SCHOOL DISTRICT

OF

BLAIRSTOWN TOWNSHIP

Blairstown Township School District
Board of Education
Blairstown, Warren County
New Jersey

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

Annual Comprehensive

Financial Report

of the

Blairstown Township School District
Board of Education
Blairstown, New Jersey
For the Fiscal Year Ending June 30, 2025

Prepared by
Blairstown Township School District
Board of Education
Finance Department

OUTLINE OF ACFR

INTRODUCTORY SECTION

FINANCIAL SECTION

OUTLINE OF ACFR

OUTLINE OF ACFR

STATISTICAL SECTION (Unaudited)

SINGLE AUDIT SECTION

Introductory Section

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT
1 Sunset Hill Road ◆ Post Office Box E
Blairstown, New Jersey 07825
Phone: 908-362-6111 ◆ Fax: 908-362-5989
www.blairstownelem.net

Dr. Patrick Ketch, *Superintendent* Mrs. Colleen Silvestri, *Principal*

Mr. Brian D. Palumbo, *Business Administrator* Dr. Alyssa Emili, *Supervisor of Special Services*

November 21, 2025

Honorable President and
Members of the Board of Education
Blairstown School District
County of Warren, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report of the Blairstown School District (District) for the fiscal year ending June 30, 2025, is now submitted. Responsibility for the data's accuracy and the presentation's completeness and fairness, 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 the financial position and results of operations of the various funds and account groups of the District fairly. All disclosures necessary to enable the reader to understand the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and schedules and the auditor's report. The statistical section includes selected financial and demographic information, generally presented multi-yearly. The District is required to undergo a single annual audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Uniform Guidance, *Audits of State and Local Governments*, and the state Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants*, *and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES:
Blairstown School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statements No. 3. All funds and account groups of the District are

included in this report. The Blairstown Board of Education and the Blairstown Elementary School constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through Six and operates a full spectrum program for children with disabilities. These services include regular as well as special education for handicapped youngsters. The Pre-Kindergarten program will continue bringing additional students into the building now that the District has two classes.

The District completed the 2024-2025 fiscal year with an average enrollment of 423 students. The following details the district's student enrollment changes over the last ten years.

Fiscal Year Average Daily Student Enrollment Percent Change

2015-2016	508	-6.30%
2016-2017	481	-5.30%
2017-2018	464	-3.70%
2018-2019	458	-1.30%
2019-2020	468	+2.18%
2020-2021	404	-12.70%
2021-2022	429	+6.18%
2022-2023	430	+0.23%
2023-2024	429	-0.23%
2024-2025	423	-1.40%

2) ECONOMIC CONDITION AND OUTLOOK:
Enrollment has been decreasing over the last several years, as outlined above. Annual reductions in state aid are a concern for the future of this district, particularly if enrollment increases with the 2% cap in mind.

3) MAJOR INITIATIVES:

The district continues to utilize Acadience and Renaissance for benchmark assessments. Students complete three benchmarks each year in both Math and ELA, and the resulting data is used through the RtI process to drive instruction and support ongoing growth in learning and achievement.

The district has successfully completed its 1:1 technology initiative, ensuring that every classroom is equipped with a Chromebook cart and 25 devices. Students in Kindergarten through Grade 2 use touchscreen Chromebooks to support developmentally appropriate learning. In addition, the district is upgrading instructional technology by replacing Smartboards with Promethean Boards.

Professional development continues to emphasize differentiated instruction to meet the needs of all learners. The district is also partnering with motivational speaker Andrew Marotta to further inspire staff and strengthen a culture of positivity, growth, and student-centered learning.

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 is also responsible for ensuring an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

5) BUDGETARY CONTROLS:
Besides internal accounting controls, the District maintains budgetary controls. These budgetary controls aim to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the municipality's voters. Annual appropriated budgets are adopted for the general and special revenue funds. 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 records outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance on June 30, 2025.

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

7) FINANCIAL INFORMATION AT FISCAL YEAR-END:
As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

8) CASH MANAGEMENT:

The District's investment policy is largely guided 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 funds are secured following the Act.

9) 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, and fidelity bonds.

10) 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 Ardito & Company. In addition to meeting the requirements outlined in state statutes, the audit was also designed to meet the Single Audit Act of 1984 and the related OMB Uniform Guidance and state Treasury Circular Letter 15-08 OMB. The auditor's report on the general purpose financial statements and combining individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Blairstown School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district, thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,

Dr. Patrick Ketch	Brian D. Palumbo
Superintendent	Business Administrator

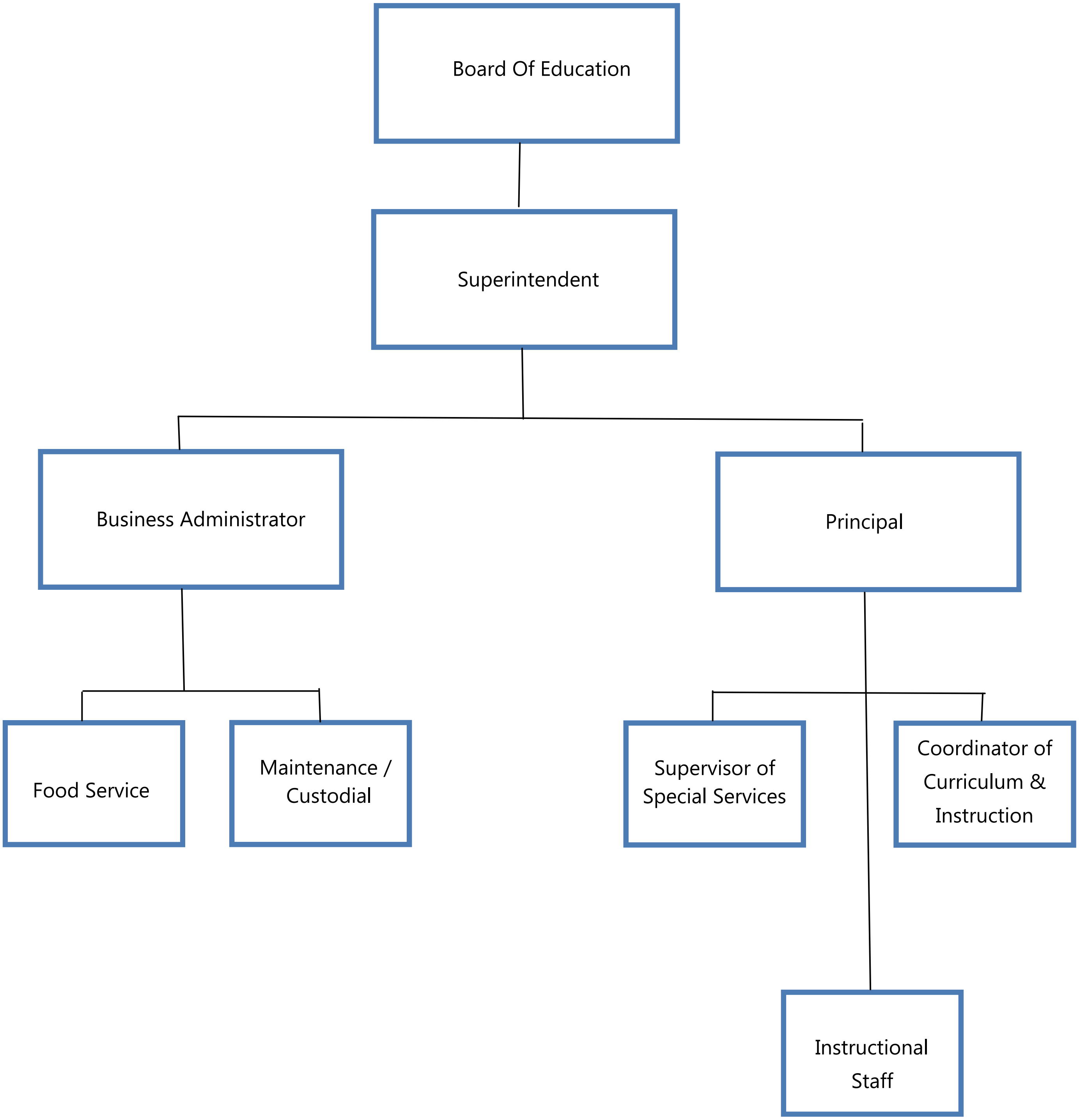
BLAIRSTOWN ELEMENTARY SCHOOL

P.O. Box E

One Sunset Hill Road

Blairstown, N.J. 07825

ORGANIZATIONAL CHART



BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT
BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2025

Members of the Board of Education	Term Expires
Jeremy Cook, President	2026
Sotie Hambos, Vice-President	2025
David Scherrle	2027
Bradford Van Valkenburg	2027
Karen Klein	2025
Kevin Doell	2025
Erin Allison	2025
Deborah Furhmann	2026
Danielle Ryan	2026

Other Officials

Dr. Patrick Ketch, Superintendent

Brian Palumbo, Business Administrator/Board Secretary (3/1/2025-6/30/2025)

Donna Williams, Business Administrator/Board Secretary (7/1/2024-2/28/2025)

Joseph Schneider, Treasurer

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT
BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

ARCHITECT

FK Architects
306 Ramapo Valley Road
Oakland, NJ 07436

AUDIT FIRM

Ardito & Company LLC
Anthony Ardito
1110 Harrison Street, Suite C
Frenchtown, NJ 08825

ATTORNEY

Scarini Hollenbeck LLC
Andrew B. Brown, Esq.
150 Clove Road, 9th Floor
Little Falls, NJ 07424

OFFICIAL DEPOSITORY

First Hope Bank
P.O. Box 296
Hope, NJ 07844

Financial Section

Independent Auditor's Report

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Blairstown Township School District
County of Warren
Blairstown, New Jersey 07825

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 Blairstown School District Board of Education, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Blaistown Township School District Board of Education's basic financial statements. The combining and individual non-

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major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with ***Government Auditing Standards***, we have also issued our report dated November 21, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 21, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
November 21, 2025

Required Supplementary Information - Part I

Management's Discussion and Analysis

The discussion and analysis of Blairstown Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2025 are as follows:

- In total, Net Position increased $5,342 which represents a 0.2% increase from 2024.

- General revenues accounted for $8,552,966 in revenue or 80.3% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for $2,101,330 or 19.7% of total revenues of $10,654,296.

- Total assets of governmental activities decreased by $195,335, as cash and cash equivalents decreased by $497,064, receivables increased by $188,052, and capital assets increased by $113,429.

- The School District had $10,648,954 in expenses; only $2,101,330 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of $8,552,966 were available to provide for these programs.

- Among major funds, the General Fund had $11,796,962 in revenues and $11,968,300 in expenditures. The General Fund's surplus balance decreased $171,338 over 2024, which compares favorably to the budgeted decrease of $583,788.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Blairstown Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Blairstown Township School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

- Governmental activities--All of the School District's programs and services are reported here including 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 or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 23. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

Governmental Funds

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2025 compared to 2024.

Table 1
Net Position

	2025	2024
Assets		
Current and Other Assets	$ 1,744,499	$ 2,053,263
Capital Assets	2,107,364	1,993,935
Total Assets	3,851,863	4,047,198
Deferred Outflows of Resources	132,916	133,410
Liabilities		
Long-Term Liabilities	1,236,179	1,237,181
Other Liabilities	392,985	550,562
Total Liabilities	1,629,164	1,787,743
Deferred Inflows of Resources	95,689	138,281
Net Position		
Invested in Capital Assets, Net of Debt	2,107,364	1,993,935
Restricted	(20,560)	-
Unrestricted	173,122	260,649
Total Net Position	$ 2,259,926	$ 2,254,584

Total assets of governmental activities decreased by $195,335, as cash and cash equivalents decreased by $497,064, receivables increased by $188,052, and capital assets increased by $113,429.

The cash decrease and receivable increase was due to the tax levy payment from the consituent townships was received in the subsequent year as well as budgted operations deficit for the cash decrease. The increase in capital assets was due to capital additions, net of depreciation expense.

Table 2 shows the changes in Net Position from fiscal year 2024.

Table 2
Changes in Net Position

	2025	2024
Revenues		
Program Revenues:		
Charges for Services	$ 168,632	$ 143,898
Operating Grants and Contributions	1,932,698	2,598,399
General Revenues:		
Property Taxes	8,439,798	7,759,915
Federal & State Aid on Capital Asset Projects	-	-
Investment Earnings	38,706	53,904
Other	74,462	57,621
Total Revenues	10,654,296	10,613,737
Program Expenses		
Instruction	5,636,512	5,406,589
Support Services:		
Tuition	199,463	285,547
Pupils and Instructional Staff	1,491,477	1,693,771
General Administration, School Administration, Business	903,803	887,884
Operations and Maintenance of Facilities	968,638	1,100,327
Pupil Transportation	1,036,632	970,344
Business-Type Activities	179,799	174,321
Interest and Fiscal Charges	232,630	200,526
Total Expenses	10,648,954	10,719,309
Increase in Net Position	$ 5,342	$ (105,572)

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 79.2% percent of revenues for governmental activities for the Blairstown Township School District for the fiscal year 2025.

Instruction comprises 52.9% of district expenses. Support services expenses make up 43.2% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2024. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	Total Cost of Services 2025	Net Cost of Services 2025	Total Cost of Services 2024	Net Cost of Services 2024
Instruction	$ 5,636,512	$ 4,549,971	$ 5,406,589	$3,982,358
Support Services:				
Tuition	199,463	167,455	285,547	227,668
Pupils and Instructional Staff	1,491,477	1,171,327	1,693,771	1,224,284
General Admin., School Admin., Business	903,803	758,770	887,884	707,915
Operation and Maintenance of Facilities	968,638	813,201	1,100,327	877,298
Pupil Transportation	1,036,632	870,284	970,344	773,662
Business-Type Activities	179,799	(16,014)	174,321	(16,699)
Interest and Fiscal Charges	232,630	232,630	200,526	200,526
Total Expenses	$ 10,648,954	$ 8,547,624	$ 10,719,309	$ 7,977,012

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

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

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

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

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

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

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

The dependence upon tax revenues is apparent. Over 80.7% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 82.2%. The community, as a whole, is the primary support for the Blairstown Township School District.

The School District's Funds

Information about the School District's major funds starts on page 23. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other scources of $12,078,207 and expenditures of $12,248,171. The General Fund's surplus balance decreased $171,338 over 2024, which compares favorably to the budgeted decrease of $583,788.

General Fund Budgeting Highlights

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

During the course of the fiscal 2025 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was $9,608,709, $152,535 over original budgeted estimates of $9,456,174. This difference was due primarily to tuition revenues, non-budgeted state aids and other non-budgeted miscellaneous revenues.

General fund revenues fell short of expenditures by $169,612. Again this deficit compares to a budgeted deficit of $583,788, which was due to withdrawals of maintence reserve, capital reserves, and the budgeted use of surplus needed to balance the 2024-2025 budget. The budgeted deficit was reduced due to revenue increases and cost savings in the area of instruction and benefits.

Overall general fund balance (budget basis) was $1,243,505, and amounts ear-marked and reserved for future purposes were $916,625, creating a surplus in unreserved fund balance of $326,880. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

Capital Assets

At the end of the fiscal year 2025, the School District had $2,100,787 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2025 balances compared to 2024.

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

	2025	2024
Land	$ 500,000	$ 500,000
Land Improvements	-	-
Buildings and Improvements	1,523,792	1,376,606
Machinery and Equipment	76,995	111,011
Totals	$ 2,100,787	$ 1,987,617

Overall capital assets increased $113,170 from fiscal year 2024 to fiscal year 2025. The increase in capital assets was due to capital improvements, net of depreciation expense for the year.

Capital improvements of $360,287 were purchased during fiscal year 2025 and consisted of the access lift & ramp project, and information technology equipment.

Debt Administration

At June 30, 2025, the School District had $222,948 as outstanding long term debt. Of this amount, $222,948 is for compensated absences.

At June 30, 2025, the School District’s overall legal debt margin was $29,828,725 and the unvoted debt margin was the same.

For the Future

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/Board Secretary at Blairstown Township School District, PO Box E, One Sunset Hill Road, Blairstown, NJ 07825.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION
JUNE 30, 2025

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Cash Equivalents	$ 670,050	$ 87,834	$ 757,884
Receivables, Net	887,104	3,397	890,501
Interfund Receivables		88,835	88,835
Inventory		7,279	7,279
Capital Assets, Net (Note 5):	2,100,787	6,577	2,107,364
Total Assets	**3,657,941**	**193,922**	**3,851,863**
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows (Note 8)	132,916		132,916
LIABILITIES			
Accounts Payable	45,369	698	46,067
Payroll Deductions and Withholdings	224,242		224,242
Unemployment Compensation Claims Payable	8,907		8,907
Interfund Payables	88,835		88,835
Unearned Revenue	23,042	1,892	24,934
Net Pension Liability (Note 8)	1,013,231		1,013,231
Noncurrent Liabilities (Note 6):			
Due Beyond One Year	222,948		222,948
Total Liabilities	**1,626,574**	**2,590**	**1,629,164**
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows (Note 8)	95,689		95,689
NET POSITION			
Invested in Capital Assets, Net of Related Debt	2,100,787	6,577	2,107,364
Restricted for:			
Other Purposes	(20,560)		(20,560)
Unrestricted	(11,633)	184,755	173,122
Total Net Position	**$ 2,068,594**	**$ 191,332**	**$ 2,259,926**

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

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2025

		PROGRAM REVENUES			NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION		
Functions/Programs	**EXPENSES**	**CHARGES FOR SERVICES**	**OPERATING GRANTS AND CONTRIBUTIONS**	**CAPITAL GRANTS AND CONTRIBUTIONS**	**GOVERNMENTAL ACTIVITIES**	**BUSINESS-TYPE ACTIVITIES**	**TOTAL**
Governmental Activities:							
Instruction:							
Regular	$ 3,806,860	$ 20,041	$ 772,898		$ (3,013,921)		$ (3,013,921)
Special Education	1,536,894	8,090	238,534		(1,290,270)		(1,290,270)
Other Special Instruction	292,758	1,541	45,437		(245,780)		(245,780)
Support Services:							
Tuition	199,463	1,050	30,958		(167,455)		(167,455)
Student & Instruction Related Services	1,491,477	7,851	312,299		(1,171,327)		(1,171,327)
School Administrative Services	228,008	1,200	35,388		(191,420)		(191,420)
General and Business Admin. Services	675,795	3,558	104,887		(567,350)		(567,350)
Plant Operations and Maintenance	968,638	5,099	150,338		(813,201)		(813,201)
Pupil Transportation	1,036,632	5,457	160,891		(870,284)		(870,284)
Other Fiscal Charges	1,127				(1,127)		(1,127)
Unallocated Depreciation	231,503				(231,503)		(231,503)
Total Governmental Activities	10,469,155	53,887	1,851,630		(8,563,638)		(8,563,638)
Business-Type Activities:							
Food Service	179,799	114,745	81,068			$ 16,014	16,014
Total Business-Type Activities	179,799	114,745	81,068	-		16,014	16,014
Total Primary Government	**$ 10,648,954**	**$ 168,632**	**$ 1,932,698**	**$ -**	**$ (8,563,638)**	**$ 16,014**	**$ (8,547,624)**
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes,Net					$ 8,439,798		$ 8,439,798
Investment Earnings					35,684	$ 3,022	38,706
Miscellaneous Income					74,462		74,462
Total General Revenues, Special Items, Extraor. Items & Transfers					8,549,944	3,022	8,552,966
Change in Net Position					(13,694)	19,036	5,342
Net Position—Beginning					2,082,288	172,296	2,254,584
Net Position—Ending					$ 2,068,594	$ 191,332	$ 2,259,926

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

FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and Cash Equivalents	$ 655,771	$ 14,279	$ 670,050
Interfund Receivables	37,173		37,173
Tax Levy Receivable	703,317		703,317
Other Accounts Receivable	41,381		41,381
Receivables from Other Governments	89,953	52,453	142,406
TOTAL ASSETS	**$ 1,527,595**	**$ 66,732**	**$ 1,594,327**
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 45,369		$ 45,369
Payable for Payroll Liabilities	224,242		224,242
Payable for Unemployment Claims	8,907		8,907
Interfund Payable	88,835	37,173	126,008
Deferred Revenue	7,762	15,280	23,042
Total Liabilities	375,115	52,453	427,568
Fund Balances:			
Restricted for:			
Maintenance Reserve	265,408		265,408
Capital Reserve	482,967		482,967
Unemployment Compensation	7,445		7,445
Student Activities		14,279	14,279
Assigned to:			
Year-End Encumbrances	20,560		20,560
General Fund-Designated for Subsequent Year's Expend.	140,245		140,245
Unassigned:			
General Fund - Undesignated	235,855		235,855
Total Fund Balances	1,152,480	14,279	1,166,759
TOTAL LIABILITIES AND FUND BALANCE	**$ 1,527,595**	**$ 66,732**	**$ 1,594,327**

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $5,176,032 and the accumulated depreciation is $3,075,245 (see Note 5).	$ 2,100,787
Deferred Outflows related to pension contributions subsequent to the Net Pension Liablity measurement date and other deferred items are not current financial resources and therefore are not report in the fund statements. (See Note 8)	132,916
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 8)	(95,689)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilties in the funds (see Note 8)	(1,013,231)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilties in the funds (see Note 6).	(222,948)
Net Position of governmental activities	$ 2,068,594

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

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES			
Local sources:			
Local Tax Levy	$ 8,439,798		$ 8,439,798
Tuition	53,887		53,887
Miscellaneous	91,768	$ 18,378	110,146
Total - Local Sources	8,585,453	18,378	8,603,831
State Sources	3,173,707	-	3,173,707
Federal Sources	37,802	262,867	300,669
Total Revenues	**11,796,962**	**281,245**	**12,078,207**
EXPENDITURES			
Current:			
Regular Instruction	2,694,416	199,057	2,893,473
Special Education Instruction	1,169,580		1,169,580
Other Special Instruction	222,789		222,789
Support services and undistributed costs:			
Tuition	151,792		151,792
Student and Instruction Related Services	1,054,204	80,814	1,135,018
School Administrative Services	173,515		173,515
Other Administrative Services	496,593		496,593
Plant Operations and Maintenance	735,488		735,488
Pupil Transportation	783,210		783,210
Unallocated Benefits	3,632,501		3,632,501
Charter School	479,848		479,848
Capital Outlay	374,364	-	374,364
Total Expenditures	**11,968,300**	**279,871**	**12,248,171**
Excess (Deficiency) of Revenues Over Expenditures	(171,338)	1,374	(169,964)
Net Change in Fund Balances	(171,338)	1,374	(169,964)
Fund Balance—July 1	1,323,818	12,905	1,336,723
Fund Balance—June 30	**$ 1,152,480**	**$ 14,279**	**$ 1,166,759**

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

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit B-3

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)			$ (169,964)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.			
	Depreciation Expense	$ (247,117)	
	Capital Outlays	360,287	113,170
Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administravtive costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.			110,410
In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This is the amount by which the current year's compensated absence payments exceed the current year's amount earned.			(67,310)
Change in Net Position of Governmental Activities			**$ (13,694)**

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

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION
PROPRIETARY FUNDS

JUNE 30, 2025

	Business-Type Activities- Enterprise Funds	
	Food Service	Totals
ASSETS		
Current assets:		
Cash and Cash Equivalents	$ 87,834	$ 87,834
Accounts Receivable - Federal & State	3,397	3,397
Other Receivables	-	-
Interfund Receivable	88,835	88,835
Inventories	7,279	7,279
Total Current Assets	**187,345**	**187,345**
Noncurrent Assets:		
Furniture, Machinery and Equipment	153,277	153,277
Less Accumulated Depreciation	(146,700)	(146,700)
Total Noncurrent Assets	**6,577**	**6,577**
Total Assets	**193,922**	**193,922**
LIABILITIES		
Current liabilities:		
Accounts Payable	698	698
Deferred Revenue	1,892	1,892
Total Current Liabilities	**2,590**	**2,590**
Total Liabilities	**2,590**	**2,590**
NET POSITION		
Invested in Capital Assets Net of Related Debt	6,577	6,577
Unrestricted	184,755	184,755
Total Net Position	**$ 191,332**	**$ 191,332**

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

Exhibit B-5

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	Total Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	$ 73,053	$ 73,053
Daily Sales - Non-Reimb. Programs	41,692	41,692
Miscellaneous	3,022	3,022
Total Operating Revenues	**117,767**	**117,767**
Operating Expenses:		
Cost of Sales - Reimbursable Programs	62,096	62,096
Cost of Sales - Non-reimbursable Programs	11,010	11,010
Salaries	47,623	47,623
Employee Benefits	15,649	15,649
Other Purchased Professional Services	8,999	8,999
Miscellaneous	2,721	2,721
Supplies	29,004	29,004
Depreciation	2,697	2,697
Total Operating Expenses	**179,799**	**179,799**
Operating Income (Loss)	(62,032)	(62,032)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	2,240	2,240
Federal Sources:		
National School Lunch Program	55,399	55,399
School Breakfast Program	10,856	10,856
P-EBT Administrative Cost Reimbursement	643	643
Food Distribution Program	11,930	11,930
Total Nonoperating Revenues (Expenses)	**81,068**	**81,068**
Income (Loss)	19,036	19,036
Change in Net Position	19,036	19,036
Total Net Position—Beginning	172,296	172,296
Total Net Position—Ending	**$ 191,332**	**$ 191,332**

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

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2025

	Business-Type Activities- Enterprise Funds	
	Food Service	**Total Enterprise**
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	$ 114,745	$ 114,745
Payments to Employees	(47,623)	(47,623)
Payments for Employee Benefits	(15,649)	(15,649)
Payments to Suppliers	(107,816)	(107,816)
Net Cash Provided by (used for) Operating Activities	(56,343)	(56,343)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Capital Asset Acquisitions	(2,956)	(2,956)
Net Cash Provided by (used for) Non-Capital Financing Activities	(2,956)	(2,956)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	2,309	2,309
Federal Sources	66,950	66,950
Operating Transfer from other Funds	(50,413)	(50,413)
Net Cash Provided by (used for) Non-Capital Financing Activities	18,846	18,846
Net Increase (Decrease) in Cash and Cash Equivalents	(40,453)	(40,453)
Balances—Beginning of Year	128,287	128,287
Balances—End of Year	**$ 87,834**	**$ 87,834**
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:		
Operating Income (Loss)	$ (62,032)	$ (62,032)
Depreciation	2,697	2,697
Provided by (used for) Operating Activities:		
Federal Commodities	11,930	11,930
(Increase) Decrease in Accounts Receivable	-	-
(Increase) Decrease in Inventories	(246)	(246)
Increase (Decrease) in Accounts Payable	(8,692)	(8,692)
Total Adjustments	5,689	5,689
Net Cash Provided by (used for) Operating Activities	**$ (56,343)**	**$ (56,343)**

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

Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provides for the most significant change in financial reporting in over twenty years and is scheduled for a phase-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liablities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, GASB 84, Fiduciary Activities, GASB 87, Leases, GASB 96, Subscriptions, GASB 98, Annual Comprehensive Financial Report, GASB 100, Accounting Changes and Error Corrections, and GASB 101, Compensated Absences. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2024.

A. <u>Reporting Entity</u>:

The Blairstown Township School District is a Type II district located in the County of Warren, 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-6. The Blairstown Township School District had an approximate enrollment at June 30, 2025, of 428 students.

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

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

Based on the aforementioned criteria, the District has no component units.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

The School District’s basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Basis of Presentation

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or

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

Fund Financial Statements : During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District’s funds, including its fiduciary funds. Separate statements for each fund category—*governmental, 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.

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

General Fund - The General Fund is the general operating fund of the District and is used to account for all expendable financial resources, except those required to be accounted for in another fund, including payroll agency and unemployment compensation accounts. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, 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. The special revenue fund also accounts for student activities.

PROPRIETARY FUNDS

The District reports the following proprietary fund:

Enterprise (Food Service) Fund - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent 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.

Basis of Accounting

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted

upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

Governmental Fund Financial Statements : Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11. In addition, transfers are also covered by changes in N.J.A.C.6A:23A-2.3, that can require approval through the state department. All budget amendments/transfers must be approved by School Board resolution and are subject to transfer limitations and approvals per P.L. 2004, c.73(S-1701).

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgets/Budgetary Control (Continued):

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.

D. Encumbrance Accounting:

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

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

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

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

Interfund Transactions:

Transfers between governmental and business-type activities on the District-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 the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Capital Assets:

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is $2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

Asset Class	Estimated Useful Lives
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

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

Compensated Absences:

The District accounts for compensated absencesas directed by Governmental Accounting Standards Board Statement No.101 (GASB 101), "Compensated Absences". Examples of compensated absences are paid time off, sick leave, holidays, parental leave, military leave, jury duty, bereavement, sabbatical, and floating holidays.

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

The liability for compensated absences was accrued and determined based on 1.) leave that has not been used, and 2.) leave that has been used but not yet paid in cash or settled through noncash means. For leave that has not been used, a liability is recognized if, 1.) the leave is attributable to services already rendered, 2.) the leave accumulates (no-use-it-or-lose-it), and, the leave is more likely to than not to be used for time off or otherwise paid in cash or settled through noncash means. For leave that has been used, a liability should be recognized when leave has been used for time off but has not been paid in cash or settled through noncash means.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

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.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes that were received as of June 30, 2025, but which were levied to finance susequent fiscal years operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

All payables, accrued liabilities and long-term obligations are reported on 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, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Net Position:

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances, capital reserve, and maintenance reserve.

Deferred Outflows and Deferred Inflows of Resources

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

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

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

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 and medical and dental benefits, were allocated based on salaries of that program. 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. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items:

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates:

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

NOTE 2: CASH AND CASH EQUIVALENTS

Deposits:

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

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2025, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

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

	Cash and Cash Equivalents (A-1)
Checking Accounts	$ 757,884
	$ 757,884

The carrying amount of the Board’s cash and cash equivalents at June 30, 2025, was $757,884 and the bank balance was $1,408,054. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, $250,000 was covered by federal depository insurances and $1,158,054 was covered by collateral pool.

NOTE 3: RECEIVABLES

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

	Governmental Fund Financial Statements	Government-Wide Financial Statements
State Aid	$ 89,953	$ 90,062
Federal Aid	52,453	55,741
Tax Levy - Blairstown Township	572,540	572,540
Tax Levy - Hardick Township	130,777	130,777
Other Local-Shared Services & Tuition	41,381	41,381
Gross Receivable	$ 887,104	$ 890,501
Less: Allow. for Uncollectibles		
Total Receivables, Net	$ 887,104	$ 890,501

The local tax levy receivable was received in the subsequent year.

NOTE 4: INVENTORY

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

Food	$ 7,279

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

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 Not Being Depreciated:				
Land	$ 500,000			$ 500,000
Total Capital Assets Not Being Depreciated	500,000			500,000
Capital Assets Being Depreciated:				
Land Improvements	296,068			296,068
Buildings and Building Improvements	3,178,021	$ 310,559		3,488,580
Machinery and Equipment	841,656	49,728		891,384
Total at Historical Cost	4,815,745	360,287		5,176,032
Less Accumulated Depreciation for:				
Land Improvements	(296,068)			(296,068)
Building and Improvements	(1,801,415)	(163,373)		(1,964,788)
Equipment	(730,645)	(83,744)		(814,389)
Total Accumulated Depreciation	(2,828,128)	(247,117)		(3,075,245)
	1,987,617	113,170		2,100,787
Government Activity Capital Assets, Net	**$ 1,987,617**	**$ 113,170**		**$ 2,100,787**

NOTE 5: CAPITAL ASSETS -(Continued)

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to $2,000. The previous threshold was $500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than $500 but not greater than $2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Regular Instruction	$	3,557
School Administrative Services		4,739
Plant Operation and Maintenance		1,648
Pupil Transportation		5,670
Unallocated		231,503
Total	$	247,117

NOTE 6: LONG-TERM OBLIGATIONS

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

A. Long-Term Obligation Activity:

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

		Balance 7/1/2024		Increases	Decreases		Balance 6/30/2025	Amounts Due Within One Year
Governmental Activities:								
Other Liabilities:								
Compensated Absences Payable	$	155,638	$	67,310		$	222,948	
Total	$	155,638	$	67,310	-	$	222,948	-

Compensated absences have been liquidated in the General Fund.

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

NOTE 7: CONTINGENT LIABILITIES

GRANT PROGRAMS

The Board participates in state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Board is potentially liable for any 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 Board is not involved in claims and lawsuits incidental to its operations.

NOTE 8: 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 Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on the internet at http://www.state.nj.us/treasury/pensions/annrprts.shtml.

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, 100% of 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.

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

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was $15,988,238 as measured on June 30, 2024 and $17,623,907 measured on June 30, 2023.

NOTE 8: PENSION PLANS (Continued)

For the year ended June 30, 2025, the District recognized pension expense/(benefit) of ($58,323) and revenue of ($58,323) for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2025 is based upon changes in the collective net pension liability with a measurement period of June 30, 2023 through June 30, 2024. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2023 and June 30, 2024.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	6/30/2024	6/30/2025
Collective deferred outflows of resources	$2,498,730,891	$1,176,934,477
Collective deferred inflows of resources	$14,719,080,314	$10,530,833,639
Collective net pension liability (Nonemployer-State of New Jersey)	$51,032,669,551	$49,425,106,602
State's portion of the net pension liability that was associated with the district	$17,623,907	$15,988,238
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.034535%	0.032348%

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

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.

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

NOTE 8: PENSION PLANS (Continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic 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***
US Equity	28.00%	8.63%
Non-US devel.markets equity	12.75%	8.85%
International Small Cap Equit	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yeild	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash equivalents	2.00%	3.57%
US Treasuries	4.00%	3.57%
Risk mitigation	3.00%	7.10%

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

Sensitivity of the State's net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2024, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Collective Net Pension Liability	$ 58,828,334,396	$ 49,492,072,325	$ 41,629,174,739

NOTE 8: PENSION PLANS (Continued)

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml. The plan fudiciary net position as of June 30, 2024 was $30,316,295,787.

Amortization of Deferred Outflows and Inflows of Resources - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amoounts) related to pensions will be recognized in the state's pension expense as follows:

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

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2024 are as follows:

Service cost	$1,395,143,002
Interest on total pension liability	5,402,862,412
Member contributions	(968,116,740)
Administrative expense	23,998,868
Expected investment return net of investment expenses	(1,880,215,821)
Pension expense related to specific liabilities of individual employers	(521,718)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	163,003,839
Changes in assumptions	(4,175,839,758)
Difference between projected and actual investment earnings on pension plan investments	(140,853,575)
Total pension expense	($180,539,491)

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.

NOTE 8: PENSION PLANS (Continued)

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

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

At June 30, 2025, the District reported a liability of $1,013,231 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2024. The total pension liability for the June 30, 2022 valuation was determined by an experience study for the period July 1, 2018 to June 30, 2021. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2024 and 2023. At June 30, 2024, the District's proportion was 0.00746% which was a decrease of 0.00001% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense/(benefit) of ($7,266). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 20,297	$ 2,698
Changes of assumptions	1,259	11,528
Net difference between projected and actual earnings on pension plan investments	-	46,981
Changes in proportion and differences between District contributions and proportionate share of contributions	9,893	34,482
District contributions subsequent to the measurement date	101,467	
Total	$ 132,916	$ 95,689

$58,601 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 measured as of June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended June 30:
2025	($69,701)
2026	53,933
2027	(31,029)
2028	(17,909)
2029	466
Total	($64,240)

NOTE 8: PENSION PLANS (Continued)

	6/30/2024	6/30/2025
Collective deferred outflows of resources	$1,080,204,730	$289,074,215
Collective deferred inflows of resources	1,780,216,457	820,816,333
Collective net pension liability	$14,484,374,047	$13,588,045,796
District's portion of net pension liability	$1,081,543	$1,013,231
District's proportion %	0.00746696%	0.00745678%

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 was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions:

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

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

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

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

NOTE 8: PENSION PLANS (Continued)

Asset Class	***Target Allocation***	***Long-Term Expected Real Rate of Return***
US Equity	28.00%	8.63%
Non-US devel.markets equity	12.75%	8.85%
International Small Cap Equit	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yeild	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash equivalents	2.00%	3.57%
US Treasuries	4.00%	3.57%
Risk mitigation	3.00%	7.10%

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	$ 1,346,335	$1,013,231	$ 729,761

NOTE 8: PENSION PLANS (Continued)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2024 are as follows:

Service cost	($16,115)
Interest on total Pension liability	(60,195)
Member contributions	13,198
Administrative expense	(466)
Other - Chaper 19 Adjustment	485
Expected investment return net of investment expenses	36,362
Pension expense related to specific liabilities of individual employers	464
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	(1,834)
Changes in assumptions	14,711
Difference between projected and actual investment earnings on pension plan investments	6,124
Total pension expense/(benefit)	($7,266)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml.

Defined Contribution Retirement Plan (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

NOTE 8: PENSION PLANS (Continued)

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation - Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

 New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

 The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78'sceffective date with a minimum contribution required to becat least 1.5% of salary. In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed
6/30/2025	$101,467	100 %
6/30/2024	$99,789	100 %
6/30/2023	$97,853	100 %

NOTE 8: PENSION PLANS (Continued)

During the fiscal year ended June 30, 2025, the State of New Jersey did contribute $1,871,274 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $318,705 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. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

NOTE 9: POST-RETIREMENT BENEFITS

Plan description and benefits provided

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPES plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.
The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or countycollege 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. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

Total Nonemployer OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State’s level and is not specific to the board of education.

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

NOTE 9: POST-RETIREMENT BENEFITS-(Continued)

Actuarial assumptions and other imputes. The June 30, 2025 GASB 75 reporting is based on a measurement date of June 30, 2024. The total nonemployer OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions used in the July 1, 2023 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF, PERS anf PFRS. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Total Nonemployer OPEB Liability:	$ 59,650,630,530		
	TPAF/ABP	PERS	PFRS
Salary Increases	2.75% to 5.65%	2.75% to 6.55%	3.25% to 16.25%
		Based on service years	

(a) Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and 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%.

(b) Discount Rate

The discount rate used to measure the total OPEB liability wa 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.

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

NOTE 9: POST-RETIREMENT BENEFITS-(Continued)

Changes in the Total OPEB Liability reported by the State of New Jersey

	Total OPEB Liability
The State's Total OPEB Liability Balance at 6/30/2023	**$52,361,668,239**
Changes for the year:	
Service Cost	2,152,062,729
Interest on the Total OPEB Liability	1,963,557,443
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	158,934,425
Changes of Assumptions	4,462,660,491
Gross Benefit Payments	(1,499,600,607)
Contributions from Members/Employers	51,347,810
Net changes	7,288,962,291
The State's Total OPEB Liability Balance at 6/30/2024	**$59,650,630,530**

The State's total OPEB liability attributable to the District: $26,716,860

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

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

	June 30, 2024		
	At 1% Decrease 2.93%	At Discount Rate 3.93%	At 1% Increase 4.93%
Total OPEB Liability (School Retirees)	$69,863,663,542	$59,650,630,530	$51,437,232,141

	June 30, 2023		
	At 1% Decrease 2.65%	At Discount Rate 3.65%	At 1% Increase 4.65%
Total OPEB Liability (School Retirees)	$61,385,066,712	$52,361,668,239	$45,116,926,835

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

NOTE 9: POST-RETIREMENT BENEFITS-(Continued)

	June 30, 2024		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	$49,689,409,509	$59,650,630,530	$72,625,778,279

	June 30, 2023		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	$43,468,257,358	$52,361,668,239	$63,998,719,320

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

For the year ended June 30, 2024, the board of education recognized OPEB expense and related revenue of $429,648 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

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

	Deferred Outflows	Deferred Inflows
Differences Between Expected and Actual Experience	$6,378,932,312	$11,139,706,892
Changes of assumptions or other inputs	10,004,978,073	11,662,607,882
Total	$16,383,910,385	$22,802,314,774

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

Year ended June 30:	
2025	($2,115,877,507)
2026	($1,774,175,666)
2027	($842,677,045)
2028	$221,470,185
2029	(1,537,725,697)
Thereafter	(369,418,659)
	($6,418,404,389)

NOTE 10: DEFERRED COMPENSATION

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

American United Life

The Equitable

NOTE 11: COMPENSATED ABSENCES

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and upon retirement are reimbursed $60 per unused sick day accumulated up to a maximum of 200 total unused sick days.

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

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

NOTE 12: 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.

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 balance of the District's expendable trust fund for the current and previous two years:

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2024-2025	$245	$10,642	$2,542	$16,352
2023-2024	$276	$11,823	$28,765	$8,007
2022-2023	$398	$10,252	$5,885	$24,673

NOTE 13: FUND BALANCE APPROPRIATED

General Fund -(Exhibit B-1) Of the $1,152,480 General Fund fund balance at June 30, 2025, $20,560 is reserved for encumbrances; $265,408 is reserved for maintenance reserve; $482,967 is reserve for capital reserve; $140,245 has been anticipated as revenue for the year ended June 30, 2026; $7,445 is reserved for unemployment compensation; and $235,855 is unreserved and undesignated.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

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

	Interfund Receivable	Interfund Payable
General Fund		$ 88,835
Enterprise Fund	$ 88,835	
Total	$ 88,835	$ 88,835

The general fund owes the enterprise fund state and federal free and reduced lunch subsidies received in the current fund cash account but not yet transferred to the enterprise fund.

NOTE 15: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. 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 zero.

NOTE 16: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the School District Board of Education for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance June 30, 2024	$ 302,428
Deposits: June Board resolution June 26, 2025	100,000
Budgeted Withdrawal	(137,020)
Ending balance June 30, 2025	$ 265,408

NOTE 17: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District Board of Education for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance June 30, 2024	$ 460,094
Deposits: June Board resolution June 26, 2025	185,073
Budgeted Withdrawal	(162,200)
Ending balance June 30, 2025	$ 482,967

NOTE 18: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	$ 8,064,798	375,000	$ 8,439,798	$ 8,439,798	
Tuition	20,000		20,000	53,887	$ 33,887
Miscellaneous	50,000		50,000	91,768	41,768
Total - Local Sources	8,134,798	375,000	8,509,798	8,585,453	75,655
State Sources:					
Equalization Aid	403,279		403,279	403,279	
Transportation Aid	83,167		83,167	83,167	
Special Education Aid	372,859		372,859	372,859	
Security Aid	52,071		52,071	52,071	
Other State Aid				74,078	74,078
TPAF Pension (On-Behalf - Non-Budgeted)				1,447,566	1,447,566
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				422,980	422,980
TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted)				728	728
TPAF Social Security (Reimbursed - Non-Budgeted)				318,705	318,705
Total State Sources	911,376		911,376	3,175,433	2,264,057
Impact Aid	35,000		35,000	37,802	2,802
Total Federal Sources	35,000		35,000	37,802	2,802
TOTAL REVENUES	**9,081,174**	**375,000**	**9,456,174**	**11,798,688**	**2,342,514**

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	313,014	17,275	330,289	320,570	9,719
Grades 1-5 - Salaries of Teachers	1,551,708	66,196	1,617,904	1,615,044	2,860
Grades 6-8 - Salaries of Teachers	331,669	4,961	336,630	331,596	5,034
Regular Programs - Home Instruction:					
Salaries of Teachers	3,000		3,000		3,000
Purchased Professional - Educational Services	3,000		3,000		3,000
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	108,670	72,018	180,688	175,959	4,729
Other Purchased Services (400-500 series)	177,794	(26,400)	151,394	142,410	8,984
General Supplies	127,790	(26,500)	101,290	92,602	8,688
TOTAL REG. PROGRAMS - INSTRUCTION	**2,616,645**	**107,550**	**2,724,195**	**2,678,181**	**46,014**
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	74,605	1,528	76,133	76,132	1
General Supplies	1,000	(293)	707	657	50
Total Learning and/or Language Disabilities:	75,605	1,235	76,840	76,789	51
Multiple Disabilities:					
Salaries of Teachers	91,725	925	92,650	92,650	
General Supplies	1,000	12,474	13,474	13,446	28
Total Multiple Disabilities	92,725	13,399	106,124	106,096	28
Resource Room/Resource Center:					
Salaries of Teachers	722,155	14,173	736,328	736,328	
General Supplies	6,000	(1,886)	4,114	4,087	27
Total Resource Room/Resource Center	728,155	12,287	740,442	740,415	27

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Preschool Disabilities - Part-Time:					
Salaries of Teachers	63,144	(7,000)	56,144	55,859	285
Other Salaries for Instruction	19,453	25,880	45,333	43,657	1,676
General Supplies	1,000		1,000	288	712
Total Preschool Disabilities - Part-Time	83,597	18,880	102,477	99,804	2,673
Preschool Disabilities - Full-Time:					
Salaries of Teachers	94,300	(3,646)	90,654	89,592	1,062
Other Salaries for Instruction	16,398	40,159	56,557	56,557	
General Supplies	1,000	(77)	923	327	596
Total Preschool Disabilities - Full-Time	111,698	36,436	148,134	146,476	1,658
TOTAL SPECIAL ED. - INSTRUCTION	**1,091,780**	**82,237**	**1,174,017**	**1,169,580**	**4,437**
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	270,900	(72,900)	198,000	196,977	1,023
General Supplies	1,200		1,200	752	448
Total Basic Skills/Remedial - Instruction	272,100	(72,900)	199,200	197,729	1,471
School Sponsored Co/Extra Curricular Activities-Instruction:					
Salaries	15,953	(2,775)	13,178	8,278	4,900
Total School Sponsored Co/Extra Curricular Activities-Instr.	15,953	(2,775)	13,178	8,278	4,900
Before/After School Programs-Instruction:					
Salaries of Teachers	21,450	(5,790)	15,660	10,912	4,748
Other Salaries for Instruction	11,200	2,475	13,675	5,870	7,805
Total Before/After School Programs-Instruction	32,650	(3,315)	29,335	16,782	12,553
TOTAL INSTRUCTION	**4,029,128**	**110,797**	**4,139,925**	**4,070,550**	**69,375**
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to Private Schools for the Disabled - Within State	129,190	30,145	159,335	151,792	7,543
Total Instruction	129,190	30,145	159,335	151,792	7,543

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Health Services:					
Salaries	67,655	16,637	84,292	84,292	
Purchased Professional and Technical Services	4,500	(2,478)	2,022	365	1,657
Supplies and Materials	2,500	1,623	4,123	4,123	
Total Health Services	74,655	15,782	90,437	88,780	1,657
Other Supp. Services Students-Related Serv.:					
Salaries		134,770	134,770	132,985	1,785
Purchased Professional - Educational Services	290,000	(145,000)	145,000	140,989	4,011
Supplies and Materials	400	476	876	871	5
Total Other Supp. Serv. Students-Related Serv.	290,400	(9,754)	280,646	274,845	5,801
Other Supp. Services Students-Extra.Services:					
Salaries	256,225	(121,160)	135,065	121,228	13,837
Total Other Supp. Services Students-Extra.Services	256,225	(121,160)	135,065	121,228	13,837
Other Supp. Services Students-Regular:					
Salaries of Other Professional Staff	76,800	50	76,850	76,843	7
Supplies and Materials	200	(10)	190	189	1
Total Other Supp. ServicesStudents-Regular	77,000	40	77,040	77,032	8
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	343,897	(544)	343,353	320,372	22,981
Salaries of Secretarial and Clerical Assistants	42,050		42,050	42,050	
Purchased Professional - Educational Services	15,093		15,093	14,541	552
Supplies and Materials	3,500	533	4,033	2,991	1,042
Other Objects	600	440	1,040	1,040	
Total Other Supp. ServicesStudents-Special	405,140	429	405,569	380,994	24,575
Improvement of Instuction Services:					
Salaries of Other Professional Staff	11,000	3,225	14,225	11,721	2,504
Total Improvement of Instuction Services	11,000	3,225	14,225	11,721	2,504

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Educational Media Services/School Library:					
Salaries	77,285	2,436	79,721	79,721	
Purchased Professional - Technical Services	1,400	(1,400)			
Supplies and Materials	7,000	1,618	8,618	8,453	165
Total Educational Media Services/School Library	85,685	2,654	88,339	88,174	165
Instructional Staff Training Services:					
Salaries of Other Professional Staff		215	215	215	
Other Purchased Services (400-500 series)	15,000	9,785	24,785	11,215	13,570
Supplies and Materials	500		500		500
Total Instructional Staff Training Services	15,500	10,000	25,500	11,430	14,070
Supp. Services - General Administration:					
Salaries	222,415	567	222,982	222,982	
Legal Services	25,500	(4,196)	21,304	26,887	
Audit Fees	21,200	(892)	20,308	18,436	3,998
Other Purchased Professional Services	12,000	14,887	26,887	16,310	
Communications/Telephone	17,500	936	18,436	21,304	
Other Purchased Services (400-500 series)	4,500	7,196	11,696	11,696	
General Supplies	4,000		4,000	1,806	2,194
BOE In-House Training/Meeting Supplies	400		400		400
Miscellaneous Expenditures	6,700		6,700	5,827	873
BOE Membership Dues and Fees	5,000	1,548	6,548	6,548	
Total Supp. Services - General Administration	319,215	20,046	339,261	331,796	7,465

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	121,857		121,857	121,857	
Salaries of Secretarial and Clerical Assistants	51,805		51,805	49,813	1,992
Other Purchased Services (400-500 series)	500		500	130	370
Supplies and Materials	1,000		1,000	825	175
Other Objects	1,200		1,200	890	310
Total Support Services - School Administration	176,362		176,362	173,515	2,847
Central Services:					
Salaries	116,488	11,281	127,769	127,769	
Purchased Technical Services	19,500	14,488	33,988	33,988	
Other Purchased Services (400-500 series)	500		500	407	93
Supplies and Materials	1,500	(169)	1,331	1,207	124
Miscellaneous Expenditures	1,300	126	1,426	1,426	
Total Central Services	139,288	25,726	165,014	164,797	217
Required Maintenance for School Facilities:					
Salaries	56,788		56,788	55,726	1,062
Cleaning, Repair and Maintenance Services	100,000	9,400	109,400	108,553	847
General Supplies	25,000		25,000	16,429	8,571
Total Required Maintenance for School Facilities	181,788	9,400	191,188	180,708	10,480
Other Operations and Maintenance of Plant:					
Salaries	155,693	(10,584)	145,109	141,929	3,180
Purchased Professional and Technical Services	6,000	2,807	8,807	7,438	1,369
Cleaning, Repair and Maintenance Services	13,000	2,138	15,138	15,138	
Rental of Land & Bldg Other than Lease Purch Agrmt	1,000	(1,000)			
Insurance	82,000	(3,338)	78,662	74,872	3,790
General Supplies	28,000	(8,360)	19,640	15,411	4,229
Energy (Electricity)	100,000	33,938	133,938	133,938	
Energy (Oil)	100,000	(6,500)	93,500	89,802	3,698
Total Other Operations and Maintenance of Plant	485,693	9,101	494,794	478,528	16,266
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	12,876	19,292	32,168	31,138	1,030
Total Care and Upkeep of Grounds:	12,876	19,292	32,168	31,138	1,030

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Security:					
Purch Prof & Tech Services		55,000	55,000	44,614	10,386
General Supplies	55,500	(55,000)	500	500	
Total Security	55,500		55,500	45,114	10,386
Student Transportation Services					
Salaries for Pupil Transpor.(Between Home & School)-Regular	40,209		40,209	40,209	
Salaries for Pupil Transpor.(Between Home & School)-Special	61,436	(4,594)	56,842	54,123	2,719
Other Purchased Professional - Technical Services	1,000	(750)	250	250	
Cleaning, Repair and Maintenance Services	5,000	13,539	18,539	18,539	
Rental Payments - School Buses	2,500	(438)	2,062	1,900	162
Contracted Services - Aid in Lieu of Payments-Nonpublic Sch.	17,000	8,894	25,894	25,894	
Contracted Services (Between Home and Sch.)-Vendors	385,234	(3,723)	381,511	381,511	
Contract Services (Other than Between Home & School)-Vendors	18,000	(3,257)	14,743	12,791	1,952
Contracted Services (Special Education Students)-Vendors	222,000	13,538	235,538	235,538	
Supplies and Materials	7,000	5,455	12,455	12,455	
Total Student Transportation Services	759,379	28,664	788,043	783,210	4,833
ALLOCATED BENEFITS					
Unused Sick Payments to Terminated/Retired Staff	15,000	1,235	16,235	16,235	
TOTAL ALLOCATED BENEFITS	15,000	1,235	16,235	16,235	
UNALLOCATED BENEFITS					
Social Security Contributions	84,000	18,881	102,881	102,881	
Other Retirement Contributions-Pers	102,000		102,000	101,467	533
Other Retirement Contributions-Regular	18,000	(7,655)	10,345	10,345	
Unemployment Conspensation	10,000		10,000		10,000
Workmen's Compensation	55,000		55,000	50,363	4,637
Health Benefits	1,029,272	85,110	1,114,382	1,102,543	11,839
Tuition Reimbursement	34,000	(11,500)	22,500	15,962	6,538
Other Employee Benefits	83,000	(24,039)	58,961	58,961	
TOTAL UNALLOCATED BENEFITS	1,415,272	60,797	1,476,069	1,442,522	33,547

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
On-behalf TPAF pension Contrib. (non-budgeted)				1,447,566	(1,447,566)
On-behalf TPAF PRM Contrib. (non-budgeted)				422,980	(422,980)
On-behalf TPAF pension LTD Ins. (non-budgeted)				728	(728)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				318,705	(318,705)
TOTAL ON-BEHALF CONTRIBUTIONS				2,189,979	(2,189,979)
TOTAL PERSONAL SERV.-EMPLOYEE BENEFITS	1,430,272	62,032	1,492,304	3,648,736	(2,156,432)
TOTAL UNDISTRIBUTED EXPENDITURES	**4,905,168**	**105,622**	**5,010,790**	**7,043,538**	**(2,032,748)**
TOTAL GENERAL CURRENT EXPENSE	**8,934,296**	**216,419**	**9,150,715**	**11,114,088**	**(1,963,373)**
CAPITAL OUTLAY					
Equipment:					
Undistributed Expenditures-Instruction		61,228	61,228	61,185	43
Total Equipment		61,228	61,228	61,185	43
Facilities Acquisition and Construction Services					
Architectural/Engineering Services		8,132	8,132	1,493	6,639
Construction Services		312,088	312,088	310,559	1,529
Assessment for Debt Service on SDA Funding	1,127		1,127	1,127	
Total Facilities Acquisition and Construction Services	1,127	320,220	321,347	313,179	8,168
TOTAL CAPITAL OUTLAY	**1,127**	**381,448**	**382,575**	**374,364**	**8,211**
Transfer of Funds to Charter Schools	555,319	(48,647)	506,672	479,848	26,824
TOTAL EXPENDITURES	**9,490,742**	**549,220**	**10,039,962**	**11,968,300**	**(1,928,338)**

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(409,568)	(174,220)	(583,788)	(169,612)	414,176
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(409,568)	(174,220)	(583,788)	(169,612)	414,176
Fund Balance, July 1	1,413,117		1,413,117	1,413,117	
Fund Balance, June 30	**$ 1,003,549**	**$ (174,220)**	**$ 829,329**	**$ 1,243,505**	**$ 414,176**
Recapitulation:					
Restricted for:					
Maintenance Reserve				265,408	
Capital Reserve				482,967	
Unemployment Compensation				7,445	
Assigned to:					
Year-End Encumbrances				20,560	
Designated for Subsequent Year's Expenditures				140,245	
Unassigned:					
Unrestricted Fund Balance				326,880	
Fund Balance per Governmental Funds(Budgetary Basis)				1,243,505	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				(91,025)	
Fund Balance per Governmental Funds(GAAP Basis)				$ 1,152,480	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-2

BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND

For the Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources		$ 22,769	$ 22,769	$ 18,378	$ (4,391)
State Sources		9,468	9,468	-	(9,468)
Federal Sources	$ 239,650	24,639	264,289	262,867	(1,422)
Total Revenues	**239,650**	**56,876**	**296,526**	**281,245**	**(15,281)**
EXPENDITURES:					
Instruction					
Salaries of Teachers		1,422	1,422	-	1,422
Purchased Professional & Tech. Serv.	40,220	20,402	60,622	60,622	
Tuition	126,659	(5,000)	121,659	121,659	
General Supplies	30,714	(4,470)	26,244	16,776	9,468
Total Instruction	197,593	12,354	209,947	199,057	10,890
Support Services					
Other Salaries		720	720	720	
Personal Services-Employee Bene.		-	-	-	
Purchased Professional Serv.	42,057	18,033	60,090	60,090	
Supplies and Materials		7,391	7,391	3,000	4,391
Student Activities		17,004	17,004	17,004	
Total Support Services	42,057	43,148	85,205	80,814	4,391
Total Expenditures	**239,650**	**55,502**	**295,152**	**279,871**	**15,281**
Total Outflows	**239,650**	**55,502**	**295,152**	**279,871**	**15,281**
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	1,374	1,374	1,374	-
Fund Balance Beginning				12,905	
Fund Balance Ending				$ 14,279	
Recapitulation:					
Restricted:					
Student Activities				$ 14,279	
Total Fund Balance				$ 14,279	

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

Exhibit C-3

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

For the Fiscal Year Ended June 30, 2025

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 (Exhibits C-1 and C-2, respectively)	$ 11,798,688	$ 281,245
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances	N/A	-
Current Year Encumbrances	N/A	-
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	89,299	N/A
Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	(91,025)	N/A
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	$ 11,796,962	$ 281,245
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	$ 11,968,300	$ 279,871
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.		
Prior Year Encumbrances	N/A	-
Current Year Encumbrances	N/A	-
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	N/A	N/A
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	$ 11,968,300	$ 279,871

Blairstown School District
Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability **Exhibit L-3**
Last Ten Fiscal Years

Teachers' Pension and Annuity Fund (TPAF)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	$ 15,988,238	$ 17,623,907	$ 16,406,802	$ 17,501,678	$ 25,094,095	$ 23,115,075	$ 23,322,737	$ 25,444,435	$ 30,290,411	$ 25,764,460
Total	$ 15,988,238	$ 17,623,907	$ 16,406,802	$ 17,501,678	$ 25,094,095	$ 23,115,075	$ 23,322,737	$ 25,444,435	$ 30,290,411	$ 25,764,460
District's covered employee payroll	$ 4,368,646	$ 4,115,234	$ 4,000,714	$ 3,799,937	$ 3,893,993	$ 3,889,877	$ 3,989,343	$ 4,102,804	$ 3,946,077	$ 3,932,605
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.50%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Public Employees' Retirement System (PERS)

Exhibit L-1

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.0078457%	0.0074670%	0.0077597%	0.0076699%	0.0076078%	0.0081325%	0.0084145%	0.0081284%	0.00707789%	0.00724517%
District's proportionate share of the net pension liability (asset)	$ 1,013,231	$ 1,081,543	$ 1,171,039	$ 908,620	$ 1,465,348	$ 1,465,348	$ 1,656,771	$ 1,892,163	$ 2,096,269	$ 1,626,395
District's covered employee payroll	$ 475,457	$ 492,644	$ 539,441	$ 566,479	$ 564,308	$ 562,867	$ 569,460	$ 588,394	$ 586,836	$ 1,105,311
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	213.11%	219.54%	217.08%	160.40%	259.67%	260.34%	290.94%	321.58%	357.22%	147.14%
Plan fiduciary net position as a percentage of the total pension liability (Local)	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	58.18%	40.14%	47.92%

Blairstown School District
Required Supplementary Information - Part III
Schedule of District Contributions **Exhibit L-2**
Last Ten Fiscal Years

Teachers' Pension and Annuity Fund (TPAF)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered employee payroll	$ 4,368,646	$ 4,115,234	$ 4,000,714	$ 3,799,937	$ 3,893,993	$ 3,889,877	$ 3,989,343	$ 4,102,804	$ 3,946,077	$ 3,932,605
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 101,467	$ 99,789	$ 97,853	$ 89,824	$ 83,225	$ 79,335	$ 83,980	$ 76,198	$ 63,192	$ 68,996
Contributions in relation to the contractually required contribution	(101,467)	(99,789)	(97,853)	(89,824)	(83,225)	(79,335)	(83,980)	(76,198)	(63,192)	(68,996)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered employee payroll	$ 475,457	$ 492,644	$ 539,441	$ 566,479	$ 564,308	$ 562,867	$ 569,460	$ 588,394	$ 586,836	$ 1,105,311
Contributions as a percentage of covered-employee payroll	21.34%	20.26%	18.14%	15.86%	14.75%	14.09%	14.75%	12.95%	10.77%	6.24%

Blairstown School District
Required Supplementary Information - Part III
Schedule of Changes in the State's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years *

Exhibit M-1

State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)

The State of New Jesrsey's Total OPEB Liability	2025	2024	2023	2022	2021	2020	2019	2018	2017	2015
Service Cost	$ 2,152,062,729	$ 2,136,235,476	$ 2,770,618,025	$ 3,217,184,264	$ 1,790,973,822	$ 1,734,404,850	$ 1,984,642,729	$ 2,391,878,884	$ 1,723,999,319	
Interest	1,963,557,443	1,844,113,951	1,342,187,139	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792	
Change in Benefit Terms	-	-	-	(63,870,842)						
Differences Between Expected and Actual Experience	158,934,425	(980,424,863)	1,399,200,736	(11,385,071,658)	11,544,750,637	(7,323,140,818)	(5,002,065,740)			
Benefit Payments	(1,499,600,607)	-	(13,586,368,097)	59,202,405	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)	
Contributions from Members	51,347,810	(1,390,258,754)	(1,329,476,059)	-	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747	
Changes of Assumptions or other inputs	4,462,660,491	105,539,463	42,650,252	(1,186,417,186)	12,386,549,981	622,184,027	$ (5,291,448,855)	$ (7,086,599,129)	8,611,513,521	
Net change in total OPEB liability	7,288,962,291	1,715,205,273	(9,361,188,004)	(7,802,311,638)	26,080,881,563	(4,381,751,937)	(7,529,008,876)	(4,191,942,326)	10,982,132,360	
Total OPEB Liability - Beginning	$ 52,361,668,239	$ 50,646,462,966	$ 60,007,650,970	$ 67,809,962,608	$ 41,729,081,045	$ 46,110,832,982	$ 53,639,841,858	$ 57,831,784,184	$ 46,849,651,824	
Total OPEB Liability - Ending	$ 59,650,630,530	$ 52,361,668,239	$ 50,646,462,966	$ 60,007,650,970	$ 67,809,962,608	$ 41,729,081,045	$ 46,110,832,982	$ 53,639,841,858	$ 57,831,784,184	
**The State of New Jersey's total OPEB liability ** **	$ 59,650,630,530	$ 52,361,668,239	$ 50,646,462,966	$ 60,007,650,970	$ 67,809,962,608	$ 41,729,081,045	$ 46,110,832,982	$ 53,639,841,858	$ 57,831,784,184	
**The State of New Jersey's OPEB liability attributable to the District ** **	$ 26,716,860	$ 24,412,675	$ 23,065,425	$ 26,633,437	$ 31,642,485	$ 19,580,244	$ 22,334,141	$ 25,652,341	$ 27,922,912	
The District's proportionate share of the total OPEB liability	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero	
District's covered employee payroll	$ 4,844,103	$ 4,607,878	$ 4,540,155	$ 4,366,416	$ 4,458,301	$ 4,452,744	$ 4,558,803	$ 4,691,198	$ 4,532,913	
Total District's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
District's contribution	None	None	None	None	None	None	None	None	None	
State's covered employee payroll ***	$ 15,845,935,573	$ 15,314,749,297	$ 14,753,355,408	$ 14,425,669,769	$ 14,267,738,657	$ 13,929,083,479	$ 13,640,275,833	$ 13,493,400,208	$ 13,493,400,208	
Total State's OPEB liability as a percentage of its covered-employee payroll	376.44%	341.90%	343.29%	415.98%	475.27%	299.58%	338.05%	397.53%	428.59%	

** Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*** Covered payroll for the Measurement Period ending June 30, 2023 and June 30, 2024 is based on the payroll on the June 30, 2022 and June 30, 2023 census data, respectively

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
Pension and Other Post Employment Benefits (OPEB) Schedules

For the Fiscal Year Ended June 30, 2025

Teachers' Pension and Annuity Fund (TPAF)

Pension Schedules

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

OPEB Schedules

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

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

Public Employees' Retirement System (PERS)

Pension Schedules

Changes of benefit terms. 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.

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

OPEB Schedules

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

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND
DETAIL STATEMENTS

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

SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2023

	Title I Part A	Title II Part A	Title IV	IDEA Basic	IDEA Preschool	ARP ESSER III	ARP Accel Learn	ARP Beyond School Day	REAP	Student Activity	Totals
REVENUES											
Local Sources										$ 18,378	$ 18,378
Federal Sources	$ 25,091	$ 7,225	$ 10,000	$ 142,513	$ 12,965	$ 50	$ 14,189	$ 1,867	$ 48,967		262,867
TOTAL REVENUES	**25,091**	**7,225**	**10,000**	**142,513**	**12,965**	**50**	**14,189**	**1,867**	**48,967**	**18,378**	**281,245**
EXPENDITURES:											
Instruction:											
Salaries of Teachers											-
Purchased Professional & Tech. Serv.				5,000	5,000		508	1,147	48,967		60,622
Tuition				121,659							121,659
General Supplies	2,125		3,820	2,000	1,000	50	7,781				16,776
Total Instruction	2,125	-	3,820	128,659	6,000	50	8,289	1,147	48,967	-	199,057
Support Services:											
Other Salaries								720			720
Personal Services-Employee Bene.											-
Purchased Professional Serv.	22,966	7,225	6,180	10,854	6,965		5,900				60,090
Supplies and Materials				3,000							3,000
Student Activities										17,004	17,004
Total Support Services	22,966	7,225	6,180	13,854	6,965	-	5,900	720	-	17,004	80,814
Facilities Acq. & Construction Svs											
Instructional Equipment											-
Total Facilities & Construction Svs											
TOTAL EXPENDITURES	**25,091**	**7,225**	**10,000**	**142,513**	**12,965**	**50**	**14,189**	**1,867**	**48,967**	**17,004**	**279,871**
Total Outflows	**25,091**	**7,225**	**10,000**	**142,513**	**12,965**	**50**	**14,189**	**1,867**	**48,967**	**17,004**	**279,871**
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	1,374	1,374
Fund Balance Beginning	-	-	-	-	-	-	-	-	-	12,905	12,905
Fund Balance Ending	-	-	-	-	-	-	-	-	-	$ 14,279	$ 14,279

CAPITAL PROJECTS FUND
DETAIL STATEMENTS

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

N/A

PROPRIETARY FUND
DETAIL STATEMENTS

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

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

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.

FIDUCIARY FUND
DETAIL STATEMENTS

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

N/A

Blairstown Township School District
Statistical Section

Contents | **Page**

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

Blairstown Township School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Invested in capital assets, net of related debt	$ 2,123,767	$ 2,594,039	$ 2,479,187	$ 2,633,025	$ 1,561,716	$ 1,451,137	$ 1,595,079	$ 1,641,981	$ 1,987,617	$ 2,100,787
Restricted	1,176,353	762,671	892,663	453,784	1,042,705	(186,919)	(50,739)	(263,618)	-	(20,560)
Unrestricted	(1,369,886)	(1,388,981)	(1,210,164)	(1,635,089)	(1,386,125)	239,535	649,052	829,783	94,671	(11,633)
Total governmental activities net position	$ 1,930,234	$ 1,967,729	$ 2,161,686	$ 1,451,720	$ 1,218,296	$ 1,503,753	$ 2,193,392	$ 2,208,146	$ 2,082,288	$ 2,068,594
Business-type activities										
Invested in capital assets, net of related debt	$ 15,412	$ 11,559	$ 7,705	$ 3,853	$ 21,451	$ 16,088	$ 10,725	$ 13,787	$ 6,318	$ 6,577
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	29,152	38,166	43,733	50,481	18,305	44,197	96,117	138,223	165,978	184,755
Total business-type activities net position	$ 44,564	$ 49,725	$ 51,438	$ 54,334	$ 39,756	$ 60,285	$ 106,842	$ 152,010	$ 172,296	$ 191,332
District-wide										
Invested in capital assets, net of related debt	$ 2,139,179	$ 2,605,598	$ 2,486,892	$ 2,636,878	$ 1,583,167	$ 1,467,225	$ 1,605,804	$ 1,655,768	$ 1,993,935	$ 2,107,364
Restricted	1,176,353	762,671	892,663	453,784	1,042,705	(186,919)	(50,739)	(263,618)	-	(20,560)
Unrestricted	(1,340,734)	(1,350,815)	(1,166,431)	(1,584,608)	(1,367,820)	283,732	745,169	968,006	260,649	173,122
Total district net position	$ 1,974,798	$ 2,019,454	$ 2,213,124	$ 1,506,054	$ 1,258,052	$ 1,564,038	$ 2,300,234	$ 2,360,156	$ 2,254,584	$ 2,259,926

Source: ACFR Scehdule A-1

Blairstown Township School District **Exhibit J-2**
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction										
Regular	$ 4,129,910	$ 4,492,062	$ 4,469,364	$ 3,982,115	$ 3,789,568	$ 4,411,066	$ 3,981,156	$ 3,979,027	$ 3,687,684	$ 3,806,860
Special education	1,405,663	1,433,918	1,586,673	1,392,095	1,469,439	1,589,634	1,494,822	1,429,928	1,389,564	1,536,894
Other special education	369,183	540,649	550,729	505,214	362,686	308,589	271,810	286,191	329,341	292,758
Support Services:										
Tuition	125,854	267,116	168,799	194,837	217,458	261,251	194,031	166,922	285,547	199,463
Student & instruction related services	1,761,178	2,015,117	2,160,203	1,945,371	1,719,686	1,924,603	1,776,382	1,979,560	1,693,771	1,491,477
School administrative services	234,315	277,690	297,546	262,654	237,430	193,426	216,059	220,883	216,293	228,008
General administrative services	748,301	798,826	787,628	665,657	697,122	675,558	567,926	663,950	671,591	675,795
Plant operations and maintenance	1,053,076	1,172,209	1,061,480	2,278,376	842,124	1,424,681	987,648	1,061,888	1,100,327	968,638
Pupil transportation	753,359	937,620	897,794	867,082	855,688	918,277	856,141	879,870	970,344	1,036,632
Other Support Services										
Non-Budgeted Contributions										
Charter Schools										
Interest and other fiscal charges	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127
Unallocated depreciation	147,817	166,316	183,085	222,256	95,405	94,965	122,749	143,333	199,399	231,503
Total governmental activities expenses	10,729,783	12,102,650	12,164,428	12,316,784	10,287,733	11,803,177	10,469,851	10,812,679	10,544,988	10,469,155
Business-type activities:										
Food service	95,210	125,416	123,524	107,204	99,650	48,954	189,177	146,764	174,321	179,799
Child Care										
Total business-type activities expense	95,210	125,416	123,524	107,204	99,650	48,954	189,177	146,764	174,321	179,799
Total district expenses	$ 10,824,993	$ 12,228,066	$ 12,287,952	$ 12,423,988	$ 10,387,383	$ 11,852,131	$ 10,659,028	$ 10,959,443	$ 10,719,309	$ 10,648,954
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (Tuition)	$ 66,780	$ 52,828	$ 18,845	$ 41,920	$ 63,665	$ 1,510	$ 49,850	$ 34,122	$ 33,275	$ 53,887
Business and other support services										
Operating grants and contributions	4,257,078	5,208,427	5,636,304	4,731,074	3,936,860	5,086,672	3,488,660	3,025,039	2,518,002	1,851,630
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	4,323,858	5,261,255	5,655,149	4,772,994	4,000,525	5,088,182	3,538,510	3,059,161	2,551,277	1,905,517
Business-type activities:										
Charges for services										
Food service	64,228	78,677	78,298	71,961	53,430	266	16,258	100,942	110,623	114,745
Child care										
Operating grants and contributions	43,582	51,762	46,709	37,886	31,389	69,179	219,377	89,760	80,397	81,068
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	107,810	130,439	125,007	109,847	84,819	69,445	235,635	190,702	191,020	195,813
Total district program revenues	$ 4,431,668	$ 5,391,694	$ 5,780,156	$ 4,882,841	$ 4,085,344	$ 5,157,627	$ 3,774,145	$ 3,249,863	$ 2,742,297	$ 2,101,330
Net (Expense)/Revenue										
Governmental activities	$ (6,405,925)	$ (6,841,395)	$ (6,509,279)	$ (7,543,790)	$ (6,287,208)	$ (6,714,995)	$ (6,931,341)	$ (7,753,518)	$ (7,993,711)	$ (8,563,638)
Business-type activities	12,600	5,023	1,483	2,643	(14,831)	20,491	46,458	43,938	16,699	16,014
Total district-wide net expense	$ (6,393,325)	$ (6,836,372)	$ (6,507,796)	$ (7,541,147)	$ (6,302,039)	$ (6,694,504)	$ (6,884,883)	$ (7,709,580)	$ (7,977,012)	$ (8,547,624)

"Continued"

Blairstown Township School District **Exhibit J-2**
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	$ 6,618,000	$ 6,520,000	$ 6,650,000	$ 6,625,000	$ 6,900,000	$ 6,900,000	$ 7,196,000	$ 7,607,760	$ 7,759,915	$ 8,439,798
Taxes levied for debt service										
Restricted grants and contributions	51,321	279,084	-	-	-	-	-	-	-	-
Other Aid	-	-	-	-	-	-	-	-	-	-
Investment earnings	4,725	7,421	15,403	21,255	11,544	4,595	4,967	27,252	50,317	35,684
Miscellaneous income	34,741	49,365	37,833	187,569	138,504	85,810	420,013	133,260	57,621	74,462
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	6,708,787	6,855,870	6,703,236	6,833,824	7,050,048	6,990,405	7,620,980	7,768,272	7,867,853	8,549,944
Business-type activities:										
Investment earnings	41	138	230	253	253	38	99	1,230	3,587	3,022
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	41	138	230	253	253	38	99	1,230	3,587	3,022
Total district-wide	$ 6,708,828	$ 6,856,008	$ 6,703,466	$ 6,834,077	$ 7,050,301	$ 6,990,443	$ 7,621,079	$ 7,769,502	$ 7,871,440	$ 8,552,966
Change in Net Position										
Governmental activities	$ 302,862	$ 14,475	$ 193,957	$ (709,966)	$ 762,840	$ 275,410	$ 689,639	$ 14,754	$ (125,858)	$ (13,694)
Business-type activities	12,641	5,161	1,713	2,896	(14,578)	20,529	46,557	45,168	20,286	19,036
Total district	$ 315,503	$ 19,636	$ 195,670	$ (707,070)	$ 748,262	$ 295,939	$ 736,196	$ 59,922	$ (105,572)	$ 5,342

Source: ACFR Schedule A-2

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

Exhibit J-3

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Reserved	$ 1,267,456	$ 782,974	$ 1,422,572	$ 544,907	$ 1,396,303	$ 1,550,735	$ 1,901,273	$ 1,778,020	$ 1,054,535	$ 916,625
Unreserved	57,531	45,212	59,731	120,379	145,536	271,838	315,555	593,952	269,283	235,855
Total general fund	$ 1,324,987	$ 828,186	$ 1,482,303	$ 665,286	$ 1,541,839	$ 1,822,573	$ 2,216,828	$ 2,371,972	$ 1,323,818	$ 1,152,480
All Other Governmental Funds										
Reserved				-	$ 2,602	$ 4,047	$ 8,647	$ 10,165	$ 12,915	$ 14,279
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	-	$ 281,584	-	-	-	-	-	-	-	-
Debt service fund										
Trust and agency fund										
Total all other governmental funds	-	$ 281,584	-	-	$ 2,602	$ 4,047	$ 8,647	$ 10,165	$ 12,915	$ 14,279

Source: ACFR Schedule B-1

Blairstown Township School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	$ 6,520,000	$ 6,520,000	$ 6,650,000	$ 6,625,000	$ 6,900,000	$ 6,900,000	$ 7,196,000	$ 7,607,760	$ 7,759,915	$ 8,439,798
Tuition charges	59,727	52,828	18,845	41,920	63,665	-	49,850	34,122	33,275	53,887
Miscellaneous	69,338	56,786	53,236	208,824	150,048	91,915	424,980	160,512	107,938	110,146
State sources	2,940,062	3,340,529	3,179,128	3,363,563	3,243,543	3,291,574	3,238,576	3,552,838	3,082,005	3,173,707
Federal sources	307,747	296,875	288,834	287,787	287,485	346,831	477,665	637,575	492,331	300,669
Total revenue	9,896,874	10,267,018	10,190,043	10,527,094	10,644,741	10,630,320	11,387,071	11,992,807	11,475,464	12,078,207
Expenditures										
Instruction										
Regular Instruction	2,785,241	2,671,506	2,549,373	2,631,014	2,557,873	2,690,893	2,809,709	2,921,554	2,889,654	2,893,473
Special education instruction	860,090	853,911	906,318	921,011	993,217	971,010	1,056,309	1,051,186	1,090,197	1,169,580
Other special instruction	225,397	321,961	314,580	334,250	245,145	188,498	192,073	210,388	258,388	222,789
Other instruction	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	49,369	159,070	96,419	128,904	146,983	159,582	137,111	122,710	224,029	151,792
Student & instruction related services	1,130,048	1,200,020	1,233,922	1,287,059	1,162,363	1,175,622	1,255,272	1,455,238	1,328,866	1,135,018
General administrative services	443,114	446,345	445,159	435,660	466,457	407,918	396,583	440,534	472,939	496,593
School administrative services	163,325	165,367	169,960	173,772	160,483	118,152	152,677	162,378	169,695	173,515
Plant operations and maintenance	854,055	696,413	604,676	1,470,458	567,557	847,775	683,258	778,980	861,625	735,488
Pupil transportation	462,494	552,691	507,156	567,992	572,703	555,249	599,318	641,151	755,625	783,210
Other Support Services										
Unallocated employee benefits	2,261,881	2,415,855	2,564,194	2,656,782	2,560,618	2,934,356	3,154,359	3,413,402	3,435,955	3,632,501
Charter Schools	335,600	344,163	340,779	309,105	305,133	277,132	255,104	388,830	422,893	479,848
Capital Outlay	141,730	654,933	84,974	428,104	37,101	21,954	296,443	249,794	611,002	374,364
Debt service:										
Principal										
Interest and other charges										
Total expenditures	9,712,344	10,482,235	9,817,510	11,344,111	9,775,633	10,348,141	10,988,216	11,836,145	12,520,868	12,248,171
Excess (Deficiency) of revenues over (under) expenditures	184,530	(215,217)	372,533	(817,017)	869,108	282,179	398,855	156,662	(1,045,404)	(169,964)
Other Financing Sources (uses)										
Note Proceeds										
Other										
Transfers in										
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	$ 184,530	$ (215,217)	$ 372,533	$ (817,017)	$ 869,108	$ 282,179	$ 398,855	$ 156,662	$ (1,045,404)	$ (169,964)
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

Fiscal Year Ended June 30,	Interest on Investments	Refund Prior Year Expenditures	Cost Share	Tuition	Refunds	Sale of Assets	Miscellaneous	Total
2016	$ 5,399	$ 7,948		$ 59,727		$ 30,000	$ 20,412	$ 123,486
2017	7,421	29,596		52,828			19,769	109,614
2018	15,403			18,845			28,577	62,825
2019	21,255	25,803	$ 61,826	41,920	$ 33,108		44,791	228,703
2020	11,544		53,738	63,665	13,843		47,523	190,313
2021	4,595	20,384	58,555	-			6,871	90,405
2022	4,967	16,542	59,335	49,850		310,000	16,455	457,149
2023	27,252	17,194		34,122	18,261		63,933	160,762
2024	50,317	13,121		33,275	7,056		10,731	114,500
2025	35,684	40,181		53,887	7,056		8,847	145,655

SOURCE: District Records

Blairstown Township School District **Exhibit J-6**
Assessed Value and Actual Value of Taxable Property-**Blairstown Township**,
Last Nine Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities **a**	Net Valuation Taxable	Total Direct School Tax Rate **b**	Estimated Actual (County Equalized Value)
2016	$16,459,000	$553,436,700	$74,089,900	$2,161,200	$58,825,700	$7,506,300	$ 810,249,679	$95,338,017	$2,432,862	$714,911,662	$0.755	$712,612,284
2017	16,383,200	554,080,200	73,348,600	2,154,600	58,811,400	7,406,800	811,128,643	96,664,417	2,279,426	714,464,226	0.778	721,829,604
2018	16,149,900	554,611,400	72,389,300	2,117,000	58,729,300	7,406,800	808,683,577	94,990,933	2,288,944	713,692,644	0.758	709,362,651
2019	16,014,700	553,340,800	72,772,000	2,121,500	59,326,400	7,406,800	808,696,405	95,364,233	2,349,972	713,332,172	0.757	698,104,592
2020	16,363,100	551,619,900	73,095,300	2,114,400	59,362,200	7,664,000	806,090,845	93,528,633	2,343,312	712,562,212	0.774	726,196,562
2021	15,296,300	551,828,700	70,930,500	2,104,000	58,437,100	7,664,000	804,777,492	95,922,033	2,594,859	708,855,459	0.792	727,192,468
2022	13,964,700	551,227,100	71,348,400	2,081,000	58,506,100	7,664,000	804,574,223	97,266,233	2,516,690	707,307,990	0.839	728,556,641
2023	14,143,600	551,886,500	70,545,600	2,047,200	58,401,800	7,664,000	806,011,794	98,936,833	2,386,261	707,074,961	0.875	788,832,953
2024	13,498,300	551,087,800	71,266,000	2,056,600	58,581,900	7,664,000	806,648,936	100,276,133	2,218,203	706,372,803	0.896	860,006,265
2025	13,588,300	550,454,700	71,912,200	2,058,600	54,288,800	7,664,000	803,379,069	101,515,700	1,896,769	701,863,369	0.979	958,565,385

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per $100

Blairstown Township School District **Exhibit J-6**
Assessed Value and Actual Value of Taxable Property-**Hardwick Township**,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities **a**	Net Valuation Taxable	Total Direct School Tax Rate **b**	Estimated Actual (County Equalized Value)
2016	$5,640,900	$111,075,050	$38,132,600	$1,040,900	$705,700	$627,000	$227,339,808	$69,638,300	$479,358	$157,701,508	$0.836	$194,779,597
2017	5,555,700	112,159,350	37,735,800	1,005,600	705,700	627,000	228,217,999	69,938,800	490,049	158,279,199	0.822	186,361,299
2018	5,894,900	113,171,150	37,252,000	916,650	705,700	627,000	229,741,582	70,571,100	603,082	159,170,482	0.705	187,209,847
2019	5,384,300	112,005,350	37,710,800	1,002,050	705,700	627,000	228,536,194	70,571,100	529,894	157,965,094	0.608	185,060,822
2020	4,564,200	109,432,850	40,487,600	937,600	705,700	627,000	229,793,721	72,485,800	552,971	157,307,921	0.879	190,664,492
2021	4,540,700	109,533,450	40,175,300	968,600	705,700	627,000	230,284,542	73,145,300	588,492	157,139,242	0.819	198,944,896
2022	4,198,700	108,901,150	40,604,700	939,000	705,700	627,000	230,428,742	73,819,000	588,492	156,609,742	0.804	199,820,253
2023	3,909,400	110,082,100	40,732,100	1,100,800	705,700	627,000	231,732,692	73,987,100	588,492	157,745,592	0.902	207,846,691
2024	4,040,500	108,806,100	40,863,500	916,000	705,700	627,000	231,410,764	74,916,900	535,064	156,493,864	0.914	222,879,586
2025	3,932,000	109,228,500	40,774,500	923,300	705,700	627,000	232,332,416	75,610,700	530,716	156,721,716	1.001	239,545,223

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per $100

Blairstown Township School District **Exhibit J-7**
Direct and Overlapping Property Tax Rates - **Blairstown Township**
Last Ten Fiscal Years

(rate per $100 of assessed value)

	Blairstown Township Board of Education						
Fiscal Year Ended June 30,	Basic Rate [a]	General Obligation Debt Service [b]	Total Direct	North Warren Regional School District	Blairstown Township	Warren County	Total Direct and Overlapping Tax Rate
2016	$0.755	-0-	$0.755	$0.720	$0.020	$0.781	$2.276
2017	$0.778	-0-	$0.778	$0.747	$0.020	$0.770	$2.315
2018	$0.758	-0-	$0.758	$0.769	$0.020	$0.760	$2.307
2019	$0.757	-0-	$0.757	$0.808	$0.020	$0.714	$2.299
2020	$0.774	-0-	$0.774	$0.838	$0.075	$0.729	$2.416
2021	$0.792	-0-	$0.792	$0.873	$0.085	$0.721	$2.471
2022	$0.839	-0-	$0.839	$0.878	$0.123	$0.720	$2.560
2023	$0.875	-0-	$0.875	$0.912	$0.276	$0.759	$2.822
2024	$0.896	-0-	$0.896	$0.943	$0.273	$0.769	$2.881
2025	$0.979	-0-	$0.979	$1.001	$0.290	$0.831	$3.101

Source: District Records and Municipal Tax Collector

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

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.

Blairstown Township School District **Exhibit J-7**
Direct and Overlapping Property Tax Rates - **Hardwick Township**
Last Ten Fiscal Years

(rate per $100 of assessed value)

Fiscal Year Ended June 30,	Blairstown Township Board of Education: Basic Rate [a]		General Obligation Debt Service [b]	Total Direct	Overlapping Rates: Hardwick Township	North Warren Regional School District	Warren County	Total Direct and Overlapping Tax Rate
2016	$0.836	*	-0-	$0.836	$0.324	$0.866	$0.880	$2.906
2017	$0.822	*	-0-	$0.822	$0.330	$0.911	$0.906	$2.969
2018	$0.705	*	-0-	$0.705	$0.417	$1.019	$0.913	$3.054
2019	$0.608	*	-0-	$0.608	$0.458	$1.133	$0.895	$3.094
2020	$0.879	*	-0-	$0.879	$0.512	$1.000	$0.867	$3.258
2021	$0.819	*	-0-	$0.819	$0.517	$1.013	$0.890	$3.239
2022	$0.804	*	-0-	$0.804	$0.536	$1.250	$0.891	$3.481
2023	$0.902	*	-0-	$0.902	$0.549	$1.219	$0.896	$3.566
2024	$0.914	*	-0-	$0.914	$0.579	$1.117	$0.896	$3.506
2025	$1.001	*	-0-	$1.001	$0.614	$1.097	$0.931	$3.643

* - The Hardwick Township Board of Education (Non-operating district) Was merged with Blairstown School District effective June 30, 2009.

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation

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

Blairstown Township School District

Principal Property Tax Payers-**Blairstown Township**,

Current Year and Nine Years Ago

Exhibit J-8

	Current			Nine Years Ago		
Taxpayer	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Yards Creek Energy LLC	$ 9,195,500	1	1.31%	9,195,500	1	1.29%
Blairstown Realty Associates, LLC	4,588,200	2	0.65%	8,826,700	2	1.23%
Blair Academy	2,853,500	3	0.41%	2,044,600	6	0.29%
First National Bank of Hope	2,707,100	4	0.39%	2,707,100	4	0.38%
JD Air, Inc.	2,683,400	5	0.38%	2,865,700	3	0.40%
Rite Aid	2,486,200	6	0.35%	2,486,200	5	0.35%
Individual Taxpayer #1	1,996,600	7	0.28%	1,705,000	9	0.24%
Embarq	1,772,640	8	0.25%	1,984,733	7	0.28%
Individual Taxpayer #2	1,702,300	9	0.24%	1,693,700	10	0.24%
Lane Enterprises Inc	1,692,000	10	0.24%			
Grater, LLC				1,963,500	8	0.27%
Total	$ 31,677,440		4.51%	$ 35,472,733		4.96%

Source: District ACFR & Municipal Tax Assessor

Blairstown Township School District

Exhibit J-8

Principal Property Tax Payers- **Hardwick Township**,

Current Year and Nine Years Ago

	Current				Nine Years Ago			
Taxpayer		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Yards Creek Energy LLC	$	996,100	1	0.64%	$	996,100	1	0.63%
Cockadoodle Doo LLC		974,400	2	0.62%				
Individual Taxpayer #1		740,900	3	0.47%		782,500	3	0.50%
Individual Taxpayer #2		730,500	4	0.47%		706,300	4	0.45%
The Marie Ciaffa Trust		708,900	5	0.45%		690,700	5	0.44%
65-66 Maple Ln LLC		627,000	6	0.40%		627,000	7	0.40%
Individual Taxpayer #3		611,000	7	0.39%				
Jerome Goodman Revocable Trust		603,600	8	0.39%				
Hepburn Trust		598,600	9	0.38%				
GCCG Inc		563,200	10	0.36%				
Individual Taxpayer #1						986,100	2	0.63%
Individual Taxpayer #5						633,000	6	0.40%
Individual Taxpayer #8						608,300	8	0.39%
Individual Taxpayer #9						603,700	9	0.38%
Individual Taxpayer #10						600,100	10	0.38%
Total	$	7,154,200		4.56%	$	6,237,700		3.96%

Source: District ACFR & Municipal Tax Assessor

Blairstown Township School District **Exhibit J-9**
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		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	$6,520,000	$6,520,000	100.00%	-
2017	$6,520,000	$6,520,000	100.00%	-
2018	$6,650,000	$6,650,000	100.00%	-
2019	$6,625,000	$6,625,000	100.00%	-
2020	$6,900,000	$6,900,000	100.00%	-
2021	$6,900,000	$6,900,000	100.00%	-
2022	$7,196,000	$7,196,000	100.00%	-
2023	$7,607,760	$7,607,760	100.00%	-
2024	$7,759,915	$7,759,915	100.00%	-
2025	$8,439,798	$8,439,798	100.00%	-

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

Note:

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

Blairstown Township School District **Exhibit J-10**
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			Business-Type Activities			
Fiscal Year Ended June 30,	General Obligation Bonds [b]	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	Percentage of Personal Income [a]	Per Capita [a]
2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2022	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2023	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2024	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2025	-0-	-0-	-0-	-0-	-0-	-0-	-0-

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.

b Includes Early Retirement Incentive Plan (ERIP) refunding

Blairstown Township School District **Exhibit J-11**
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

	General Bonded Debt Outstanding				
Fiscal Year Ended June 30,	Bond Anticipation Notes (BANs)	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2016	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	-0-	-0-	-0-
2018	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-
2022	-0-	-0-	-0-	-0-	-0-
2023	-0-	-0-	-0-	-0-	-0-
2024	-0-	-0-	-0-	-0-	-0-
2025	-0-	-0-	-0-	-0-	-0-

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.

R Revised
* Current data unavailable

Blairstown Township School District **Exhibit J-12**
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2025

<u>**Governmental Unit**</u>	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Blairstown Township	$ 5,096,844	100.000%	$ 5,096,844
Hardwick Township	540,000	100.000%	540,000
North Warren Regional School District	-	0.000%	-
Other debt			
Warren County (Includes apportionment for Blairstown and Hardwick Townships)	10,290,000	8.226%	846,444
Subtotal, overlapping debt			6,483,288
Blairstown School District Direct Debt			-
Total direct and overlapping debt			$ 6,483,288

Sources: Township Finance Officer, Warren County Finance Office and Utility Authorities

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 the district. 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.

Blairstown Township School District
Legal Debt Margin Information,
Last Ten Fiscal Years

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2025 *

Equalized valuation basis			
	2022		1,083,867,170
	2023		1,202,081,012
	2024		1,293,498,871
	[A]	$	3,579,447,053
Average equalized valuation of taxable property	**[A/3]**	$	1,193,149,018
Debt limit (2 1/2 % of average equalization value)	**[B]**		29,828,725
Net bonded school debt	**[C]**		-
Legal debt margin	**[B-C]**	$	29,828,725

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$22,518,575	$22,482,614	$22,482,614	$17,704,487	$17,897,750	$18,181,323	$18,719,003	$25,055,360	$27,330,860	$29,828,725
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$22,518,575	$22,482,614	$22,482,614	$17,704,487	$17,897,750	$18,181,323	$18,719,003	$25,055,360	$27,330,860	$29,828,725
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

a Limit set by NJSA 18A:24-19 for a K through 6 district; other % limits would be applicable for other districts

* The legal debt margin includes Blairstown Township & Hardwick Township

Blairstown Township School District **Exhibit J-14**
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population [a]	Personal Income (thousands of dollars) [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
2016	7,437	$ 381,052,372	$50,021 R	4.2%
2017	7,387	$ 379,474,410	$51,452 R	3.9%
2018	7,353	$ 383,383,754	$53,122 R	3.5%
2019	7,349	$ 393,934,629	$55,641 R	3.2%
2020	7,319	$ 409,783,980	$58,701 R	8.5%
2021	7,321	$ 423,549,134	$62,006 R	5.5%
2022	7,345	$ 444,556,125	$63,016 R	3.6%
2023	7,357	$ 463,792,637	$66,483 R	3.8%
2024	7,367	$ 463,539,007	$66,483 *	4.3%
2025	7,406	$ 492,373,098	$66,483 *	*

Source:
[a] Population information provided by the NJ Dept of Labor and Workforce Development; Includes Blairstown and Hardwick Townships
[b] Personal income provided by US Dept Commerce
[c] Per Capita provided by NJ Dept of Labor
[d] Unemployment data provided by the NJ Dept of Labor and Workforce Development

R =Revised
* Current data unavailable

Blairstown Township School District
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15
N/A

	2025			2016		
Employer	**Employees**	**Rank (Optional)**	**Percentage of Total Employment**	**Employees**	**Rank (Optional)**	**Percentage of Total Employment**
		1	0.00%	-		0.00%
		2	0.00%	-		0.00%
		3	0.00%	-		0.00%
		4	0.00%	-		0.00%
		5	0.00%	-		0.00%
		6	0.00%	-		0.00%
		7	0.00%	-		0.00%
		8	0.00%	-		0.00%
		9	0.00%	-		0.00%
		10	0.00%	-		0.00%
	-			-		0.00%
	-			-		0.00%
	-			-		0.00%
	-		0.00%	-		0.00%

Source:
No reliable information is available at the local or county level.

Blairstown Township School District **Exhibit J-16**
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	34.0	33.0	32.0	30.6	31.5	31.5	31.5	32.0	31.5	30.4
Special education	11.5	12.9	12.5	12.5	12.5	12.5	12.5	13.6	12.7	13.0
Other instruction	6.5	6.6	6.5	6.5	6.5	6.5	6.5	8.3	7.8	7.8
Support Services:										
Tuition										
Student & instruction related services	23.2	24.1	25.4	25.7	23.5	22.5	22.5	23.8	22.7	27.2
General administrative services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.1
School administrative services	3.2	3.2	3.2	3.2	3.2	3.2	3.2	2.3	2.3	2.3
Business adminsitrative services	1.5	1.5	1.0	1.0	1.0	1.0	1.5	1.5	1.5	1.7
Plant operations and maintenance	4.3	4.3	4.3	4.3	4.3	4.3	3.0	4.5	4.5	4.0
Pupil transportation	1.8	1.8	1.8	1.8	1.8	1.8	1.8	2.3	2.6	2.7
Total	88.0	89.4	88.7	87.6	86.3	85.3	84.5	90.3	87.7	91.2

Source: District Personnel Records

Blairstown Township School District
Operating Statistics
Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil	Percentage Change	Teaching Staff [b]	Pupil/Teacher Ratio Elementary	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	508	$ 9,235,014	$ 18,179	9.76%	49	10.4:1	508.4	486.6	-6.15%	95.7%
2017	481	$ 9,483,139	$ 19,715	8.45%	53	9.1:1	481.3	463.3	-5.33%	96.3%
2018	466	$ 9,391,757	$ 20,154	2.22%	51	9.1:1	463.9	446.5	-3.62%	96.2%
2019	457	$ 10,606,902	$ 23,210	15.16%	50	9.1:1	458.3	435.1	-1.21%	94.9%
2020	463	$ 9,433,399	$ 20,375	-12.22%	52	8.9:1	468.0	466.4	2.12%	99.7%
2021	404	$ 10,049,055	$ 24,874	22.08%	51	7.9:1	402.0	388.0	-14.10%	96.5%
2022	429	$ 10,436,669	$ 24,328	-2.20%	51	8.4:1	436.3	408.3	8.53%	93.6%
2023	430	$ 11,197,521	$ 26,041	7.04%	54	8.0:1	431.6	404.9	-1.08%	93.8%
2024	429	$ 11,486,973	$ 26,776	2.82%	52	8.3:1	430.2	402.2	-0.32%	93.5%
2025	428	$ 11,393,959	$ 26,621	-0.58%	51	8.4:1	423.0	397.7	-1.67%	94.0%

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
b Teaching staff includes only full-time equivalents of certificated staff. Prior to 2024, amount include aides.
c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Blairstown Township School District **Exhibit J-18**
School Building Information
Last Ten Fiscal Years

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Elementary										
Blairstown Elementary (1929)										
Square Feet	78,762	78,762	78,762	78,762	78,762	78,762	78,762	78,762	78,762	78,762
Capacity (students)	510.0	510.0	510.0	510.0	510.0	510.0	510.0	510.0	510.0	510.0
Enrollment	508.4	481.0	466.0	457.0	463.0	404.0	429.0	430.0	429.0	428.0

Number of Schools at June 30, 2025

Elementary = 1

Source: District records, ASSA

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

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2025

Exhibit J-19

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

School Facilities	Project #	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Blairstown Elementary	040	$470,948	$270,672	$188,179	$195,448	$164,058	$403,993	$138,662	$212,149	$230,443	$180,708	$1,984,312
Total School Facilities		**470,948**	**270,672**	**188,179**	**195,448**	**164,058**	**403,993**	**138,662**	**212,149**	**230,443**	**180,708**	**654,299**
Other Facilities												
Grand Total		**$470,948**	**$270,672**	**$188,179**	**$195,448**	**$164,058**	**$403,993**	**$138,662**	**$212,149**	**$230,443**	**$180,708**	**$1,984,312**

BLAIRSTOWN TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
6/30/2025
UNAUDITED

Commercial Package Policy - New Jersey Schools Insurance Group (NJSIG)	**COVERAGE**	**DEDUCTIBLE**
Real & Personal Property (per occurrence)	$350,000,000	$1,000
Blanket Extra Expense	$50,000,000	$1,000
Blanket Valuable Paper & Records	$10,000,000	$1,000
Demolition & Increased Cost of Construction	$25,000,000	
Limited Builders Risk	$10,000,000	
Fire Dept. Service Charge	$10,000	
Arson Reward	$10,000	
Pollution Cleanup & Removal	$250,000	
Flood/Earthquake:		
Flood Zone A & V	$25,000,000	$500,000
All Other Flood Zones	$75,000,000	$10,000
Earthquake	$50,000,000	$1,000
Terrorism	$1,000,000	
Electronic Data Processing:		
Blanket Hardware/Software, Estra Expense, Business Income, Transit, Debris Removal	$300,000	$1,000
Flood (Deductible for Zone A & Z)		$500,000
Deductible for All Other Zones		$10,000
Equipment Breakdown		
Combined Single Limit/Accident for Property Damage & Business Income	$100,000,000	$5,000
Property Damage	Included	
Off Premises Property Damage	$1,000,000	$5,000
Extra Expense	$10,000,000	$5,000
Service Interruption	$10,000,000	$5,000
Perishable Goods	$1,000,000	$5,000
Data Restoration	$1,000,000	$5,000
Demolition	$1,000,000	$5,000
Ordinance or Law	$1,000,000	$5,000
Expediting Expense	$1,000,000	$5,000
Hazardous Substances	$1,000,000	$5,000
Newly Acquired Locations - 120 Days Notice	$1,000,000	$5,000
Crime Coverage:		
Public Employee Dishonesty	$50,000	$500
Theft, Disapp. & Destruction/Money Orders & Counterfeit Currency	$50,000	$500
Forgery or Alteration	$50,000	$500
Computer Fraud	$50,000	$500
Public Officials Bond		
Business Administrator - B Palumbo (Selective Ins. Co.)	$200,000	
Former Business Administrator - M Williams (Selective Ins. Co.)	$200,000	
Treasurer - J Schneider II (Selective Ins. Co.)	$200,000	
Secretary - C Kampfe (Selective Ins Co.)	$25,000	
General Liability:		
Bodily Injury & Property Damage	$11,000,000	
Products & Completed Operations	$11,000,000	
Sexual Abuse	$11,000,000	
Personal Injury & Advertising Injury	$11,000,000	
Employee Benefits Liability	$11,000,000	$1,000
Premises Medical Payments	$10,000 per accident	
	$5,000 per person	
Terrorism	$1,000,000	
Automotive Coverage:		
Bodily Injury/Property Damage	$11,000,000	$1,000
Hired/Non-Owned	$11,000,000	
Personal Injury Protection	$250,000	
Medical Payments	$10,000	
Underinsured	$1,000,000	
Terrorism	$1,000,000	
Garagekeepers	Not Covered	
School Leaders Errors & Omissions		
Coverage A - protection againsts "loss"/Wrongful Acts	$11,000,000	$5,000
Coverage B - defense costs for specific administrative actions	$100,000/claim	$5,000
	$300,000/agg	$5,000
Retro Date	7/1/1986	
Workers' Compensation		
Part One	Statutory	
Part Two		
Bodily Injury by Accident	$2,000,000	
Bodily Injury by Disease	$2,000,000	
Student/Athletic Volunteer Accident		
All School - US Fire Ins. Co.	$25,000	-
Excess Coverage - Medical Expense benefits - National Union Fire Ins. Co.	$7,500,000	$25,000
Volunteer Workers	$25,000	$1,000
Underground Storage Tank		
Claims and Remediation Occ/Agg	$1,000,000	$5,000
Legal Defense	$1,000,000	$5,000
Flood		
Building	$500,000	$2,000
Contents	$500,000	$2,000

SOURCE: District Records

Single Audit Section

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Blairstown Township School District
County of Warren
Blairstown, New Jersey 07825

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in ***Government Auditing Standards*** issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Blairstown Township School District Board of Education in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Blairstown Township School District Board of Education's basic financial statements, and have issued our report thereon dated November 21, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

-Continued-

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and for New Jersey Department of Education use, 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.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 21, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
November 21, 2025

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by New Jersey OMB circular 15-08

Honorable President and
Members of the Board of Education
Blairstown Township School District
County of Warren
Blairstown, New Jersey 07825

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Blaistown Township School District Board of Education's compliance with the types of compliance requirements described in the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2025. The Blaistown Township School District Board of Education's major 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 Blaistown Township School District 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 state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Our responsibilities under those standards, and New Jersey OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Blaistown Township School District Board of Education, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the Blaistown Township School District 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 the District's state programs.

-Continued-

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

-Continued-

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 New Jersey OMB circular 15-08, and for New Jersey Department of Education use. Accordingly, this report is not suitable for any other purpose.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 21, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
November 21, 2025

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

K-3

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2025

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance At June 30, 2024	Carryover/ Walkover Amount	Cash Received	Budgetary Expenditures	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2025 Accounts Receivable	Balance at June 30, 2025 Deferred Revenue	Balance at June 30, 2025 Due to Grantor	Cumulative Total Expenditures
U.S. Department of Education																
General Fund:																
Impact Aid	84.041	N/A	N/A	37,802	7/1/24	6/30/25			$ 37,802	$ (37,802)						$ 37,802
Total General Fund							**-**	**-**	**37,802**	**(37,802)**	**-**	**-**	**-**	**-**	**-**	**37,802**
U.S. Department of Education Passed-Through State Department of Education:																
Special Revenue Fund:																
Title I	84.010	S010A240030	N/A	25,091	7/1/24	9/30/25	$ (9,879)		36,391	(25,091)			-	$ 1,421		25,091
Total Title I Cluster							(9,879)	-	36,391	(25,091)	-	-	-	1,421	-	25,091
Title II (A)	84.367	S367B240027	N/A	7,225	7/1/24	9/30/25	(9,180)		15,180	(7,225)			$ (1,225)	-		7,225
Title IV	84.424A	S424B240027	N/A	10,000	7/1/24	9/30/25	(229)		7,968	(10,000)			(2,261)	-		10,000
I.D.E.A. Part B, Basic Regular	84.027	H027A240100	N/A	142,513	7/1/24	9/30/25	(1,062)		143,575	(142,513)			-	-		142,513
I.D.E.A. Part B, Basic Preschool	84.173	H173A240114	N/A	12,965	7/1/24	9/30/25	(10)		12,975	(12,965)			-	-		12,965
Total Special Education Cluster							(1,072)	-	156,550	(155,478)	-	-	-	-	-	155,478
Rural Education Achievement Program	84.358A	S358B240030	S358A242676	48,967	7/1/23	9/30/24	(50,275)		50,275	(48,967)			(48,967)			48,967
Total REAP							(50,275)	-	50,275	(48,967)	-	-	(48,967)	-	-	48,967
American Rescue Plan-ESSER III	84.425U	S425U240027	ARP	317,142	3/13/20	9/30/24	(1,898)		1,948	(50)			-	-		317,142
American Rescue Plan-Accel. Learn. Coaching & Ed. Support	84.425U	S425U240027	ARP	50,000	3/13/20	9/30/24	(17,277)		17,277	-			-	-		50,000
American Rescue Plan-Evidence Based Summer Learning	84.425U	S425U240027	ARP	40,000	3/13/20	9/30/24	(89)		14,279	(14,189)	$ (1)		-	-		40,000
American Rescue Plan-Evidence Based Beyond the Sch. Day	84.425U	S425U240027	ARP	40,000	3/13/20	9/30/24	(10,829)		12,696	(1,867)			-	-		40,000
American Rescue Plan-NJTSS Mental Health Support Staffing	84.425U	S425U240027	ARP	45,000	3/13/20	9/30/24	(2,345)		2,345	-			-	-		45,000
Total Education Stabilization Fund							(32,438)	-	48,545	(16,106)	(1)	-	-	-	-	492,142
Total Special Revenue Fund							**(103,073)**	**-**	**314,909**	**(262,867)**	**(1)**	**-**	**(52,453)**	**1,421**	**-**	**738,903**
U.S. Department of Agriculture																
Passed-Through State Dept. of Agriculture																
Enterprise Fund:																
Child Nutrition Cluster:																
National School Lunch Program (Food Distribution)	10.555	241NJ304N1199	N/A		7/1/23	6/30/24	2,924			(2,924)						2,924
National School Lunch Program (Food Distribution)	10.555	251NJ304N1199	N/A	10,898	7/1/24	6/30/25			10,898	(9,006)				1,892		9,006
National School Lunch Program	10.555	241NJ304N1199	N/A		7/1/23	6/30/24	(3,340)		3,340							
National School Lunch Program	10.555	251NJ304N1199	N/A	55,399	7/1/24	6/30/25			52,576	(55,399)			(2,823)			55,399
School Breakfast Program	10.553	251NJ304N1199	N/A	10,856	7/1/24	6/30/25			10,391	(10,856)			(465)			10,856
Summer EBT Administrative Cost	10.646	251NJ304N1803	N/A	643	7/1/24	6/30/25			643	(643)			-			643
Total Enterprise Fund							**(416)**	**-**	**77,848**	**(78,828)**	**-**	**-**	**(3,288)**	**1,892**	**-**	**78,828**
TOTAL FEDERAL ASSISTANCE							**$ (103,489)**	**-**	**$ 430,559**	**$ (379,497)**	**$ (1)**	**-**	**$ (55,741)**	**$ 3,313**	**-**	**$ 855,533**

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.
Note: This Schedule was not subject to an audit in accordance with OMB Uniform Guidance.

BLAIRSTOWN TOWNSHIP SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2025

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2024	CARRY-OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2025 (ACCTS. RECEIV.)	BALANCE AT JUNE 30, 2025 INTERFUND PAYABLE/ DEFER. REVENUE	BALANCE AT JUNE 30, 2025 DUE TO GRANTOR		MEMO BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPEND.
													*		
State Department of Education													*		
General Fund													*		
Equalization Aid	25-495-034-5125-078	7/1/24-6/30/25	$ 403,279			$ 403,279	$ (403,279)						*	$ 40,278	$ 403,279
Transportation Aid	25-495-034-5125-014	7/1/24-6/30/25	83,167			83,167	(83,167)						*	8,306	83,167
Special Education Aid	25-495-034-5125-089	7/1/24-6/30/25	372,859			372,859	(372,859)						*	37,240	372,859
Security Aid	25-495-034-5125-084	7/1/24-6/30/25	52,071			52,071	(52,071)						*	5,201	52,071
Extraordinary Aid	25-495-034-5125-044	7/1/24-6/30/25	65,205				(65,205)			$ (65,205)			*		65,205
Extraordinary Aid	24-495-034-5125-044	7/1/23-6/30/24	77,922	$ (77,922)		77,922	-						*		-
Non-Public Transportation Aid	25-100-034-5125-068	7/1/24-6/30/25	8,873				(8,873)			(8,873)			*		8,873
Non-Public Transportation Aid	24-100-034-5125-068	7/1/23-6/30/24	3,345	(3,345)		3,345	-						*		-
On Behalf TPAF Pension	25-495-034-5094-002	7/1/24-6/30/25	1,447,566			1,447,566	(1,447,566)						*		1,447,566
On Behalf TPAF Pension PMR	25-495-034-5094-001	7/1/24-6/30/25	422,980			422,980	(422,980)						*		422,980
On Behalf TPAF Pension LTD Ins	25-495-034-5094-004	7/1/24-6/30/25	728			728	(728)						*		728
Reimb. TPAF Soc.Secur.Contrib.	25-495-034-5094-003	7/1/24-6/30/25	318,705	(15,073)		317,903	(318,705)			(15,875)			*		318,705
Total General Fund				**(96,340)**		**3,181,820**	**(3,175,433)**			**(89,953)**			*	**91,025**	**3,175,433**
													*		
Special Revenue Fund:													*		
SDA Grant - Emergency and Capital Aid	24-100-034-5120-519	7/1/23-6/30/24	9,468	9,468							$ 9,468		*		-
Total Special Revenue Fund				**9,468**	**-**	**-**	**-**	**-**	**-**	**-**	**9,468**	**-**	*	**-**	**-**
													*		
State Department of Agriculture													*		
Enterprise Fund:													*		
Nat.School Lunch Prog.(State Share)	24-100-034-5125-122	7/1/23-6/30/24		(178)		178							*		
Nat.School Lunch Prog.(State Share)	25-100-034-5125-122	7/1/24-6/30/25	2,240			2,131	(2,240)			(109)			*		2,240
Total Enterprise Fund				**(178)**		**2,309**	**(2,240)**	**-**		**(109)**			*		**2,240**
													*		
													*		
Total State Financial Assistance				**$ (87,050)**	**-**	**$ 3,184,129**	**$ (3,177,673)**	**-**	**-**	**$ (90,062)**	**$ 9,468**	**-**	*	**$ 91,025**	**$ 3,177,673**
Less: On-behalf TPAF Pension Amounts															
On Behalf TPAF Pension	25-495-034-5094-002	7/1/24-6/30/25	1,447,566				1,447,566								
On Behalf TPAF Pension PMR	25-495-034-5094-001	7/1/24-6/30/25	422,980				422,980								
On Behalf TPAF Pension LTD Ins	25-495-034-5094-004	7/1/24-6/30/25	728				728								
Total State Expenditures Subject to Major Program Determination							**$ (1,306,399)**								

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

NOTES TO THE SCHEDULES OF FEDERAL AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2025

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying federal and state schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. 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 GENERAL PURPOSE 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, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($1,726) for the general fund and -0- for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF FEDERAL AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2025

NOTE 3. (Continued)

	Federal	State	Total
General Fund	$ 37,802	$ 3,173,707	$ 3,211,509
Special Revenue Fund	262,867	-	262,867
Food Service Fund	78,828	2,240	81,068
Total Financial Assistance	$ 379,497	$ 3,175,947	$ 3,555,444

NOTE 4. OTHER

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
1) Material weakness(es) identified?	___Yes_x_No
2) Were significant deficiencies identified that were not considered to be material weaknesses?	___Yes _x_None Reported
Noncompliance material to financial statements noted?	___Yes_x_No

Federal Awards **Not Applicable**

Internal control over major programs:	
1) Material weakness(es) identified?	___Yes__No
2) Were significant deficiencies identified that were not considered to be material weaknesses?	___Yes ___None
Type of auditor's report issued on compliance for major programs:	N/A
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of ?	___Yes___No

Identification of major programs:

Assistance Listing	FAIN Number(s)	Name of Federal Program or Cluster
N/A		

Dollar threshold used to distinguish between Type A and Type B programs:	N/A
Auditee qualified as low-risk auditee?	__yes__no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Financial Assistance Section

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	___Yes_x_No
Internal Control over major programs:	
1) Material weakness(es) identified?	___Yes_x_No
2) Were significant deficiencies identified that were not considered to be material weaknesses?	___Yes_x_None
Type of auditor's report on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08 as applicable?	___Yes_x_No

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
25-495-034-5093-003	Reimbursed TPAF Soc.Secur.Contrib.
State Aid Cluster:	
25-495-034-5122-078	Equalization Aid
25-495-034-5122-089	Special Education Aid
25-495-034-5122-084	Security Aid

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section II-Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

Financial Statement N/A

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

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

Federal Awards N/A

State Awards N/A

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

STATUS OF PRIOR YEAR FINDINGS

N/A

In accordance with ***government auditing standards*** , our procedures included a review of all prior year recommendations. All prior year recommendations were corrected.