per Capita [a]
2016	888,000	13,676	1,173,897	2,075,572	0.1687%	79
2017	6,888,000	9,117	998,601	7,895,718	0.6333%	299
2018	6,500,000	4,559	606,306	7,110,864	0.5484%	269
2019	6,075,000	-	1,272,539	7,347,539	0.5451%	279
2020	5,625,000	-	1,296,544	6,921,544	0.4729%	263
2021	5,125,000	-	1,696,405	6,821,405	0.4660%	260
2022	4,625,000	-	8,124,671	12,749,671	0.9163%	519
2023	4,100,000	-	7,336,589	11,436,589	0.7831%	469
2024	3,575,000	-	6,935,055	10,510,055	***	432
2025	3,025,000	-	6,589,325	9,614,325	***	***

Source: District ACFR Schedules I-1, I-2

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

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

WEST MILFORD SCHOOL DISTRICT

Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2016	888,000	-	888,000	0.03%	34
2017	6,888,000	-	6,888,000	0.25%	261
2018	6,500,000	-	6,500,000	0.24%	246
2019	6,075,000	-	6,075,000	0.22%	231
2020	5,625,000	-	5,625,000	0.21%	214
2021	5,125,000	-	5,125,000	0.19%	209
2022	4,625,000	-	4,625,000	0.17%	190
2023	4,100,000	-	4,100,000	0.15%	168
2024	3,575,000	-	3,575,000	0.13%	143
2025	3,025,000	-	3,025,000	0.11%	***

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

WEST MILFORD SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt
Year Ended June 30, 2025

Governmental Unit	(1) Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Township of West Milford	36,366,308	100.000%	36,366,308
Other debt			
Passaic County	254,533,500	5.873%	14,949,802
Passaic County Utilities Authority	32,040,000	5.873%	1,881,841
Subtotal, overlapping debt			53,197,952
West Milford Township School District Direct Debt			3,025,000
Total direct and overlapping debt			$ 56,222,952

Sources: Township of West Milford Finance Officer, Passaic County Finance Office.

(1) Debt Information as of December 31, 2024

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 West Milford. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

WEST MILFORD SCHOOL DISTRICT

Legal Debt Margin Information,
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2025

Equalized valuation basis		
2022		$ 3,837,075,079
2023		$ 4,182,032,486
2024		$ 4,635,742,645
	[A]	$ 12,654,850,210
Average equalized valuation of taxable property		$ 4,218,283,403
Debt limit (4% of average equalization value)	[B]	168,731,336
Total Net Debt Applicable to Limit	[C]	3,025,000
Legal debt margin	[B-C]	$ 165,706,336

	Fiscal Years Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	119,507,258	119,666,827	120,786,868	120,265,054	121,972,197	124,295,311	129,727,912	145,346,126	152,657,852	168,731,336
Total net debt applicable to limit	901,676	6,897,117	6,504,559	6,075,000	5,625,000	5,125,000	4,625,000.00	4,100,000.00	3,575,000.00	3,025,000
Legal debt margin	$ 118,605,582	$ 112,769,710	$ 114,282,309	$ 114,190,054	$ 116,347,197	$ 119,170,311	$ 125,102,912	$ 145,346,126	$ 145,346,126	$ 165,706,336
Total net debt applicable to the limit as a percentage of debt limit	0.75%	5.76%	5.39%	5.05%	4.61%	4.12%	3.57%	2.82%	2.34%	1.79%

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

WEST MILFORD SCHOOL DISTRICT

Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2015	26,424	1,216,693,080	46,045	7.0%
2016	26,388	1,230,129,396	46,617	6.0%
2017	26,418	1,246,691,838	47,191	5.4%
2018	26,372	1,296,632,124	49,167	4.8%
2019	26,324	1,347,867,772	51,203	4.1%
2020	26,242	1,463,647,550	55,775	11.8%
2021	24,579	1,463,900,661	59,559	8.4%
2022	24,382	1,391,407,594	57,067	4.5%
2023	24,340	1,460,448,680	60,002	5.0%
2024	24,990	****	****	5.3%

Source:
(1) U.S. Bureau of the Census, Population Division, (Estimates April 1, 2015 to July 1, 2024)
(2) Personal Income of the District is based on the County information.
(3) U.S. Department of Commerce, County information 2014-2023
(4) N.J. Department of Labor.

Exhibit J-15

WEST MILFORD SCHOOL DISTRICT

Principal Employers,
Current Year and Ten Years Ago

	2025			2016		
Employer	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment

This information is not available.

Exhibit J-16

WEST MILFORD SCHOOL DISTRICT

Full-time Equivalent District Employees by Function/Program,

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	237.2	239.2	241.00	235.00	226.10	216.10	215.00	208.20	206.80	196.20
Special education	102.3	101.3	113.40	97.00	110.00	98.80	98.75	102.00	102.00	98.60
Other special education	16.50	17.00	15.60	16.00	15.60	14.60	16.60	16.50	24.00	28.50
Other instruction	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Support Services:										
Student & instruction related services	53.10	56.50	57.50	56.56	52.70	49.30	54.20	52.10	49.60	57.40
General administrative services	10.00	10.75	11.80	7.05	11.50	11.50	11.50	11.10	10.10	11.10
School administrative services	40.35	36.60	35.00	32.40	40.50	38.00	35.10	37.50	37.50	33.40
Central services and Admin.Infor. Tech.	15.28	20.20	18.25	12.20	18.60	18.00	18.75	19.25	19.25	18.25
Plant operations and maintenance	63.55	65.25	58.25	56.50	57.90	59.60	52.45	53.10	53.10	53.90
Pupil transportation	50.60	55.85	63.00	58.60	46.15	40.05	38.75	38.60	28.60	32.20
Food Service	15.00	15.00	12.00	11.00	8.20	7.10	7.60	7.60	7.60	5.50
Total	604.88	618.65	626.8	583.31	588.25	554.05	549.70	546.95	539.55	536.05

Source: District Budget Records

Exhibit J-17

WEST MILFORD SCHOOL DISTRICT

Operating Statistics

Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil	Percentage Change	Teaching Staff [b]	Pupil/Teacher Ratio: Elementary	Pupil/Teacher Ratio: Middle School	Pupil/Teacher Ratio: High School	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	3,613	74,297,203	20,564	37.12%	308	1:12	1:12	1:12	3,484.5	3,334.9	-20.64%	95.71%
2017	3,377	77,776,917	23,031	12.00%	320	1:11	1:11	1:10	3,387.9	3,225.8	-2.77%	95.21%
2018	3,288	79,951,679	24,316	5.58%	308	1:11	1:11	1:11	3,362.2	3,214.4	-0.76%	95.60%
2019	3,268	81,105,791	24,818	2.06%	300	1:11	1:12	1:11	3,294.0	3,144.8	-2.03%	95.47%
2020	3,241	79,368,186	24,489	-1.33%	288	1:11	1:08	1:11	3,163.0	3,063.0	-3.98%	96.84%
2021	3,089	82,704,350	26,774	9.33%	286	1:10	1:12	1:10	3,019.0	2,920.4	-4.55%	96.73%
2022	3,133	87,090,927	27,798	3.83%	276	1:10	1:12	1:10	3,051.6	2,874.0	1.08%	94.18%
2023	3,131	89,962,885	28,733	3.36%	255	1:12	1:22	1:14	3,050.9	2,838.7	-0.02%	93.02%
2024	3,107	90,967,760	29,278	1.90%	259	1:12	1:12	1:11	2,988.0	2,819.8	-2.06%	94.37%
2025	3,075	93,516,625	30,412	3.87%	254	1:13	1:20	1:14	2,965.6	2,797.2	-0.75%	94.32%

Sources: District records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

WEST MILFORD SCHOOL DISTRICT

School Building Information

Last Ten Fiscal Years

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Elementary										
Apshawa (1996)										
Square Feet	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172
Capacity (students)	367	367	367	367	367	367	367	367	367	367
Enrollment	276	276	264	244	242	197	186	207	250	265
Maple Road (1968)										
Square Feet	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947
Capacity (students)	373	373	373	373	373	373	416	416	416	416
Enrollment	274	275	295	295	285	228	231	238	318	303
Marshall Hill (1959)										
Square Feet	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546
Capacity (students)	486	486	486	486	486	486	486	486	486	486
Enrollment	294	265	256	272	265	236	251	252	304	278
Paradise Knoll (1955)										
Square Feet	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547
Capacity (students)	350	350	350	350	350	350	350	350	350	350
Enrollment	296	280	273	274	243	180	192	176	191	196
Upper Greenwood Lake (1966)										
Square Feet	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155
Capacity (students)	456	456	456	456	456	456	456	456	456	456
Enrollment	302	298	306	307	298	199	192	197	264	249
Highlander Academy/Prep Westbrook (1973)										
Square Feet	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339
Capacity (students)	508	508	508	508	508	508	444	444	444	444
Enrollment	362	351	315	301	280	215	238	243	24	19

WEST MILFORD SCHOOL DISTRICT

School Building Information

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Middle School										
Macopin (1959)										
Square Feet	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066
Capacity (students)	869	869	869	869	869	869	869	869	869	869
Enrollment	540	526	519	535	518	761	777	747	676	672
High School										
West Milford (1976)										
Square Feet	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514
Capacity (students)	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840
Enrollment	1,149	1,106	1,060	1,040	985	954	936	935	923	935
Other										
Administration Building (1976)										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Transportation Office (1976)										
Square Feet	980	980	980	980	980	980	980	980	980	980
Transportation Garage (1976)										
Square Feet	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Transportation Garage (2005)										
Square Feet	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Maintenance Pole Barn (1985)										
Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Hillcrest Community Center (1925)										
Square Feet	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005

Number of Schools at June 30, 2025
- Elementary = 5
- Middle School = 1
- High School = 1
- Other = 1

Source: District records, ASSA

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

WEST MILFORD SCHOOL DISTRICT

GENERAL FUND
SCHEDULE OF ALLOWABLE MAINTENANCE EXPENDITURES BY SCHOOL FACILITY
LAST TEN FISCAL YEARS
UNAUDITED

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

*School Facilities	Project # (s)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
WEST MILFORD HIGH SCHOOL	N/A	157,713	273,852	190,743	161,736	218,730	171,895	142,327	93,911	147,714	243,734
APSHAWA	N/A	63,120	42,595	48,211	25,622	53,969	54,150	58,706	45,461	46,892	60,278
MACOPIN	N/A	110,186	135,015	111,315	77,241	90,305	209,531	127,421	181,760	146,801	157,438
MAPLE ROAD	N/A	59,152	53,892	70,909	68,818	107,914	93,811	74,963	90,823	68,984	60,803
MARSHALL HILL	N/A	51,590	39,206	48,852	146,260	50,545	114,461	53,748	56,759	97,491	60,587
PARADISE KNOLL	N/A	59,523	48,323	39,952	56,011	46,496	83,682	53,008	71,512	72,841	62,580
UPPER GREENWOOD LAKE	N/A	57,576	55,514	84,199	114,542	71,646	137,517	138,647	127,295	116,693	137,960
WESTBROOK (Highlander Prep/Acad.)	N/A	53,068	81,532	43,925	95,004	88,672	51,800	64,926	73,305	90,800	105,230
ADMINISTRATION	N/A	41,713	12,054	19,357	16,178	10,557	23,210	26,698	27,175	18,214	14,903
HILLCREST	N/A	-	-	-	-	6,685	8,640	2,993	-	-	-
MAINTENANCE POLE BARN	N/A	73,257	88,914	32,207	53,487	47,717	30,858	18,800	8,121	15,398	7,953
TRANSPORTATION GARAGE	N/A	15,378	16,897	34,684	14,638	56,369	62,821	30,160	45,787	31,481	51,101
TOTAL SCHOOL FACILITIES		742,276	847,794	724,355	829,537	849,605	1,042,376	792,397	821,909	853,309	962,567

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

Source: District Records

WEST MILFORD SCHOOL DISTRICT

Insurance Schedule
June 30, 2025
Unaudited

		Limit	Deductible
Policy #GPNU-EP-0015775-04			
Property & Casualty - National Union Fire Insurance			
Company of Pittsburgh			
Building & Contents including Equipment Breakdown	$	236,793,223	5,000
Commercial General Liability:			
Per Occurrence		1,000,000	
Personal and Advertising Injury Limit		1,000,000	
Damage to Rented Premises		1,000,000	
Product/Completed Operations Aggregate		3,000,000	
General Aggregate - Policy Limit		3,000,000	
Medical Expenses		10,000	
Employee Benefits Liability		1,000,000	
Business Income		250,000	5,000
Extra Expense		5,000,000	5,000
Limited Pollution Liability Extension		1,000,000	
Employee Dishonesty including Faithful Performance		500,000	5,000
Forgery or Alteration		250,000	5,000
Ordinance or Law Coverage B&C		1,000,000	5,000
Form C Loss (Inside) Money & Securities		250,000	5,000
EDP Equipment Coverage		Per Schedule	5,000
Earthquake - Blanket Coverage		5,000,000	100,000
Flood (Outside Zones A,V or B)		10,000,000	50,000
(Zone B)		7,500,000	100,000
(Zone A, N or V)		2,500,000	500,000
Commercial Automobile Liability		1,000,000	
Comprehensive & Collision		Symbol 2 & 8	1,000
Towing & Labor		5,000	

		Limit	Retention
Commercial Umbrella - National Union Fire Insurance			
Company of Pittsburgh			
Policy GPNU-EP-001577504	$	9,000,000	10,000
Excess Liability - NJUIP (Hudson Insurance Group)			
Policy EPGA-000073-04		30,000,000	Excess of $10 Million
Excess Liability - Fireman's Fund			
Policy USL03080024		25,000,000	Excess of $40 Million
School Board Legal Liability E&O -Greenwich Insurance Company			
Policy - ELL0950359-06			
Educators Legal Liability		1,000,000	25,000
Employment Practices Liability		1,000,000	50,000

WEST MILFORD SCHOOL DISTRICT

Insurance Schedule
June 30, 2024
Unaudited

	Limit	Retention
Public Official Bonds		
William Scholts, Business Admin. Board Sec.		
Hanover Insurance Company	$ 450,000	N/A
Bond #BOYJ570167		
Bond Term: 7/31/23-7/31/24		
Jacqueline Massaro, Treasurer	343,000	N/A
Liberty Mutual Surety		
Bond #16L002060		
Bond Term: 6/30/2023-6/30/2024		
Cyber Liability - National Specialty Insurance		
Policy - BLUCBL6PUM4QZ1		
Combined Policy Aggregate Limit	1,000,000	25,000
Claims Made Form - Retro Date Coverage		Full Prior Acts
Environmental Impairment Liability - Site Specific - Chubb		
(Markel Evanston Insurance Company)		
Claims Made Form		
Policy MKLV1ENV103533		
Per Pollution Condition	1,000,000	
Per Named Insured Sublimit	3,000,000	
Self-Insured - Retention		25,000
Program Aggregate	10,000,000	
Storage Tank Third Party Liability - Nautilus Insurance Co.		
Claims Made Form	**Limit**	**Deductible**
Policy - CST2003317-21		
Each Claim	$ 1,000,000	5,000
Total all Claims	1,000,000	
Coverage E: Defense (Occ/Total)	250,000	
Retro Date Coverages A and B:		
140 High Crest Drive		9/30/1998
41 Henry Road		7/1/1998
51 Highlander Drive		7/30/2011
Policy Term: 7/30/23-7/30/24		
NFIP Flood Insurance Policy - Selective Ins. Co. of New England		
Policy-FLD2296031		
Building	100,000	1,000
Contents	50,000	1,000
Policy Term: 4/11/23-4/11/24		
Policy Term: 4/11/24-4/11/25		

SINGLE AUDIT SECTION

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable President and
Members of the Board of Education
Township of West Milford School District
County of Passaic, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Township of West Milford School District, in the County of Passaic, New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2025.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain matters that were required to be reported to the Board of Education of the Township of West Milford School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated December 23, 2025.

Purpose of this Report

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

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 23, 2025

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

Honorable President and
Members of the Board of Education
Township of West Milford School District
County of Passaic, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our

responsibilities under those standards and the Uniform Guidance and N.J. 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 Township of West Milford Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Township of West Milford Board of Education'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 Township of West Milford Board of Education's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Township of West Milford Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. 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 Township of West Milford Board of Education's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. 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 Township of West Milford Board of Education'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 Township of West Milford Board of Education'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 N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Township of West Milford's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs at item 2025-001. Our opinion on each major federal and state program is not modified with respect to these matters.

The Township of West Milford Board of Education's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Township of West Milford Board of Education's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on these responses.

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 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 and 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 and 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, we identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a significant deficiency.

W&CO

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

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

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 23, 2025

WEST MILFORD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ending June 30, 2025

Federal Grantor/Pass- Through Grantor/ Program Title	Assitance Listing Number (ALN)	Federal Award Identification Number (FAIN)	Award Amount	Grant Period From / To	June 30, 2024 (Accounts Receivable)	June 30, 2024 Unearned Revenue	Cash Received	Budgetary Expenditures	June 30, 2025 (Accounts Receivable)	June 30, 2025 Unearned Revenue	MEMO Cumulative Total Expenditures
General Fund:											
U.S. Department of Health and Human Services											
Passed-through State Department of Education:											
Medicaid Reimbursment	93.778	2005NJ5MAP	58,553	7/1/24-6/30/25	-	-	58,553	(58,553)	-	-	58,553
Total General Fund					-	-	58,553	(58,553)	-	-	58,553
Enterprise Fund:											
U.S. Department of Agriculture											
Passed - through State Department of Agriculture:											
U.S.D.A. Commodities Program	10.550	251NJ304N1099	107,673	7/1/24-6/30/25	-	1,153	107,673	(107,673)	-	1,153	107,673
National School Lunch Program	10.555	241NJ304N1099	356,845	7/1/23-6/30/24	(67,649)	-	67,649	-	-	-	356,845
National School Lunch Program	10.555	251NJ304N1099	455,681	7/1/24-6/30/25	-	-	369,172	(455,681)	(86,509)	-	455,681
School Breakfast Program	10.553	241NJ304N1099	23,848	7/1/23-6/30/24	(7,150)	-	7,150	-	-	-	23,848
School Breakfast Program	10.553	251NJ304N1099	51,617	7/1/24-6/30/25	-	-	40,800	(51,617)	(10,817)	-	51,617
Local Food for Schools	10.185		5,081	7/1/24-6/30/25	(111)	-	5,192	(5,081)	-	-	5,081
Total Enterprise Fund					(74,909)	1,153	597,635	(620,052)	(97,326)	1,153	1,000,745
Special Revenue Fund:											
U.S. Department of Education											
Passed - through State Department of Education:											
Title I - Improving Basic Programs	84.010	S010A230030	576,270	9/1/23-8/31/24	(309,374)	-	309,374	-	-	-	444,809
Title I - Improving Basic Programs	84.010	S010A240030	241,829	9/1/24-8/31/25	-	-	79,874	(104,274)	(24,400)	-	104,274
					(309,374)	-	389,248	(104,274)	(24,400)	-	549,083
Title II - A -Teacher & Principal Training & Recruiting	84.367	S367A230029	84,795	9/1/23-8/31/24	(19,400)	-	19,400	-	-	-	84,795
Title II - A -Teacher & Principal Training & Recruiting	84.367	S367A240029	65,934	9/1/24-8/31/25	-	-	38,928	(43,020)	(4,092)	-	43,020
					(19,400)	-	58,328	(43,020)	(4,092)	-	127,815
Title III Immigrant	84.365A	S365A240030	4,096	9/1/24-8/31/25	-	-	100	(100)	-	-	100
Title IV - Safe and Drug-Free Schools	84.424	S424A230031	40,039	9/1/23-8/31/24	(8,349)	-	8,349	-	-	-	40,039
Title IV - Safe and Drug-Free Schools	84.424	S424A240031	53,778	9/1/24-8/31/25	-	-	28,434	(34,162)	(5,728)	-	34,162
					(8,349)	-	36,783	(34,162)	(5,728)	-	74,201
IDEA Part B, Basic Regular	84.027	H027A240100	888,269	9/1/24-8/31/25	-	-	880,215	(888,269)	(8,054)	-	888,269
IDEA Part B, Preschool	84.173	H173A240114	39,664	9/1/24-8/31/25	-	-	39,664	(39,664)	-	-	39,664
					-	-	919,879	(927,933)	(8,054)	-	927,933
ARP - ESSER	84.425U	S425U210027	2,306,083	3/13/20-9/30/24	(171,150)	-	335,489	(164,339)	-	-	2,306,083
ARP - Learning Acceleration	84.425U	S425U210027	250,075	3/13/20-9/30/24	(58,909)	-	82,025	(23,116)	-	-	250,075
ARP - Summer Learning & Enrichment	84.425U	S425U210027	40,000	3/13/20-9/30/24	-	-	21,135	(21,135)	-	-	40,000
ARP - Mental Health	84.425U	S425U210027	45,000	3/13/20-9/30/24	(9,222)	-	9,222	-	-	-	45,000
ARP - Beyond the School Day	84.425U	S425U210027	40,000	3/13/20-9/30/24	(7,680)	-	8,342	(662)	-	-	40,000
					(246,961)	-	456,213	(209,252)	-	-	2,681,158
U.S. Department of Treasury											
Passed - through State Department of Education:											
Additional or Compensatory Special Education and Related Services to Students with Disabilities Beyond Age 23 (ASCERS)	21.027	SLFRFDOE1SES	104,995	9/1/23-8/31/24	(50,825)	-	50,825	-	-	-	104,995
					(50,825)	-	50,825	-	-	-	104,995
Total Special Revenue Fund					(634,908)	-	1,911,375	(1,318,740)	(42,273)	-	4,465,284
Total Federal Financial Awards					(709,817)	1,153	2,567,563	(1,997,345)	(139,599)	1,153	5,524,582

See accompanying notes to Schedules of Expenditures of Federal awards and State Financial Assistance.

WEST MILFORD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ending June 30, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From / To	June 30, 2024 (Accounts Receivable)	June 30, 2024 Due to Grantor	Cash Received	Budgetary Expenditures	June 30, 2025 (Accounts Receivable)	June 30, 2025 Due to Grantor at	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education:											
General Fund:											
Equalization Aid	495-034-5120-078	1,582,808	7/1/24-6/30/25	-	-	1,433,262	(1,582,808)	-	-	(149,546)	1,582,808
Stabilization Aid	495-034-5120-078	36,692	7/1/24-6/30/25	-	-	36,692	(36,692)	-	-	-	36,692
Categorical Special Education Aid	495-034-5120-089	2,725,234	7/1/24-6/30/25	-	-	2,467,750	(2,725,234)	-	-	(257,484)	2,725,234
Categorical Security Aid	495-034-5120-084	339,929	7/1/24-6/30/25	-	-	307,812	(339,929)	-	-	(32,117)	339,929
Subtotal State Aid - Public Cluster				-	-	4,245,516	(4,684,663)	-	-	(439,147)	4,684,663
Transportation Aid	495-034-5120-014	842,009	7/1/24-6/30/25	-		762,455	(842,009)	-	-	(79,554)	842,009
Extraordinary Special Education Aid	495-034-5120-473	1,191,711	7/1/23-6/30/24	(1,191,711)	-	1,191,711	-	-	-	-	1,191,711
Extraordinary Special Education Aid	495-034-5120-473	1,654,136	7/1/24-6/30/25	-	-	-	(1,654,136)	(1,654,136)	-	-	1,654,136
Nonpublic Transportation Aid	495-034-5120-014	34,125	7/1/23-6/30/24	(34,125)	-	34,125	-	-	-	-	34,125
Nonpublic Transportation Aid	495-034-5120-014	45,766	7/1/24-6/30/25	-	-	-	(45,766)	(45,766)	-	-	45,766
On-Behalf TPAF Pension	495-034-5094-006	10,351,201	7/1/24-6/30/25	-	-	10,351,201	(10,351,201)	-	-	-	10,351,201
On-Behalf TPAF NCGI Premium	495-034-5094-007	128,224	7/1/24-6/30/25	-	-	128,224	(128,224)	-	-	-	128,224
On-Behalf TPAF Post Retirement Medical	495-034-5094-001	3,062,096	7/1/24-6/30/25	-	-	3,062,096	(3,062,096)	-	-	-	3,062,096
On-Behalf TPAF Long-term Disability	495-034-5094-004	3,567	7/1/24-6/30/25	-	-	3,567	(3,567)	-	-	-	3,567
Reimbursed TPAF - Social Security	495-034-5094-003	2,090,942	7/1/23-6/30/24	(104,687)	-	104,687	-	-	-	-	2,090,942
Reimbursed TPAF - Social Security	495-034-5094-003	2,216,268	7/1/24-6/30/25	-	-	2,108,215	(2,216,268)	(108,053)	-	-	2,216,268
State Menstrual Product Reimb	N/A	272	7/1/24-6/30/25	-	-	272	(272)	-	-	-	272
Total General Fund				(1,330,523)	-	21,992,069	(22,988,202)	(1,807,955)	-	(518,701)	26,304,980
Debt Service Fund:											
Debt Service Aid	495-034-5120-075	209,440	7/1/24-6/30/25	-	-	209,440	(209,440)	-	-	-	209,440
Total Debt Service Fund				-	-	209,440	(209,440)	-	-	-	209,440
Special Revenue Fund:											
Computer Science Grant	N/A	22,567	7/1/24-6/30/25	-	-	19,978	(19,978)	-	-	-	19,978
Total Special Revenue Fund				-	-	19,978	(19,978)	-	-	-	19,978
State Department of Agriculture											
Enterprise Fund:											
State School Lunch Program	100-010-3350-023	28,656	7/1/23-6/30/24	(5,538)	-	5,538	-	-	-	-	28,656
State School Lunch Program	100-010-3350-023	47,448	7/1/24-6/30/25	-	-	38,524	(47,448)	(8,924)	-	-	47,448
State School Breakfast Program	100-010-3350-023	941	7/1/23-6/30/24	(238)	-	238	-	-	-	-	941
State School Breakfast Program	100-010-3350-023	3,977	7/1/24-6/30/25	-	-	3,188	(3,977)	(789)	-	-	3,977
				(5,776)	-	47,489	(51,425)	(9,713)	-	-	81,022
Total State Financial Assistance				(1,336,299)	-	22,268,975	(23,269,045)	(1,817,669)	-	(518,701)	26,615,420
Less: On-Behalf Contributions:											
On-Behalf TPAF Pension	495-034-5094-006	10,351,201	7/1/24-6/30/25				(10,351,201)				
On-Behalf TPAF NCGI Premium	495-034-5094-007	128,224	7/1/24-6/30/25				(128,224)				
On-Behalf TPAF Post Retirement Medical	495-034-5094-001	3,062,096	7/1/24-6/30/25				(3,062,096)				
On-Behalf TPAF Long-term Disability	495-034-5094-004	3,567	7/1/24-6/30/25				(3,567)				
Total On-Behalf Contributions							(13,545,088)				
Total For State Aid Financial Assistance Determination							(9,723,957)				

See accompanying notes to Schedules of Expenditures of Federal awards and State Financial Assistance.

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all Federal and State Award programs of the Board of Education, Township of West Milford School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All Federal Awards and State Financial Assistance received directly from federal and state agencies, as well as Federal Awards and State Financial Assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2(C) and 2(D) to the Board's basic financial statements. The information in these schedules are presented in accordance with the 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 N.J. OMB Circular 15-08 Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $4,734 for the general fund and $122,457 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	Federal	State	Local	Total
General Fund	$ 58,553	22,992,936		23,051,489
Special Revenue Fund	1,369,534	92,574	764,107	2,226,215
Debt Service Fund		209,440		209,440
Food Service Fund	620,052	51,425		671,477
Total Awards and Financial Assistance	$ 2,048,139	$ 23,346,374	$ 764,107	$ 26,158,620

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 2025.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of $2,216,268 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

The Township of West Milford School District has elected not to use the 10 percent de minimis Indirect Cost Rate as allowed under the Uniform Guidance.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified _____ yes __X__ no

2) Significant deficiencies identified? _____ yes __X__ none reported

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

Federal Awards

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

Auditee qualified as low-risk audited? __X__ yes _____ no

Internal Control over major federal programs:

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

2) Significant deficiencies identified? _____ yes __X__ none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section.516(a)? _____ yes __X__ no

Identification of major federal programs:

Assistance Listing Number(s)		FAIN Number(s)	Name of Federal Program or Cluster
			Special Education Cluster:
84.027	(A)	H027A240100/	IDEA – Basic
84.173	(A)	H173A240114	IDEA – Preschool

Note: (A) Tested as Major Type A Program.

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

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

State Awards

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

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

Internal Control over major state programs:

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

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

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

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

Identification of major state programs:

State Grant/Project #		Name of State Program
State Aid Public:		
495-034-5120-078	(A)	Equalization Aid
495-034-5120-078	(A)	Stabilization Aid
495-034-5120-089	(A)	Categorical Special Education Aid
495-034-5120-084	(A)	Categorical Security Aid

Note: (A) Tested as Major Type A Program.

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

Section II - Schedule of Financial Statement Findings

NONE

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

FEDERAL AWARDS

NONE

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

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

STATE AWARDS

Finding 2025-001

Information on the state program:
State Aid – Public Cluster, NJCFS Numbers 495-034-5120-(089/084) Grant Period 7/1/24-6/30/25.

Criteria or specific requirement:
The district is required to complete the October 2024 District Report of Transported Resident Students (DRTRS) through a web-based system. The October 2024 DRTRS Summary Report generated by the web-based system must agree to the October 2024 County Summary Report, which is a compilation of district data by county/district. Supporting documentation should be made available to support the category eligibility of students reported on the district DRTRS.

Condition:
Students reported as Regular-Special Education (Col. 4) and Special Needs (Col. 6) on the October 2024 DRTRS Summary Report could not be verified to supporting documentation.

Questioned Costs:
None

Context:
The district submitted the October 2024 DRTRS but was unable to provide the related supporting documents that provide an audit trail for testing counts reported on the DRTRS.

Effect:
By not maintaining appropriate supporting documentation in accordance with the instructions provided by the New Jersey Department of Education, the students reported as Regular-Special Education (Col. 4) and Special Needs (Col. 6) on the district's DRTRS were unable to be verified.

Cause:
The district did not maintain related supporting documentation that document the compilation of data and provide an audit trail for testing the counts reported on the DRTRS.

Recommendation:
The district should maintain supporting documentation that provides an audit trail for testing for each child reported on the DRTRS.

Management's response:
The district will maintain supporting documentation that provide an audit trail for testing each child reported on the DRTRS.

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

Status of Prior Year Findings

None