DELAWARE TOWNSHIP
SCHOOL DISTRICT

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

JUNE 30, 2025

Responsibility of the Management of
Delaware Township School District
Hunterdon County, New Jersey

BKC
Certified Public Accountants, PC

DELAWARE TOWNSHIP
SCHOOL DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

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DELAWARE TOWNSHIP SCHOOL DISTRICT
501 ROSEMONT ROAD
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Scott Lipson
Chief School Administrator

Susan Joyce
Business Administrator/Board Secretary

November 11, 2025

Honorable President and
Members of the Board of Education
Delaware Township School District
Hunterdon County, New Jersey

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

The Annual Comprehensive Financial Report is presented in four sections: Introduction, Financial, Statistical and Single Audit. The Introduction Section includes this transmittal letter, the District's Organizational Chart and a list of principal officials. The Financial Section includes the general-purpose financial schedules, as well as the auditors' report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Treasury OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditors' report of 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:

Delaware Township School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Delaware Township School District and the School constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through eight. This includes regular, as well as special education for special need students. The District completed the 2024-2025 fiscal year with an enrollment of 402 students. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Enrollment Student Enrollment	Percent Change
2015-2016	400.2	-2.63%
2016-2017	384.2	-4.16%
2017-2018	389.0	1.01%
2018-2019	372.9	-4.14%
2019-2020	375.4	0.67%
2020-2021	364.3	-2.96%
2021-2022	399.6	6.50%
2022-2023	410.3	2.68%
2023-2024	405.3	-1.22%
2024-2025	406.1	0.26%

2) 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 that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations 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.

3) BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the Municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the Financial Section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balances in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2025.

4) ACCOUNTING SYSTEM AND REPORTS:

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

5) 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 for the fiscal year ended June 30, 2025.

6) DEBT ADMINISTRATION:

At June 30, 2025, the District had outstanding debt issues of $2,100,000 whose interest rates range from 1.50% to 2.00%.

7) CASH MANAGEMENT:

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

8) RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

9) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of BKC, CPAs, PC, was appointed by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Treasury OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. The auditors' report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the Financial Section of this report. The auditors' reports related specifically to single audit are included in the Single Audit Section of this report.

10) ACKNOWLEDGMENTS:

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

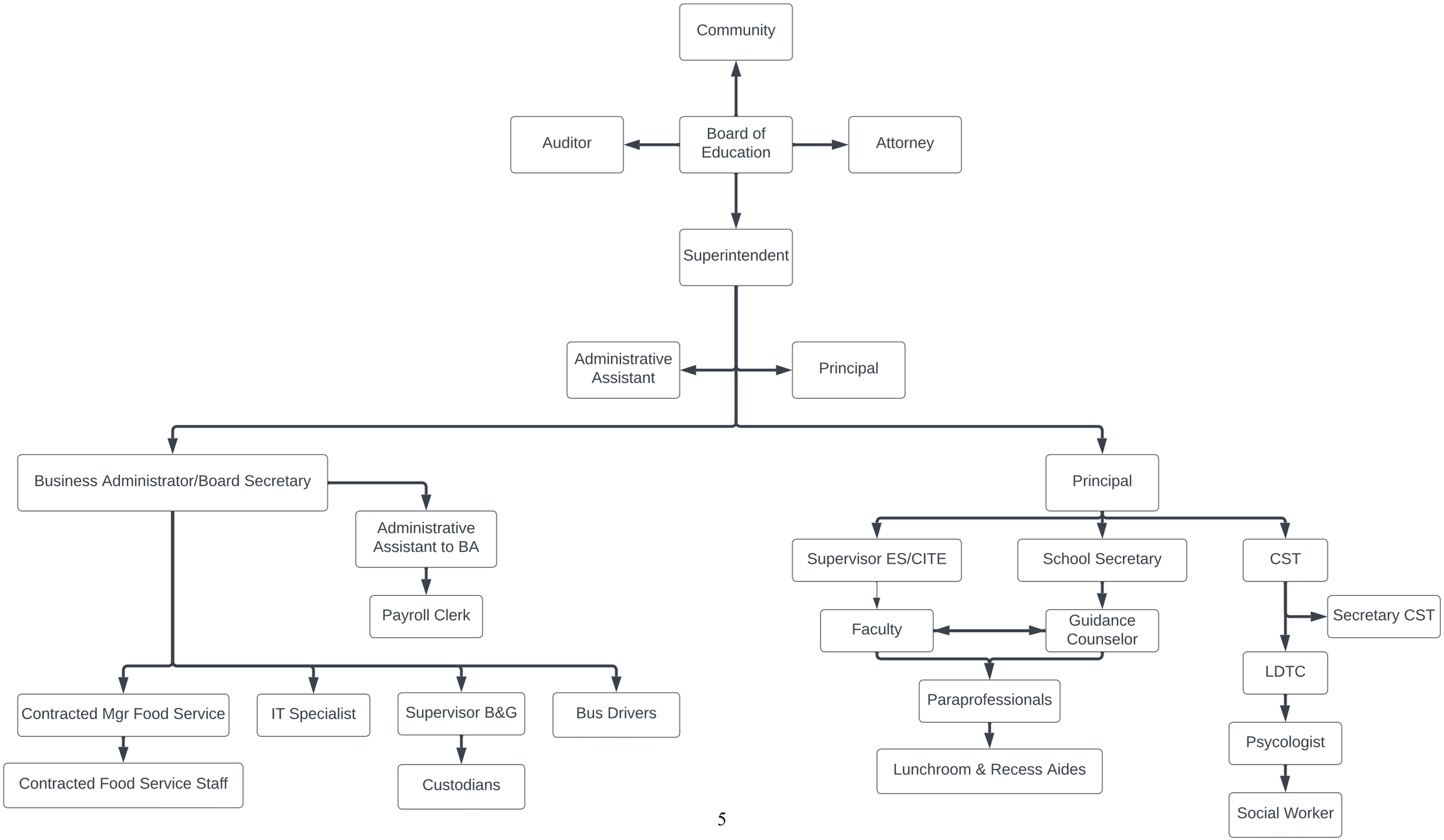
Respectfully submitted,

Scott Lipson
Chief School Administrator

Susan Joyce
Business Administrator/Board Secretary

Delaware Township Board of Education Organizational Chart

Rev. August 2022



DELAWARE TOWNSHIP SCHOOL DISTRICT
Delaware, New Jersey
Roster of Officials
June 30, 2025

Members of the Board of Education	Title	Term Expires
Catherine Pouria	President	2025
John Kafarski	Vice-President	2026
Maegan Harrington		2025
Joseph Ponzo		2025
Jennifer Martin		2026
Adam Pate		2026
Mary Lyons		2027
Jessica Stahl		2027
Sarah Waverka		2027

Other Officials	Title
Scott Lipson	Superintendent
Susan Joyce	Board Secretary/School Business Administrator
Valerie Wheatley	Supervisor
Rebecca Guenther	Supervisor

DELAWARE TOWNSHIP SCHOOL DISTRICT
Delaware, New Jersey
Consultants and Advisors
June 30, 2025

AUDIT FIRM

BKC, CPAs, PC
39 State Route 12, Ste 2
Flemington, NJ 08822

ARCHITECT

Gianforcaro
555 East Main Street
Suite One
Chester, NJ 07930

ATTORNEY

Fogarty & Hara, ESQS.
21-00 Route 208 South
Fair Lawn, NJ 07410

OFFICIAL DEPOSITORY

Provident Bank
250 Madison Ave
Morristown, NJ 07960

PNC Bank
240 US-202 31 N
Flemington, NJ 08822

NJ/ARM
200 Princeton South Corporate Center
Suite 270A
Ewing, NJ 08628

BKC
Certified Public Accountants, PC
www.bkc-cpa.com

Independent Auditors' Report

Honorable President and
Members of the Board of Education
Delaware Township School District
Sergeantsville, New Jersey

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Delaware Township School District (the District) in the County of Hunterdon, as of and for the year ended June 30, 2025, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements as listed in the Table of Contents.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedules Related to Accounting and Reporting for Pensions, and Schedules Related to Accounting and Reporting for Other Postemployment Employee Benefits listed 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 an opinion on the financial statements that collectively comprise the District's Basic Financial Statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and Schedule of Expenditures of State Financial Assistance required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also presented for purposes of additional analysis not a required part of the Basic Financial Statements.

Such information is the responsibility of Management and were derived from and relates directly to the underlying accounting and other records used to prepare the Basic Financial Statements. 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 Schedule of Expenditures of Federal Awards, and Schedule of Expenditures of State Financial Assistance are fairly stated, in all material respects, in relation to the Basic Financial Statements as a whole.

Other Information

Management is responsible for the Other Information included in the annual report. The Other Information comprises the Introductory, Combining and Individual Non-Major Fund Financial Schedules and Statistical Sections but does not include the Basic Financial Statements and our auditors' report thereon. Our opinion 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 11, 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 solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BKC, CPAs, PC

BKC, CPAs, PC

MH

Michael Holk, CPA, PSA
NO. 20CS00265600

November 11, 2025
Flemington, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

DELAWARE TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

The discussion and analysis of the Delaware 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 Basic Financial Statements and Notes to the 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 $561,610 which represents a 4.15% increase from 2024.
- General revenues accounted for $13,391,968, or 93.48% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for $933,447 or 6.52% to total revenues of $14,325,415.
- Total assets of governmental activities increased by $181,564 as cash and cash equivalents increased by $393,096; receivables and other assets decreased by $96,266; and capital assets decreased by $115,266.
- The School District had $13,763,805 in expenses; only $933,447 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of $13,391,968 were adequate to provide for these programs.
- The general fund had $12,904,377 in revenues, $12,406,515 in expenditures and $181,488 net transfers out. The general fund's balance increased $316,374 over 2024.

Using this Annual Comprehensive Financial Report (ACFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund Financial Statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of the Delaware 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 fiscal year 2024-2025?" 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 businesses. 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 position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District have improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental and business activities. Governmental activities are the activities where most of the School District's programs and services are reported, including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. Business activities are the services 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

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these Fund Financial Statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, special revenue fund, capital projects fund and debt service fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years.

These funds measure and report the operating results by measuring cash on hand and other assets that can be easily 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 the reader 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 at June 30, 2025 compared to June 30, 2024.

Table 1
Net Position

			Variance	
	06/30/2025	06/30/2024	Dollars	Percent
Assets				
Current & other assets	$ 7,199,996	$ 6,997,260	$ 202,736	2.90%
Capital assets	10,386,924	10,402,732	(15,808)	-0.15%
Total assets	17,586,920	17,399,992	186,928	1.07%
Deferred pension activity				
Total deferred outflow of resources	153,825	163,107	(9,282)	-5.69%
Liabilities				
Long-term liabilities	3,410,268	3,665,983	(255,715)	-6.98%
Other liabilities	140,730	234,669	(93,939)	-40.03%
Total liabilities	3,550,998	3,900,652	(349,654)	-8.96%
Deferred pension activity				
Total deferred inflow of resources	101,489	135,799	(34,310)	-25.27%
Net position				
Net investment in capital assets	8,273,335	8,102,032	171,303	2.11%
Restricted	5,971,798	5,418,421	553,377	10.21%
Unrestricted	(156,875)	6,195	(163,070)	-2600.00%
Total net position	$ 14,088,258	$ 13,526,648	$ 561,610	4.15%

Total assets increased by $186,928. Cash and cash equivalents increased by $308,483, receivables and other assets decreased by $105,747 and capital assets increased by $15,808.

Unrestricted net position, the part of net position that can be used to finance day to day activities without constraints established by grants or legal requirements of the School District, decreased by $163,070.

The negative balance in unrestricted net position is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

Table 2 shows the changes in net position for the fiscal year ended June 30, 2025 compared to June 30, 2024.

Table 2
Changes in Net Position

	06/30/2025	06/30/2024	Variance Dollars	Variance Percent
Revenues				
Program revenues				
Charges for services	$ 145,813	$ 152,003	$ (6,190)	-4.07%
Operating grants & contributions	787,634	532,223	255,411	47.99%
General revenues				
Property taxes	9,189,210	8,935,500	253,710	2.84%
Unrestricted grants	3,888,348	4,532,166	(643,818)	-14.21%
Other	314,410	355,448	(41,038)	-11.55%
Total revenues	14,325,415	14,507,340	(181,925)	-1.25%
Expenses				
Instruction				
Regular	6,191,420	6,360,089	(168,669)	-2.65%
Special	2,187,495	2,286,750	(99,255)	-4.34%
Other	193,575	149,317	44,258	29.64%
Support services				
Tuition	180,876	369,602	(188,726)	-51.06%
Student & instructional related services	2,187,291	2,119,541	67,750	3.20%
General & business administration	648,900	606,824	42,076	6.93%
School administration	75,187	58,236	16,951	29.11%
Maintenance	1,241,105	1,132,094	109,011	9.63%
Transportation	621,261	549,763	71,498	13.01%
Food service	163,345	141,930	21,415	15.09%
Interest on long term debt	73,350	44,225	29,125	65.86%
Total expenses	13,763,805	13,818,371	(54,566)	-0.39%
Change in net position	$ 561,610	$ 688,969	$ (127,359)	-18.49%

Governmental Activities

Property taxes made up 64.15% of revenues for district-wide activities for the Delaware Township School District for fiscal year 2025.

Instruction comprises 62.28% of District expenses. Support services expenses and interest on long term debt make up 37.72% of District 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. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	06/30/2025	06/30/2024	06/30/2025	06/30/2024
Instruction	$ 8,572,490	$ 8,796,156	$ 8,078,962	$ 8,596,105
Support services				
Tuition	180,876	369,602	110,876	299,602
Student & instructional staff	2,187,291	2,119,541	2,011,652	1,907,227
General & business administration	648,900	606,824	648,900	606,824
School administration	75,187	58,236	56,126	32,531
Plant operations & maintenance	1,241,105	1,132,094	1,233,816	1,130,183
Pupil transportation	621,261	549,763	620,612	549,604
Food service	163,345	141,930	(3,936)	(32,156)
Interest on long-term debt	73,350	44,225	73,350	44,225
Total expenses	$ 13,763,805	$ 13,818,371	$ 12,830,358	$ 13,134,145

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

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

General administration, school administration and business administration 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.

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

The dependence upon tax revenue is apparent. For all activities general revenue support is 93.48%. The community, as a whole, are the primary support for the Delaware Township School District.

The School District's Funds

These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of $13,820,698 and expenditures of $13,429,671.

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 modified accrual and encumbrance accounting. The most significant budgeted fund is the general fund.

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. During the course of the fiscal year 2025, the School District amended its general fund budget as needed for tuition revenue and expenditures of specific special education programs as allowed by law.

For the general fund, budget revenue was $10,643,378, $291,666 over original budgeted estimates of $10,351,712. This difference was due primarily to interest on bank accounts exceeding budgeted amounts.

Capital Assets

At the end of the fiscal year 2025, the School District had $10,386,924 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows June 30, 2025 balances compared to June 30, 2024.

Table 4
Capital Assets at Year End (Net of Depreciation)

			Variance	
	06/30/2025	06/30/2024	Dollars	Percent
Land	$ 20,000	$ 20,000	$ -	0.00%
Construction in progress	-	347,631	(347,631)	-100.00%
Land improvements	760,874	220,794	540,080	244.61%
Buildings & improvements	8,605,317	9,044,734	(439,417)	-4.86%
Machinery & equipment	981,845	743,603	238,242	32.04%
Right to use	18,888	25,970	(7,082)	-27.27%
	$ 10,386,924	$ 10,402,732	$ (15,808)	-0.15%

Overall capital assets decreased $15,808 from fiscal year 2024 to fiscal year 2025. Increases in capital assets were offset by depreciation expenses.

Long-term liabilities

At June 30, 2025, the School District had $3,410,268 of long-term liabilities. This amount is detailed in Table 5 below for June 30, 2025 compared to June 30, 2024.

At June 30, 2025, the legal debt limit is $33,223,293. General obligation debt at June 30, 2025 is $2,100,000 resulting in a legal debt margin of $31,123,293.

Table 5
Long-Term Liabilities at Year End

			Variance	
	06/30/2025	06/30/2024	Dollars	Percent
General obligation bonds	$ 2,100,000	$ 2,280,000	$ (180,000)	-7.89%
Compensated absences	178,056	153,248	24,808	16.19%
Lease payable	13,589	20,700	(7,111)	-34.35%
PERS net pension liability	1,118,623	1,212,035	(93,412)	-7.71%
	$ 3,410,268	$ 3,665,983	$ (255,715)	-6.98%

For the Future

It is the opinion of the Superintendent and Business Administrator that the Delaware Township School District is presently in good financial condition. However, future finances are not without challenges as the State continues to impose unfunded mandates on schools while simultaneously restricting the ability to fiscally manage school budgets. Health benefit costs are also an unknown that can put financial strain on the District as they most recently have.

In conclusion, the Delaware Township School District has committed itself to an excellent system for financial planning, budgeting and internal financial controls. The School District plans to continue its sound fiscal management to meet the challenges 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, please contact Susan Joyce, School Business Administrator at the Delaware Township Board of Education, 501 Rosemont Road, Ringoes, New Jersey 08557 or email at joycesusan@dtsk8.org.

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.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 873,356	$ 31,130	$ 904,486
Receivables, net	210,347	5,988	216,335
Inventory	-	4,499	4,499
Restricted cash and cash equivalents	6,074,676	-	6,074,676
Capital assets, net			
Land	20,000	-	20,000
Other capital assets, net of depreciation and amortization	10,210,178	156,746	10,366,924
Total assets	17,388,557	198,363	17,586,920
Deferred outflows of resources			
Deferred amount on pension activity	153,825	-	153,825
Liabilities			
Accrued interest	13,046	-	13,046
Payroll deductions and withholdings payable	25,904	-	25,904
Unearned revenue	80,599	6,975	87,574
Unemployment compensation claims payable	14,206	-	14,206
Long-term liabilities			
Due within one year	201,143	-	201,143
Due beyond one year	3,209,125	-	3,209,125
Total liabilities	3,544,023	6,975	3,550,998
Deferred inflows of resources			
Deferred amount on pension liability	101,489	-	101,489

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Statement of Net Position (continued)
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
Net position			
Net investment in capital assets	$ 8,116,589	$ 156,746	$ 8,273,335
Restricted for			
Capital reserve	4,653,718	-	4,653,718
Emergency reserve	195,502	-	195,502
Maintenance reserve	599,988	-	599,988
Scholarships	611	-	611
Student activities	37,092	-	37,092
Unemployment claims	110,369	-	110,369
Capital projects	374,518	-	374,518
Unrestricted	(191,517)	34,642	(156,875)
Total net position	$ 13,896,870	$ 191,388	$ 14,088,258

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants & Contribution	Program Revenues: Capital Grants & Contribution	Net (Expense) Revenue & Changes in Net Position: Governmental Activities	Net (Expense) Revenue & Changes in Net Position: Business-Type Activities	Net (Expense) Revenue & Changes in Net Position: Total
Governmental activities								
Instruction								
Regular	$ 3,418,891	$ 2,772,529	$ -	$ 446,147	$ -	$ (5,745,273)	$ -	$ (5,745,273)
Special education	978,156	841,720	-	36,762	-	(1,783,114)	-	(1,783,114)
Other special education	203,165	164,454	-	10,619	-	(357,000)	-	(357,000)
Other instruction	119,149	74,426	-	-	-	(193,575)	-	(193,575)
Support services								
Tuition	180,876	-	-	70,000	-	(110,876)	-	(110,876)
Students & instruction related services	1,502,568	684,723	21,150	154,489	-	(2,011,652)	-	(2,011,652)
General & business administration services	413,440	235,460	-	-	-	(648,900)	-	(648,900)
School administration services	54,262	20,925	-	19,061	-	(56,126)	-	(56,126)
Plant operations & maintenance	1,076,247	164,858	-	7,289	-	(1,233,816)	-	(1,233,816)
Pupil transportation	572,919	48,342	-	649	-	(620,612)	-	(620,612)
Interest on long-term debt	73,350	-	-	-	-	(73,350)	-	(73,350)
Total governmental activities	8,593,023	5,007,437	21,150	745,016	-	(12,834,294)	-	(12,834,294)
Business-type activities								
Food service	163,345	-	124,663	42,618	-	-	3,936	3,936
Total business-type activities	163,345	-	124,663	42,618	-	-	3,936	3,936
Total primary government	$ 8,756,368	$ 5,007,437	$ 145,813	$ 787,634	$ -	(12,834,294)	3,936	(12,830,358)
General revenues, special items and transfers								
Property taxes levied for general purposes						9,114,210	-	9,114,210
Property taxes levied for debt service						75,000	-	75,000
Federal and state aid not restricted						3,888,348	-	3,888,348
Investment earnings						300,043	-	300,043
Miscellaneous income						14,367	-	14,367
Total general revenues, special items and transfers						13,391,968	-	13,391,968
Change in net position						557,674	3,936	561,610
Net position - beginning						13,339,196	187,452	13,526,648
Net position - ending						$ 13,896,870	$ 191,388	$ 14,088,258

See accompanying notes to the financial statements.

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.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2025

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 873,356	$ -	$ -	$ -	$ 873,356
Due from other funds	118,687	-	-	-	118,687
Receivables from other governments					
State	135,914	-	-	-	135,914
Federal	-	74,433	-	-	74,433
Restricted cash and cash equivalents	5,573,783	37,703	463,190	-	6,074,676
Total assets	$ 6,701,740	$ 112,136	$ 463,190	$ -	$ 7,277,066
Liabilities and fund balances					
Liabilities					
Due to other funds	$ -	$ 30,015	$ 88,672	$ -	$ 118,687
Payroll deductions and withholdings payable	25,904	-	-	-	25,904
Unearned revenue	-	80,599	-	-	80,599
Unemployment compensation claims payable	14,206	-	-	-	14,206
Total liabilities	40,110	110,614	88,672	-	239,396

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet (continued)
June 30, 2025

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
Liabilities and fund balances					
Fund balances					
Restricted fund balance					
Excess surplus - designated for subsequent year's expenditures	$ 200,000	$ -	$ -	$ -	$ 200,000
Excess surplus - current year	400,000	-	-	-	400,000
Capital reserve	4,653,718	-	-	-	4,653,718
Emergency reserve	195,502	-	-	-	195,502
Maintenance reserve	599,988	-	-	-	599,988
Unemployment claims	110,369	-	-	-	110,369
Scholarships	-	611	-	-	611
Student activities	-	37,092	-	-	37,092
Capital projects fund balance	-	-	374,518	-	374,518
Committed fund balance					
Encumbrances	200,273	-	-	-	200,273
Assigned fund balance					
Designated for subsequent year's expenditures	87,720	-	-	-	87,720
Unassigned fund balance	214,060	(36,181)	-	-	177,879
Total fund balances	6,661,630	1,522	374,518	-	7,037,670
Total liabilities and fund balances	$ 6,701,740	$ 112,136	$ 463,190	$ -	
Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:					
Capital assets used in government activities are not financial resources and therefore are not reported in the funds.					10,230,178
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.					52,336
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.					(3,410,268)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.					(13,046)
Total net position of governmental activities					$ 13,896,870

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues					
Local sources					
Local tax levy	$ 9,114,210	$ -	$ -	$ 75,000	$ 9,189,210
Interest on investments	300,043	-	-	-	300,043
Miscellaneous	14,367	25,919	-	-	40,286
Total local sources	9,428,620	25,919	-	75,000	9,529,539
State sources	3,475,757	510,425	-	75,425	4,061,607
Federal sources	-	229,822	-	-	229,822
Total revenues	12,904,377	766,166	-	150,425	13,820,968
Expenditures					
Current					
Instructional					
Regular instruction	3,031,151	394,851	-	-	3,426,002
Special education instruction	941,394	36,762	-	-	978,156
Other special instruction	192,546	10,619	-	-	203,165
Other instruction	119,149	-	-	-	119,149
Support service and undistributed costs					
Tuition	110,876	70,000	-	-	180,876
Student & instruction related services	1,360,649	141,919	-	-	1,502,568
General & business administrative services	413,440	-	-	-	413,440
School administrative services	37,925	16,337	-	-	54,262
Plant operations & maintenance	1,068,390	7,857	-	-	1,076,247
Pupil transportation	572,219	700	-	-	572,919
Unallocated benefits	3,902,121	95,248	-	-	3,997,369

DELAWARE TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
For the Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Expenditures (cont'd)					
Capital outlay	$ 624,243	$ 27,025	$ -	$ -	$ 651,268
Debt service					
Principal	-	-	-	180,000	180,000
Interest and other charges	32,412	-	-	41,838	74,250
Total expenditures	12,406,515	801,318	-	221,838	13,429,671
Excess (deficiency) of revenues over (under) expenditures	497,862	(35,152)	-	(71,413)	391,297
Other financing sources (uses)					
Transfers	(181,488)	110,075	-	71,413	-
Total other financing sources (uses)	(181,488)	110,075	-	71,413	-
Net change in fund balance	316,374	74,923	-	-	391,297
Fund balances, July 1	6,345,256	(73,401)	374,518	-	6,646,373
Fund balances, June 30	$ 6,661,630	$ 1,522	$ 374,518	$ -	$ 7,037,670

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2025

Total net changes in fund balances - governmental fund (from B-2)		$ 391,297
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 expenses. This is the amount by which capital outlays exceed depreciation in the period:		
Capital outlays	$ 651,268	
Depreciation expense	(766,534)	(115,266)
Repayment of debt principal and leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and are not reported in the Statement of Activities:		
Debt principal payments	180,000	
Lease principal payments	7,111	187,111
Governmental funds report District pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		118,440

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes Fund Balances of Governmental Funds to the Statement of Activities (continued)
For the Fiscal Year Ended June 30, 2025

In the Statement of Activities, interest on long-term debt is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item.	$	900
In the Statement of Activities, compensated absences and early retirement benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.		(24,808)
Change in net position of governmental activities	$	557,674

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2025

	Food Service Fund
Assets	
Current assets	
Cash and cash equivalents	$ 31,130
Receivables from other governments	
State	567
Federal	5,421
Inventory	4,499
Total current assets	41,617
Noncurrent assets	
Capital assets	298,135
Less: accumulated depreciation	141,389
Total noncurrent assets	156,746
Total assets	198,363
Liabilities	
Current liabilities	
Unearned revenues - commodities	1,900
Unearned revenues - prepaid sales	5,075
Total liabilities	6,975
Net position	
Net investment in capital assets	156,746
Unrestricted	34,642
Total net position	$ 191,388

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2025

	Food Service Fund
Operating revenues	
Charges for services	
Daily sales - reimbursable program	$ 77,553
Daily sales - nonreimbursable programs	47,110
Total operating revenues	124,663
Operating expenses	
Cost of sales - reimbursable programs	40,863
Cost of sales - non-reimbursable programs	15,810
Commodity food costs	15,924
Salaries	42,414
Support services - employee benefits	6,160
Purchased professional/technical services	1,853
Purchased property services	1,750
Other purchased services	
Insurance	7,500
Management fee	9,908
Supplies and materials	9,188
Depreciation	9,525
Miscellaneous expenditures	2,450
Total operating expenses	163,345
Operating income (loss)	(38,682)
Non-operating revenues (expenses)	
State sources	
State school lunch program	1,741
Federal sources	
National school lunch program	
Cash assistance	24,310
Non-cash assistance (commodities)	15,924
P-EBT administrative	643
Total non-operating revenues (expenses)	42,618
Change in net position	3,936
Net position, beginning	187,452
Net position, ending	$ 191,388

See accompanying notes to the financial statements.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2025

	Food Service Fund
Cash flows from operating activities	
Receipts from customers (net)	$ 125,880
Payments to Food Service Management Company	(127,803)
Payments to vendors (net)	(10,599)
Net cash provided by (used for) operating activities	(12,522)
Cash flows from non-capital financing activities	
State sources	1,720
Federal sources	35,172
Net cash provided by (used for) noncapital financing activities	36,892
Cash flows from capital financing activities	
Acquisition of equipment	(108,983)
Net cash provided by (used for) capital financing activities	(108,983)
Net increase (decrease) in cash and cash equivalents	(84,613)
Cash and cash equivalents, beginning	115,743
Cash and cash equivalents, ending	$ 31,130
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities	
Operating income (loss)	$ (38,682)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Depreciation	9,525
Federal food donation program	15,924
(Increase) decrease in inventory	(717)
Increase (decrease) in unearned revenue	1,428
Net cash provided by (used for) operating activities	$ (12,522)

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Summary of significant accounting policies

The financial statements of the Delaware Township School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local 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 accounting policies of the District are described below.

The Basic Financial Statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts over-all financial position and results of operations.

Basic Financial Statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting entity

The District is a Type II District located in the County of Hunterdon, 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-8. The District had an approximate enrollment at June 30, 2025 of 402 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:

1. The Organization is legally separate (can sue or be sued in their own name).

2. The District holds the corporate powers of the Organization.

3. The District appoints a voting majority of the Organization's Board.

4. The District is able to impose its will on the Organization.

5. The Organization has the potential to impose a financial benefit/burden on the District.

6. 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. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the Fund Financial Statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Property taxes, tuition and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, 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 moneys under the established payment schedule and the unpaid amount is considered to be accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted, as they are needed.

The District reports the following major governmental funds:

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

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.

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources 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 in the special revenue fund. As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities. Amounts maintained for private purpose scholarship accounts are utilized for scholarship awards to qualifying students.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Additionally, the District reports the following fund types:

Proprietary fund types

Proprietary Fund - The focus of proprietary fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District.

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Proprietary fund types (continued)

Enterprise Fund - The enterprise 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 cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's enterprise fund is comprised of the food service fund.

All proprietary funds are accounted for on a current financial resource's measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 years

Fiduciary fund types

The District does not have funds that meet the criteria of a fiduciary fund as defined by GASB Statement No. 84, *Fiduciary Activities*.

D. 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 and, if necessary, are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum Chart of Accounts referenced in N.J.A.C. 6:23-16.2(f)1. All budget amendments must be approved by School Board Resolution.

Note 1 - Summary of significant accounting policies (continued)

D. Budgets/budgetary control (continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the 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.

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.

E. Encumbrances

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the Balance Sheet as unearned revenues at fiscal year-end.

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

F. Tuition receivable

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

G. Tuition payable

Tuition charges for the fiscal year 2024-2025 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-term interfund receivable and payables

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

Note 1 - Summary of significant accounting policies (continued)

I. Inventories and prepaid items

Inventories and prepaid items, which benefit future periods, 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. The commodities inventory value at Balance Sheet date is reported as unearned revenue as title does not pass to the School District until the commodities are used. Prepaid items in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2025.

J. Capital assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than $2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation

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.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

Assets	Years
Buildings	50
Building improvements & portable classroom	50
Land improvements	20
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 - 10
Computer equipment	5 - 10

K. Compensated absences

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by GASB Statement No. 101, *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.

Note 1 - Summary of significant accounting policies (continued)

K. Compensated absences (continued)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. 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 Districts' agreements with the various employee unions.

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the Balance Sheet date for which a payment is probable. Salary related payments for the employer's share of Social Security and Medicare taxes are included.

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

L. Unearned revenue

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

Unearned revenue in the enterprise fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the food service fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

M. Long-term obligations

In the government-wide financial statements and in internal service fund types in the Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the Fund Financial Statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

Note 1 - Summary of significant accounting policies (continued)

N. Net position

Net position represents the difference between the sum of assets and deferred outflows of resources, and the sum of liabilities and deferred inflows of resources. Net position is classified into the following three components:

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by credits, grantors, or laws or regulations of their governments.

- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund balances - governmental funds

In the Fund Financial Statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned.

Note 1 - Summary of significant accounting policies (continued)

O. Fund balances - governmental funds (continued)

When expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

P. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Q. Allocation of indirect expenses

Certain expenses, which have not been charged to a specific function in the District's Fund Financial Statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF Pension contributions, reimbursed TPAF Social Security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

R. Deferred outflows/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. Currently, the District has two items that qualify for reporting in this category, deferred amount on pension activity and deferred amount on refunding bond issue. 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amount on pension activity.

Note 2 - Tax assessments and property taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the Municipality, the Municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et. seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1, respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the Municipality (the collection agency) and are transmitted to the School District in accordance with the Schedule of Tax Installments as certified by the School District's Board of Education on an annual basis.

Note 3 - Deposits, cash equivalents, and investments

Cash and cash equivalents include petty cash, change funds, cash and certificates of deposit in banks. As of June 30, 2025, the District had no investments.

New Jersey Governmental Units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey Governmental Units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies. The State of New Jersey does not place any limit on the amount that the District may invest with any one issuer.

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of Governmental Units. The statute requires that no Governmental Unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and saving banks the deposits of which are federally insured.

Note 3 - Deposits, cash equivalents, and investments (continued)

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a policy for custodial credit risk. New Jersey statutes require cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, the first $250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, employee salary withholdings, or funds that may pass to the District relative to the happening of a future condition.

As of June 30, 2025, the District's bank balances were exposed to custodial credit risk as follows:

Insured by the FDIC	$	500,000
Insured by GUDPA		6,168,859
Deposits with NJ ARM		594,687
Total bank balances	$	7,263,546

Deposits at June 30, 2025 appear in the financial statements as summarized below:

	Ref.		
Unrestricted cash and cash equivalents			
Governmental funds, Balance Sheet	B-1	$	873,356
Enterprise funds, Statement of Net Position	B-4		6,074,676
Restricted cash and cash equivalents			
Governmental funds, Balance Sheet	B-1		31,130
Total cash and cash equivalents		$	6,979,162

Investments

In order to maximize liquidity, the District utilizes the New Jersey Asset and Rebate Management fund (NJARM).

The NJARM, which is an investment pool managed by Public Financial Management Company. NJARM allows governments within the state to pool their funds for investment purposes and the Security and Exchange Commission (SEC) does not restrict the pool. Earnings are allocated to all participants based upon shares held in the pool and distributed on the last day of each month. In addition, the fair value of the District's portion of the pool is the same as the value of its shares. Agencies that participate in the NJARM typically earn returns that mirror short-term investment rates. Monies can be freely added or withdrawn from the NJARM without penalty. At June 30, 2025, the District's balance was $594,687 with NJARM, The NJARM Joint Account portfolio is rated AAA by Standard & Poor's.

Note 4 - Capital assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated or amortized				
Land	$ 20,000	$ -	$ -	$ 20,000
Construction in progress	347,631	-	347,631	-
Total	367,631	-	347,631	20,000
Capital assets, being depreciated or amortized				
Land improvements	672,577	579,416	-	1,251,993
Building & improvements	19,568,287	136,290	-	19,704,577
Furniture & equipment	1,747,767	283,193	-	2,030,960
Vehicles	27,899	-	-	27,899
Right-to-use asset	35,412	-	-	35,412
Total	22,051,942	998,899	-	23,050,841
Accumulated depreciation or amortization				
Land improvements	451,783	39,336	-	491,119
Building & improvements	10,523,553	575,707	-	11,099,260
Furniture & equipment	1,061,452	144,409	-	1,205,861
Vehicles	27,899	-	-	27,899
Right-to-use asset	9,442	7,082	-	16,524
Total	12,074,129	766,534	-	12,840,663
Total capital assets being depreciated or amortized, net	9,977,813	232,365	-	10,210,178
Transfers	-	(347,631)	(347,631)	-
Governmental activities capital assets, net	$ 10,345,444	$ (115,266)	$ -	$ 10,230,178

	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities				
Furniture & equipment	$ 189,152	$ 108,983	$ -	$ 298,135
Less: accumulated depreciation or amortization	131,864	9,525	-	141,389
Business type activities capital assets, net	$ 57,288	$ 99,458	$ -	$ 156,746

Note 4 - Capital assets (continued)

Depreciation and amortization expense was charged to governmental functions in the current year as follows:

Instruction	
Regular	$ 389,117
Special education	111,097
Other special instruction	23,075
Other instruction	13,533
Support services	
Student & instruction	170,658
General & business administration	46,958
School administration	6,163
Plant maintenance	5,933
Total depreciation expense and amortization, governmental activities	$ 766,534

Note 5 - Long-term debt

Long-term liability activity for the fiscal year ended June 30, 2025 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds payable	$ 2,280,000	$ -	$ 180,000	$ 2,100,000	$ 185,000
Compensated absences payable	153,248	24,808	-	178,056	8,821
PERS net pension liability	1,212,035	-	93,412	1,118,623	-
Leases payable	20,700	-	7,111	13,589	7,322
Total governmental activities long-term liabilities	$ 3,665,983	$ 24,808	$ 280,523	$ 3,410,268	$ 201,143

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

Note 5 - Long-term debt (continued)

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2025, including interest payments are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 185,000	$ 39,138	$ 224,138
2027	190,000	36,363	226,363
2028	195,000	33,512	228,512
2029	200,000	30,100	230,100
2030	205,000	26,600	231,600
2031 - 2035	1,125,000	68,900	1,193,900
Total	$ 2,100,000	$ 234,613	$ 2,334,613

General Obligation Bonds - General obligation school building bonds payable at June 30, 2025, with their outstanding balances are comprised of the following individual issues:

$2,820,000 - 2020 general obligation bonds, due in annual installments of $165,000 to $240,000, beginning September 1, 2020, through March 1, 2035, interest at 1.25% to 2.00%.	$ 2,100,000
Total	$ 2,100,000

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2025 is $33,223,293. General obligation debt at June 30, 2025 is $2,100,000 resulting in a legal debt margin of $31,123,293.

Leases payable

The District is leasing copiers at an interest rate of 2.92%. Payments are due in monthly installments beginning in May of 2022 and ending in April of 2027. The annual requirements to amortize all leases outstanding as of June 30, 2025, including interest payments are listed as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2026	$ 7,322	$ 299	$ 7,621
2027	6,267	84	6,351
Total	$ 13,589	$ 383	$ 13,972

Note 6 - Pension plans

Description of systems

Substantially all of the Board's employees participate in one of the following defined benefit public employee retirement systems which have been established by state statute: The Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey. The DCRP system is administered by Empower for the Division of Pensions and Benefits. The TPAF retirement system is considered a multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers.

A. Public Employees' Retirement System (PERS)

Plan description

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

Tier	Member Eligibility
1	Enrolled prior to July 1, 2007
2	Enrolled on or after July 1, 2007 and prior to November 2, 2008
3	Enrolled on or after November 2, 2008 and prior to May 22, 2010
4	Enrolled on or after May 22, 2010 and prior to June 28, 2011
5	Enrolled on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective Tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective Tier.

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Allocation methodology and reconciliation to financial statements

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

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the Schedule of Employer and Nonemployer Allocations are applied to amounts presented in the Schedule of Pension Amounts by Employer and Nonemployer. The allocation percentages for each group as of June 30, 2024 measurement date are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024 measurement date.

Contributions

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

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Contributions (continued)

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

The District's contractually required contribution rate for the year ended June 30, 2025 was 15.47% of the District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Special funding situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the Notes to the Financial Statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

During the fiscal year ended June 30, 2024, the State of New Jersey contributed $3,606 to the PERS for normal pension benefits on behalf of the District.

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for PERS as of measurement date June 30, 2024:

Net pension liability	$ 1,118,623
Proportionate share	0.0082324035%
Plan fiduciary net position as a percentage of the total pension liability	68.22%

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases (based on years of service)	2.75 - 6.55%
Investment rate of return	7.00%

Preretirement 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 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 measurement date) 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.

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Long-term expected rate of return

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocations as of June 30, 2024 measurement date are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Rate of Return
U.S. equity	28.00%	8.63%
Non-U.S. developed markets equity	12.75%	8.85%
International small cap equity	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private equity	13.00%	12.40%
Real estate	8.00%	10.95%
Real assets	3.00%	8.20%
High yield	4.50%	6.74%
Private credit	8.00%	8.90%
Investment grade credit	7.00%	5.37%
Cash equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk mitigation strategies	3.00%	7.10%

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 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 projected benefit payments and the Municipal Bond rate was applied to all projected benefit payments to determine the total pension liability.

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Sensitivity of the collective net pension liability to changes in the discount rate

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

District's proportionate share of the net pension liability	
At current discount rate (7.00%)	$ 1,118,623
At a 1% lower rate (6.00%)	1,498,886
At a 1% higher rate (8.00%)	812,450

Collective deferred outflows of resources and deferred inflows of resources

At the June 30, 2024 measurement date, 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	$ 22,408	$ 2,978
Changes of assumptions	1,390	12,727
Net difference between projected and actual earnings on pension plan investments	-	51,867
Changes in proportion and differences between District contributions and proportionate share of contributions	18,007	33,917
District contributions subsequent to the measurement date	112,020	-
Total	$ 153,825	$ 101,489

The amount 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) of $112,020 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Collective deferred outflows of resources and deferred inflows of resources

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the fiscal year ended June 30, 2024 measurement date:

	Beginning Balance	Net Change in Activity	Ending Balance
Deferred outflows of resources			
Differences between expected and actual experience	$ 11,589	$ 10,819	$ 22,408
Changes of Assumptions	2,663	(1,273)	1,390
Differences between expected and actual experience	5,582	(5,582)	-
Deferred Inflows of Resources			
Differences between expected and actual experience	(4,954)	1,976	(2,978)
Changes of assumptions	(73,455)	60,728	(12,727)
Differences between projected and actual investment earnings on pension plan investments	-	(51,867)	(51,867)
Net changes	$ (58,575)	$ 14,801	$ (43,774)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense (benefit) as follows:

Fiscal Year Ending June 30,	
2025	$ (47,493)
2026	36,748
2027	(21,142)
2028	(12,205)
2029	318
Total	$ (43,774)

Changes in proportion

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

Note 6 - Pension plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Pension expense (benefit)

For the fiscal year ended June 30, 2025, the District recognized net pension expense (benefit) of ($6,420), which represents the District's proportionate share of allocable plan pension revenue of $24,378, less other adjustments to the net pension liability of ($30,617), less the net amortization of deferred amounts from changes in proportion of ($181). The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the fiscal year ending June 30, 2024 measurement date are as follows:

Service cost	$	54,068
Interest on total pension liability		201,960
Benefit changes		-
Member contributions		(44,281)
Administrative expense		1,564
Other- Chapter 19 adjustment		(1,628)
Expected investment return net of investment expense		(121,998)
Pension expense related to specific liabilities of individual employers		(1,557)
Recognition (amortization) of deferred inflows/outflows of resources		
Differences between projected and actual experience		6,153
Changes of assumptions		(49,358)
Difference between projected and actual investment earnings on pension plan investments		(20,545)
Pension expense (benefit)	$	24,378

B. Teacher's Pension and Annuity Fund (TPAF)

Plan description

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

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service. 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.

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Plan description (continued)

The following represents the membership tiers for TPAF:

Tier	Member Eligibility
1	Enrolled prior to July 1, 2007
2	Enrolled on or after July 1, 2007 and prior to November 2, 2008
3	Enrolled on or after November 2, 2008 and prior to May 22, 2010
4	Enrolled on or after May 22, 2010 and prior to June 28, 2011
5	Enrolled on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, Tiers 3 and 4 with 25 years or more of service credit before age 62, and Tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

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

Special funding situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers. However, the Notes to the Financial Statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Special funding situation (continued)

In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

During the State fiscal year ending June 30, 2024, the State of New Jersey contributed $1,528,645 to the TPAF for normal pension benefits on behalf of the District.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for TPAF for fiscal year ended June 30, 2024 measurement date is as follows:

District's proportionate share of net pension liability	$	28,187,032
Less: State proportionate share of net pension liability		10,707,228
Net pension liability	$	17,479,804
Proportionate share		0.0353662439%
Plan fiduciary net position as a percentage of the total pension liability		37.99%

Actuarial assumptions

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases (based on years of service)	2.75 - 5.65%
Investment rate of return	7.00%

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Actuarial assumptions (continued)

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

The actuarial assumptions used in the July 1, 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 measurement date) 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 weighing 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 measurement date are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Rate of Return
U.S. equity	28.00%	8.63%
Non-U.S. developed markets equity	12.75%	8.85%
International small cap equity	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private equity	13.00%	12.40%
Real estate	8.00%	10.95%
Real assets	3.00%	8.20%
High yield	4.50%	6.74%
Private credit	8.00%	8.90%
Investment grade credit	7.00%	5.37%
Cash equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk mitigation strategies	3.00%	7.10%

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Discount rate

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

Sensitivity of the collective net pension liability to changes in the discount rate

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

District's proportionate share of the net pension liability		
At current discount rate (7.00%)	$	17,479,804
At a 1% lower rate (6.00%)		20,777,221
At a 1% higher rate (8.00%)		14,702,755

Pension expense (benefit)

The components of the contractually required contribution, which exclude amounts related to specific liabilities of individual employers, for the District for the fiscal year ending June 30, 2024 measurement date are as follows:

Service cost	$	492,741
Interest on total pension liability		1,908,204
Benefit changes		-
Member contributions		(341,923)
Administrative expense		8,476
Expected investment return net of investment expense		(664,062)
Pension expense related to specific liabilities of individual employers		(184)
Recognition (amortization) of deferred inflows/outflows of resources		
Differences between projected and actual experience		57,570
Changes of assumptions		(1,474,839)
Difference between projected and actual investment earnings on pension plan investments		(49,747)
Pension expense (benefit)	$	(63,764)

Note 6 - Pension plans (continued)

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch. 92, PL 2007 and expanded under the provisions of Ch. 89, PL 2008 and Ch. 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary ($9,300 in 2025) but who earn salary of at least $5,000 annually are eligible to participate. The Program Administrator, Empower, makes information regarding the program available on its New Jersey Defined Contribution Program website: njplans.empower-retirement.com.

Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. The District's contribution to the DCRP for fiscal year ended June 30, 2025 was $11,733.

D. Other pension plan information

During the year ended June 30, 2025, the State of New Jersey contributed $441,587 to the TPAF for postretirement medical benefits, $18,491 for non-contributory insurance premiums, $674 for long-term disability insurance, and $1,492,753 for normal costs and accrued liability costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board $319,605 during the year ended June 30, 2025 for the employer's share of Social Security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB Statement No. 68.

Note 7 - Postretirement benefits

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan 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 Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits. In fiscal year 2022, the State paid OPEB benefits for $161,238 State and local retirees.

Note 7 - Postretirement benefits (continued)

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP).

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: TPAF, PERS, PFRS, or ABP.

Pursuant to P.L.2011, c.78, future retirees eligible for postemployment medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The State is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. The State, as a non-employer contributing entity, reported a fiscal year 2023 total OPEB liability of $59,650,630,530 for this special funding situation.

Additional information on Pensions and OPEB can be accessed at https://www.nj.gov/treasury/pensions/gasb-notices-opeb.shtml.

Total OPEB liability

The State, a non-employer 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 District's proportionate share percentage determined under Paragraphs 193 and 203 through 205 of GASB Statement No. 75 is zero percent. Accordingly, the District 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 District.

Note 7 - Postretirement benefits (continued)

Total OPEB liability (continued)

Under a special funding situation, the State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Therefore, the following OPEB liability note information is reported at the State's level and is not accrued by the District.

For purposes of reporting required GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District's proportionate share of allocable OPEB liability and employer OPEB expense and related revenue as of the June 30, 2024 measurement date is as follows:

State's proportionate share of the OPEB liability	$	59,650,630,530
District's proportionate share of the State's OPEB liability		23,386,432
Employer OPEB expense and related revenue		397,324
Allocable proportionate percentage		0.0392057%

Changes in the total OPEB liability

		Total OPEB Liability
Total OPEB liability at June 30, 2023	$	20,493,957
Service cost		645,405
Interest cost		769,826
Change of benefit terms		-
Differences between expected and actual experiences		295,426
Changes of assumptions		1,749,616
Member contributions		20,131
Gross benefit payments		(587,929)
Total OPEB liability at June 30, 2024	$	23,386,432

There were no changes of the benefit terms from June 30, 2023 to June 30, 2024.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% as of the June 30, 2023 Plan measurement date to 3.93% as of the June 30, 2024 Plan measurement date.

The total non-employer 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 vary for each plan member depending on the pension plan the member is enrolled in.

Note 7 - Postretirement benefits (continued)

Changes in the total OPEB liability (continued)

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF (based on years of service)	PERS (based on years of service)
Salary increases	2.75% - 5.65%	2.75% - 6.55%

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

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

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

Health care trend assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 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%.

Discount rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Note 7 - Postretirement benefits (continued)

Sensitivity of the total OPEB liability to changes in the discount rates

The following presents the total non-employer OPEB liability as of June 30, 2024 measurement date, using the District's allocable proportionate percentage, calculated using the discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Total OPEB liability (school retirees)		
At current discount rate (3.93%)	$	23,386,432
At a 1% lower rate (2.93%)		27,390,520
At a 1% higher rate (4.93%)		20,166,314

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total non-employer OPEB liability as of June 30, 2024, as well as what the total non-employer OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower or 1% point higher than the current healthcare cost trend rates:

Healthcare cost trend rate	$	23,386,432
At a 1% lower rate (1% decrease)		19,481,068
At a 1% higher rate (1% increase)		28,473,426

OPEB expense and deferred outflows and inflows of resources related to OPEB

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of $397,324 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 GASB Statement No. 75 and in which there is a special funding situation.

In accordance with GASB Statement No. 75, the District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

Note 8 - Deferred compensation

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

Equitable	Vanguard
Siracusa	Metropolitan Life
Security Benefit Retirement - ABMM Financial	Corebridge Financial

Note 9 - Interfund receivables and payables

The composition of interfund balances as of June 30, 2025 is as follows:

	Receivable	Payable
General fund	$ 118,687	$ -
Special revenue fund	-	30,015
Capital projects fund	-	88,672
	$ 118,687	$ 118,687

The balance due from the special revenue fund to the general fund of $30,015 represents a loan as a result of cash flow issues relating to the delayed receipt of grant revenues. The balance due from the capital projects fund to the general fund of $88,672 represents expenditures processed in the general fund that are expenditures of the capital projects fund.

Note 10 - Inventory

Inventory in the food service fund as of June 30, 2025 consisted of the following:

Food	$ 3,126
Supplies	1,373
Total	$ 4,499

Note 11 - Contingent liabilities

Amounts received, or are receivables, from grantor agencies could be subject to audit and adjusted by grantor agencies. Any disallowed claims, including amounts already collected, may result in a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the Grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

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, and student accident and surety bonds. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. A complete Schedule of Insurance Coverage can be found in the Statistical Section of the Annual Comprehensive Financial Report.

Note 12 - Risk management (continued)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the Benefit Reimbursement Method. Under this plan, the District is required to reimburse the NJ 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, and interest earnings, employee contributions, reimbursements to the State for benefits paid and the ending balance available for claims of the District's unemployment compensation insurance fund:

Fiscal Year	Other	Interest Earnings	Employee Contrib.	Amount Reimbursed	Ending Balance Available for Claims
2024 - 2025	$ 763	$ 4,237	$ 10,549	$ 13,975	$ 124,575
2023 - 2024	-	5,252	10,070	15,506	123,001
2022 - 2023	-	3,180	9,713	4,371	123,185

Note 13 - Reserve accounts

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Single Accountability Continuum (QSAC). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are allowed as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit to the reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. The following schedule is a summarization of the reserve accounts for the current year:

Reserve Type	Beginning Balance	District Contrib.	Interest Earnings	Return Unused Withdrawal	Withdrawal	Ending Balance
Capital	$ 4,109,108	$ 468,926	$ 147,097	$ 65,473	$ 136,886	$ 4,653,718
Emergency	188,897	-	6,605	-	-	195,502
Maintenance	599,988	47,189	22,826	-	70,015	599,988
Total	$ 4,897,993	$ 516,115	$ 176,528	$ 65,473	$ 206,901	$ 5,449,208

Note 14 - Fund balance - general fund

As described in Note 1 (O), fund balance may be restricted, committed or assigned. An analysis of the general fund balance on June 30, 2025 is as follows:

Restricted		
Excess surplus - designated for subsequent year's expenditures. Amount appropriated in the succeeding year's budget to reduce tax requirements.	$	200,000
Excess surplus - represents amount in excess of allowable percentage of expenditures. In accordance with state statute, the excess surplus is designated for utilization in succeeding year's budgets.		400,000
Capital reserve account - represents funds restricted to capital projects in the Districts long range facilities plan.		4,653,718
Emergency reserve account - represents funds accumulated to finance unanticipated general fund expenditures required for a thorough and efficient education.		195,502
Maintenance reserve account - represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A.18A:76-9).		599,988
Unemployment - represents funds accumulated for future unemployment claims.		110,369
Committed		
Year-end encumbrance - represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30.		200,273
Assigned		
Designated surplus - designated for subsequent year's expenditures - represents amount appropriated in the succeeding year's budget to reduce tax requirements.		87,720
Unassigned		
Undesignated - represents fund balance which has not been restricted or designated.		320,256
Total fund balance - budgetary basis (Exhibit C-1)		6,767,826
Last state aid payments not recognized on GAAP basis		(106,196)
Total fund balance - GAAP basis (Exhibit B-1)	$	6,661,630

Note 15 - Calculation of excess surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by PL 2004, Ch. 73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey School Districts are required to reserve general fund 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 $400,000.

Note 16 - Deficit balance in unrestricted net position

The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2025 of ($191,517) on Schedule, A-1 Statement of Net Position. The deficit balance is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

Note 17 - Deficit unassigned fund balance in the special revenue fund

The District has a deficit unassigned fund balance of ($36,181) in the special revenue fund as of June 30, 2025 as reported in the fund statements. PL 2005, Chapter 97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For inter-governmental transactions, GASB Statement No. 33 requires the recognition (revenue, expenditure, asset and liability) should be in symmetry, (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State is recording the last state aid payment in the subsequent fiscal year, the School District cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable.

Due to the timing difference of recording the last state aid payment, the special revenue fund balance deficit does not alone indicate that the District is facing financial difficulties.

Note 18 - Recent accounting pronouncements not yet effective

The following is of recent accounting pronouncements which are not yet effective as of the year-end date of this report.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement is effective for reporting periods beginning after June 15, 2025. The District is evaluating the effect of the pronouncement on financial reporting.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This statement is effective for reporting periods beginning after June 15, 2025. The District is evaluating the effect of the pronouncement on financial reporting

Note 19 - Subsequent events

The District has evaluated subsequent events through November 11, 2025, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Revenues					
Local sources					
Local tax levy	$ 9,114,210	$ -	$ 9,114,210	$ 9,114,210	$ -
Unrestricted miscellaneous revenues	15,000	-	15,000	132,882	117,882
Interest earned on current expense emergency reserve	3,000	-	3,000	6,605	3,605
Interest earned on maintenance reserve	15,000	-	15,000	22,826	7,826
Interest earned on capital reserve funds	60,000	-	60,000	147,097	87,097
Other restricted miscellaneous revenues	-	-	-	5,000	5,000
Total	9,207,210	-	9,207,210	9,428,620	221,410
State sources					
School choice aid	402,714	-	402,714	402,714	-
Categorical transportation aid	167,383	-	167,383	167,383	-
Extraordinary aid	50,000	-	50,000	116,053	66,053
Categorical special education aid	360,951	-	360,951	360,951	-
Categorical security aid	34,010	-	34,010	34,010	-
Adjustment aid	129,444	-	129,444	129,444	-
Other state aid	-	-	-	4,203	4,203
TPAF Pension (on-behalf)	-	-	-	1,492,753	1,492,753
TPAF Non-contributory insurance	-	-	-	18,491	18,491
TPAF Social Security (reimbursed)	-	-	-	319,605	319,605
TPAF Postretirement benefits	-	-	-	441,587	441,587
TPAF Long-term disability insurance	-	-	-	674	674
Total	1,144,502	-	1,144,502	3,487,868	2,343,366
Total revenues	$ 10,351,712	$ -	$ 10,351,712	$ 12,916,488	$ 2,564,776

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Expenditures					
Current					
Instruction - regular program					
Salaries of Teachers					
Preschool	$ -	$ 14,903	$ 14,903	$ 14,853	$ 50
Kindergarten	274,159	-	274,159	273,780	379
Grades 1-5	1,529,318	(30,012)	1,499,306	1,497,355	1,951
Grades 6-8	955,366	(43,514)	911,852	911,501	351
Home instruction					
Salaries of Teachers	2,500	-	2,500	-	2,500
Regular programs - undistributed instruction					
Purchased technical services	1,000	1,492	2,492	1,242	1,250
Other purchased services	750	(750)	-	-	-
General supplies	318,060	46,583	364,643	301,865	62,778
Textbooks	75,000	(6,987)	68,013	30,440	37,573
Other objects	2,500	(1,287)	1,213	115	1,098
Total	3,158,653	(19,572)	3,139,081	3,031,151	107,930
Special education					
Multiple disabilities					
Salaries of Teachers	84,120	(4,600)	79,520	78,364	1,156
Other salaries for instruction	34,815	7,410	42,225	40,479	1,746
General supplies	1,655	(655)	1,000	494	506
Other objects	2,000	(2,000)	-	-	-
Total	122,590	155	122,745	119,337	3,408
Resource room/resource center					
Salaries of Teachers	737,202	(29,458)	707,744	697,382	10,362
Other salaries for instruction	147,793	460	148,253	122,063	26,190
General supplies	8,000	(2,620)	5,380	2,612	2,768
Total	892,995	(31,618)	861,377	822,057	39,320
Home instruction					
Salaries of Teachers	5,000	-	5,000	-	5,000
Total	5,000	-	5,000	-	5,000
Total special education	1,020,585	(31,463)	989,122	941,394	47,728
Basic skills/remedial					
Salaries of Teachers	201,072	13,500	214,572	191,344	23,228
General supplies	4,000	(1,200)	2,800	1,202	1,598
Total	205,072	12,300	217,372	192,546	24,826
Bilingual education - instruction					
General supplies	500	-	500	-	500
Total	500	-	500	-	500

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
School-sponsored co/extra curricular activities - instruction					
Salaries	$ 54,000	$ 11,133	$ 65,133	$ 56,589	$ 8,544
Purchased services	15,000	(7,270)	7,730	7,054	676
Supplies and materials	7,848	(2,361)	5,487	5,487	-
Other objects	1,000	(347)	653	160	493
Total	77,848	1,155	79,003	69,290	9,713
School-sponsored athletics - instruction					
Salaries	48,803	(8,426)	40,377	32,239	8,138
Purchased services	7,601	(101)	7,500	6,515	985
Supplies and materials	16,072	(2,009)	14,063	9,750	4,313
Other objects	1,350	5	1,355	1,355	-
Total	73,826	(10,531)	63,295	49,859	13,436
Total instruction regular	$ 4,536,484	$ (48,111)	$ 4,488,373	$ 4,284,240	$ 204,133
Undistributed expenditures					
Undistributed expenditures - instruction					
Tuition to other LEAs within the state - special	$ 44,881	$ (937)	$ 43,944	$ 24,776	$ 19,168
Tuition to priv. school for the disabled w/i state	182,955	-	182,955	86,100	96,855
Total	227,836	(937)	226,899	110,876	116,023
Undistributed expenditures - health services					
Salaries	77,800	5,314	83,114	82,627	487
Purchased professional and technical services	4,000	2,017	6,017	6,017	-
Supplies and materials	5,000	(2,509)	2,491	2,411	80
Total	86,800	4,822	91,622	91,055	567
Undistributed expenditures - speech, ot, pt & related services					
Salaries	87,011	(315)	86,696	85,377	1,319
Purchased professional - educational services	129,605	35,675	165,280	164,277	1,003
Supplies and materials	4,000	(1,528)	2,472	1,208	1,264
Other objects	250	-	250	-	250
Total	220,866	33,832	254,698	250,862	3,836
Undistributed expend - other supp. service stds. - extra service					
Salaries	37,331	-	37,331	34,472	2,859
Purchased professional - educational services	65,525	(22,832)	42,693	40,133	2,560
Supplies and materials	500	-	500	-	500
Total	103,356	(22,832)	80,524	74,605	5,919

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Undistributed expenditures - guidance					
Salaries of other Professional Staff	$ 91,928	$ (100)	$ 91,828	$ 91,806	$ 22
Purchased professional - educational services	1,000	(1,000)	-	-	-
Supplies and materials	2,500	(1,900)	600	582	18
Total	95,428	(3,000)	92,428	92,388	40
Undistributed expenditures - child study teams					
Salaries of other Professional Staff	243,401	(30,362)	213,039	212,185	854
Salaries of Secretarial and Clerical Assistants	54,117	(2,300)	51,817	51,771	46
Purchased professional - educational services	80,746	(73,355)	7,391	7,391	-
Other purchased professional & technical services	26,900	(21,150)	5,750	5,750	-
Other purchased services	14,000	(14,000)	-	-	-
Supplies and materials	6,500	-	6,500	6,341	159
Total	425,664	(141,167)	284,497	283,438	1,059
Undistributed expenditures - improvement of inst. service					
Salaries of Supervisor of Instruction	96,593	4,591	101,184	101,184	-
Salaries of other Professional Staff	5,000	(2,578)	2,422	2,422	-
Salaries of Secretarial & Clerical Assist	30,719	7,420	38,139	38,139	-
Purchased professional - educational services	5,000	(1,111)	3,889	-	3,889
Other purchased services	500	-	500	-	500
Supplies and materials	4,000	(4,000)	-	-	-
Other objects	2,000	(2,000)	-	-	-
Total	143,812	2,322	146,134	141,745	4,389
Undistributed expenditures - edu. media service/sch. library					
Salaries	133,173	(3,851)	129,322	128,088	1,234
Purchased professional and technical services	34,784	45,346	80,130	46,999	33,131
Other purchased services	30,405	140,735	171,140	168,733	2,407
Supplies and materials	52,739	25,128	77,867	72,006	5,861
Other objects	1,000	(325)	675	675	-
Total	252,101	207,033	459,134	416,501	42,633
Undistributed expenditures - instructional staff training services					
Salaries of other professional staff	-	3,593	3,593	3,593	-
Purchased professional - educational services	5,500	(4,362)	1,138	800	338
Other purchased services	7,016	(1,316)	5,700	5,662	38
Supplies and materials	500	(253)	247	-	247
Total	13,016	(2,338)	10,678	10,055	623

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Undistributed expenditures - support service - general admin.					
Salaries	$ 103,575	$ 4,649	$ 108,224	$ 108,045	$ 179
Legal services	10,000	10,794	20,794	10,588	10,206
Audit fees	21,000	300	21,300	21,300	-
Other purchased professional services	32,844	(4,770)	28,074	28,033	41
Communications/telephone	37,000	-	37,000	32,149	4,851
BOE other purchased services	10,000	(179)	9,821	1,120	8,701
Miscellaneous purchased services	14,000	(8,919)	5,081	1,793	3,288
General supplies	1,821	-	1,821	1,213	608
Miscellaneous expenditures	3,000	139	3,139	3,139	-
BOE membership dues and fees	5,000	(2,014)	2,986	2,986	-
Total	238,240	-	238,240	210,366	27,874
Undistributed expenditures - support service - school admin.					
Salaries of Principals/Assistant Principals	4,500	(741)	3,759	3,645	114
Salaries of Secretarial and Clerical Assistants	30,719	61	30,780	30,779	1
Other purchased services	500	-	500	-	500
Supplies and materials	1,500	-	1,500	821	679
Other objects	2,000	680	2,680	2,680	-
Total	39,219	-	39,219	37,925	1,294
Undistributed expenditures - central services					
Salaries	167,495	(2,400)	165,095	165,095	-
Purchased professional services	16,500	(1,015)	15,485	15,484	1
Miscellaneous purchased services	5,999	(1,453)	4,546	4,519	27
Supplies and materials	4,356	(2,014)	2,342	2,342	-
Interest on bond anticipation notes (bans)	1	(1)	-	-	-
Other objects	9,000	6,634	15,634	15,634	-
Total	203,351	(249)	203,102	203,074	28
Undistributed expenditures - required maint. for school facilities					
Salaries	99,272	-	99,272	99,271	1
Cleaning, repair, and maintenance services	173,391	20,397	193,788	170,928	22,860
General supplies	32,222	(6,836)	25,386	9,959	15,427
Other objects	1,000	796	1,796	1,246	550
Total	305,885	14,357	320,242	281,404	38,838

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Undistributed expenditures - custodial services					
Salaries	$ 241,738	$ (22,309)	$ 219,429	$ 212,278	$ 7,151
Salaries of non-instructional aides	13,067	11,645	24,712	24,037	675
Cleaning, repair, and maintenance service	15,000	-	15,000	14,528	472
Other purchased property services	40,000	(630)	39,370	39,370	-
Insurance	130,000	13,997	143,997	143,997	-
General supplies	54,303	(445)	53,858	51,206	2,652
Energy (electricity)	140,000	-	140,000	109,595	30,405
Energy (oil)	130,000	(16,932)	113,068	94,922	18,146
Energy (gasoline)	500	1,594	2,094	1,530	564
Other objects	3,500	(2,394)	1,106	1,106	-
Total	768,108	(15,474)	752,634	692,569	60,065
Undistributed expenditures - care and upkeep of grounds					
Cleaning, repair, and maintenance service	12,000	(2,698)	9,302	9,302	-
General supplies	2,500	7,562	10,062	10,062	-
Total	14,500	4,864	19,364	19,364	-
Undistributed expenditures - security					
Salaries	23,175	2,300	25,475	25,425	50
Purchased professional and technical services	45,250	2,955	48,205	48,205	-
Cleaning, repair, and maintenance service	7,800	(2,300)	5,500	870	4,630
General supplies	2,500	-	2,500	553	1,947
Total	78,725	2,955	81,680	75,053	6,627
Undistributed expenditures - student transportation service					
Salaries of non-instructional aides	72,110	11,315	83,425	80,286	3,139
Salaries for pupil trans. (between home & school) - sp. ed.	5,100	(5,100)	-	-	-
Management fee - ESC & CTSA trans. program	6,500	-	6,500	2,782	3,718
Contract serv-aid in lieu pymts - non-public schools	15,000	-	15,000	8,873	6,127
Contract serv-aid in lieu pymts-choice school students	10,000	-	10,000	3,531	6,469
Contract serv (oth. than between home & school) - vend.	30,000	-	30,000	18,357	11,643
Contract serv (between home & school) - joint agreements	302,000	45,984	347,984	333,130	14,854
Contract serv (sp. ed. Stds.) - vendors	60,400	(20,412)	39,988	22,400	17,588
Contract serv (sp. ed. Stds.) - joint agreements	53,400	(1,121)	52,279	52,279	-
Contract serv (sp. ed. Stds.) - ESCs & CTSAs	100,000	(30,666)	69,334	50,581	18,753
Total	654,510	-	654,510	572,219	82,291

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Unallocated benefits - employee benefits					
Social Security contributions	$ 115,000	$ 4,397	$ 119,397	$ 119,397	$ -
Other retirement contributions - PERS	120,000	(4,397)	115,603	112,021	3,582
Other retirement contributions - regular	13,000	-	13,000	8,691	4,309
Workmen's compensation	86,500	-	86,500	74,849	11,651
Health benefits	1,501,825	(71,491)	1,430,334	1,273,170	157,164
Tuition reimbursement	52,653	-	52,653	25,789	26,864
Other employee benefits	63,620	(5,104)	58,516	11,056	47,460
Unused sick payment to terminated/retired staff	34,500	(3,139)	31,361	4,038	27,323
Total	1,987,098	(79,734)	1,907,364	1,629,011	278,353
On-behalf TPAF Pension contribution	-	-	-	1,492,753	(1,492,753)
TPAF Non-contributory insurance	-	-	-	18,491	(18,491)
On-behalf TPAF Postretirement medical benefits	-	-	-	441,587	(441,587)
On-behalf TPAF Long-term disability insurance	-	-	-	674	(674)
Reimbursed TPAF Social Security contribution	-	-	-	319,605	(319,605)
Total	-	-	-	2,273,110	(2,273,110)
Total undistributed expenditures	$ 5,858,515	$ 4,454	$ 5,862,969	$ 7,465,620	$ (1,602,651)
Total current	$ 10,394,999	$ (43,657)	$ 10,351,342	$ 11,749,860	$ (1,398,518)
Capital outlay					
Equipment					
Undistributed					
Undistributed expenditures - instruction	$ 52,440	$ 975	$ 53,415	$ 47,910	$ 5,505
Undistributed expend. - support service - inst. staff	-	4,784	4,784	4,784	-
Undistributed expenditures - req. maint. for school facilities	12,500	(12,500)	-	-	-
Undistributed expenditures - custodial services	-	18,795	18,795	-	18,795
Undistributed expenditures - non-instructional service	-	2,004	2,004	2,004	-
Total equipment	64,940	14,058	78,998	54,698	24,300
Facilities acquisition and construction service					
Construction services	-	39,472	39,472	-	39,472
Land and improvements	569,545	-	569,545	569,545	-
Assessment for debt service on SDA funding	32,412	-	32,412	32,412	-
Total facilities acquisition and construction service	601,957	39,472	641,429	601,957	39,472
Total capital outlay	$ 666,897	$ 53,530	$ 720,427	$ 656,655	$ 63,772
Total expenditures	$ 11,061,896	$ 9,873	$ 11,071,769	$ 12,406,515	$ (1,334,746)
Excess (deficiency) of revenues over (under) expenditures	$ (710,184)	$ (9,873)	$ (720,057)	$ 509,973	$ 1,230,030

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Other financing sources (uses)					
Operating transfers out					
Transfer to special revenue fund - preschool programs	$ (110,075)	$ -	$ (110,075)	$ (110,075)	$ -
Capital reserve - transfer to capital projects fund	-	(65,473)	(65,473)	-	65,473
Transfer to debt service fund - capital reserve	(71,413)	-	(71,413)	(71,413)	-
Total other financing sources (uses)	(181,488)	(65,473)	(246,961)	(181,488)	65,473
Excess (deficiency) of revenues & other financing sources over (under) expenditures & other financing uses	(891,672)	(75,346)	(967,018)	328,485	1,295,503
Fund balances, July 1	6,439,341	-	6,439,341	6,439,341	-
Fund balances, June 30	$ 5,547,669	$ (75,346)	$ 5,472,323	$ 6,767,826	$ 1,295,503
Recapitulation of excess (deficiency) of revenues over (under) expenditures					
Adjustment for prior year encumbrances	$ (684,731)	$ -	$ (684,731)	$ (684,731)	$ -
Increase in capital reserve	-	534,399	534,399	534,399	-
Interest deposit to capital reserve	60,000	-	60,000	147,097	87,097
Withdrawal from capital reserve	(71,413)	(65,473)	(136,886)	(136,886)	-
Interest earned on emergency reserve	3,000	-	3,000	6,605	3,605
Increase in maintenance reserve	-	47,189	47,189	47,189	-
Interest earned on maintenance reserve	15,000	-	15,000	22,826	7,826
Withdrawal from maintenance reserve	-	(70,015)	(70,015)	(70,015)	-
Increase in unemployment compensation	-	763	763	763	-
Interest earned on unemployment compensation	-	-	-	4,237	4,237
Budgeted fund balance	(213,528)	(522,209)	(735,737)	457,001	1,192,738
Total	$ (891,672)	$ (75,346)	$ (967,018)	$ 328,485	$ 1,295,503

Recapitulation of fund balance	
Restricted fund balance	
Excess surplus - designated for subsequent year's expenditures	$ 200,000
Excess surplus - current year	400,000
Capital reserve	4,653,718
Emergency reserve	195,502
Maintenance reserve	599,988
Unemployment compensation	110,369
Committed fund balance	
Year-end encumbrances	200,273
Assigned fund balance	
Designated for subsequent year's expenditures	87,720
Unassigned fund balance	320,256
Fund balance per budgetary basis	6,767,826
Reconciliation to governmental statements (GAAP)	
Last state aid payments not recognized on GAAP basis	(106,196)
Fund balance per governmental funds (GAAP)	$ 6,661,630

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Revenues					
Local sources	$ 26,019	$ -	$ 26,019	$ 25,919	$ (100)
State sources	476,518	-	476,518	421,913	(54,605)
Federal sources	199,309	-	199,309	199,309	-
Total revenues	701,846	-	701,846	647,141	(54,705)
Other financing sources					
Transfers in	110,075	-	110,075	110,075	-
Total revenues & other financing sources	$ 811,921	$ -	$ 811,921	$ 757,216	$ (54,705)
Expenditures					
Instruction					
Salaries	$ 314,868	$ 2,683	$ 317,551	$ 311,887	$ 5,664
Purchased professional and technical services	34,819	-	34,819	34,819	-
Supplies	71,286	8,553	79,839	79,738	101
Total	420,973	11,236	432,209	426,444	5,765
Support services					
Tuition	70,000	-	70,000	70,000	-
Salaries	88,184	(1,235)	86,949	86,696	253
Employee benefits	95,248	-	95,248	95,248	-
Purchased professional and technical services	4,720	-	4,720	720	4,000
Plant operations and maintenance	8,223	(366)	7,857	7,857	-
Other purchased services	51,776	(9,370)	42,406	-	42,406
Transportation	1,776	-	1,776	700	1,076
Miscellaneous purchased services	5,000	-	5,000	3,795	1,205
Supplies	17,846	(265)	17,581	17,581	-
Student activities	23,913	-	23,913	23,913	-
Scholarships	75	-	75	75	-
Total	366,761	(11,236)	355,525	306,585	48,940
Capital outlay					
Instructional equipment	27,025	-	27,025	27,025	-
Total	27,025	-	27,025	27,025	-
Total expenditures	$ 814,759	$ -	$ 814,759	$ 760,054	$ 54,705

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Excess (deficiency) of revenues over (under) expenditures	$ (2,838)	$ -	$ (2,838)	$ (2,838)	$ -
Fund balances, July 1	40,541	-	40,541	40,541	-
Fund balances, June 30	$ 37,703	$ -	$ 37,703	$ 37,703	$ -
Recapitulation of fund balance					
Restricted fund balance					
Scholarships				$ 611	
Student activities				37,092	
Fund balance per budgetary basis				37,703	
Reconciliation to governmental statements (GAAP)					
Last state aid payment not recognized on GAAP basis				(36,181)	
Fund balance per governmental funds (GAAP)				$ 1,522	

DELAWARE TOWNSHIP SCHOOL DISTRICT
Notes to the Required Supplementary Information
Budget-to-GAAP Reconciliation
For the Fiscal Year Ended June 30, 2025

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources	General Fund	Special Revenue Fund
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	$ 12,916,488	$ 647,141
Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		
Outstanding encumbrances - prior year	-	45,666
Outstanding encumbrances - current year	-	(4,402)
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33)		
State aid receivable prior year	94,085	113,942
State aid receivable current year	(106,196)	(36,181)
Total revenues (GAAP basis)	$ 12,904,377	$ 766,166
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$ 12,406,515	$ 760,054
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		
Outstanding encumbrances - prior year	-	45,666
Outstanding encumbrances - current year	-	(4,402)
Total expenditures (GAAP basis)	$ 12,406,515	$ 801,318

See independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	District's proportion of the net pension liability (asset)		District's covered employee payroll	District's proportion of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as as a percentage of the total pension liability
	Percentage	Value			
2016	0.9907520800%	$ 2,934,323	N/A	N/A	40.14%
2017	0.0076679103%	1,784,967	$ 549,574	324.79%	48.10%
2018	0.0088460900%	1,741,751	631,819	275.67%	53.60%
2019	0.0090083798%	1,623,173	616,230	263.40%	56.27%
2020	0.0082257906%	1,341,411	590,469	227.18%	58.32%
2021	0.0084523635%	1,001,309	611,504	163.75%	70.33%
2022	0.0082973843%	1,252,190	628,156	199.34%	62.91%
2023	0.0083678802%	1,212,035	654,710	185.13%	65.23%
2024	0.0082324035%	1,118,623	656,341	170.43%	68.22%
2025	N/A	N/A	724,012	N/A	N/A

N/A = Information not available

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of District's Contributions
Public Employees Retirement System
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2016	$ 102,237	$ (102,237)	$ -	N/A	N/A
2017	89,748	(89,748)	-	$ 549,574	16.33%
2018	71,035	(71,035)	-	631,819	11.24%
2019	87,990	(87,990)	-	616,230	14.28%
2020	87,625	(87,625)	-	590,469	14.84%
2021	89,986	(89,986)	-	611,504	14.72%
2022	98,987	(98,987)	-	628,156	15.76%
2023	104,634	(104,634)	-	654,710	15.98%
2024	111,839	(111,839)	-	656,341	17.04%
2025	112,020	(112,020)	-	724,012	15.47%

N/A = Information not available

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Proportionate share of net pension liability (asset)						
	District's proportion		State's			District's proportion of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as as a percentage of the total pension liability
	Percentage	Value	proportion	Total	District's covered employee payroll		
2016	0.00%	$ -	$ 29,440,467	$ 29,440,467	N/A	0.00%	22.33%
2017	0.00%	-	24,632,861	24,632,861	$ 3,443,374	0.00%	25.41%
2018	0.00%	-	21,965,861	21,965,861	3,527,750	0.00%	26.49%
2019	0.00%	-	20,296,192	20,296,192	3,643,352	0.00%	26.95%
2020	0.00%	-	21,949,254	21,949,254	3,873,942	0.00%	24.60%
2021	0.00%	-	16,546,646	16,546,646	4,018,408	0.00%	35.52%
2022	0.00%	-	17,715,657	17,715,657	4,170,952	0.00%	32.29%
2023	0.00%	-	10,021,766	10,021,766	4,274,859	0.00%	34.68%
2024	0.00%	-	17,479,804	17,479,804	4,318,462	0.00%	37.99%
2025	N/A	N/A	N/A	N/A	4,426,127	N/A	N/A

N/A = Information not available

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of District's Contributions
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2016	$ 656,417	$ (656,417)	$ -	N/A	N/A
2017	410,941	(410,941)	-	$ 3,443,374	11.93%
2018	520,812	(520,812)	-	3,527,750	14.76%
2019	664,048	(664,048)	-	3,643,352	18.23%
2020	664,946	(664,946)	-	3,873,942	17.16%
2021	775,331	(775,331)	-	4,018,408	19.29%
2022	1,008,632	(1,008,632)	-	4,170,952	24.18%
2023	1,437,064	(1,437,064)	-	4,274,859	33.62%
2024	1,541,465	(1,541,465)	-	4,318,462	35.69%
2025	1,528,645	(1,528,645)	-	4,426,127	34.54%

See independent auditors' report.

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (GASB 75) (UNAUDITED)

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Other Postemployment Employee Benefits Liability
Last Ten Fiscal Years

	Proportionate share of other postemployment employee benefits liability (asset)						
	District's proportion		State's			District's proportion of the other postemployment employee liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total other postemployment employee benefits liability
	Percentage	Value	proportion	Total	District's covered employee payroll		
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	0.00%	$ -	$ 22,493,672	$ 22,493,672	$ 3,992,948	0.00%	0.00%
2018	0.00%	-	18,665,700	18,665,700	4,159,569	0.00%	0.00%
2019	0.00%	-	17,013,234	17,013,234	4,259,582	0.00%	0.00%
2020	0.00%	-	27,001,119	27,001,119	4,464,411	0.00%	0.00%
2021	0.00%	-	23,556,358	23,556,358	4,629,912	0.00%	0.00%
2022	0.00%	-	19,965,309	19,965,309	4,799,108	0.00%	0.00%
2023	0.00%	-	20,493,957	20,493,957	4,929,569	0.00%	0.00%
2024	0.00%	-	23,386,432	23,386,432	4,974,803	0.00%	0.00%
2025	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A = Information not available

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Notes to the Required Supplementary Information - Part III
(Unaudited)
June 30, 2025

Note 1 - Special funding situation - PERS, TPAF, and other postretirement benefits

The participating employer allocations included in the supplemental Schedule of Employer Special Funding Allocations and the supplemental Schedule of Special Funding Amounts by Employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense and other postretirement benefits (OPEB) expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability and OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF) and for OPEB allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.

Note 2 - Changes in assumptions - TPAF

The discount rate was 7.00% in State fiscal year 2023 and 7.00% in State fiscal year 2024. The inflation rate was 2.75% in State fiscal year 2023 and 2.75% in State fiscal year 2024.

Note 3 - Changes in assumptions - PERS

The discount rate was 7.00% in State fiscal year 2023 and 7.00% in State fiscal year 2024. The inflation rate was 2.75% for State fiscal year 2023 and 2.75% for State fiscal year 2024.

Note 4 - Changes in assumptions - other postretirement employee benefits

The other postretirement employee benefits discount rate increased from 3.65% in State fiscal year 2023 to 3.93% in State fiscal year 2024.

Note 5 - Changes in healthcare trend assumptions - other postretirement employee benefits

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 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%.

SPECIAL REVENUE FUND

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

DELAWARE TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2025

	IDEA Basic	IDEA Preschool	ESSA Title IA	ESSA Title IIA	ESSA Title IV	ARP Accelerated Learning	ARP NJTSS Mental Health	Small Rural School Achievement	Preschool Expansion Aid	Local Grants	Scholarships	Student Activities	Total
Revenues													
Local sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,769	$ 23	$ 21,127	$ 25,919
State sources	-	-	-	-	-	-	-	-	421,913	-	-	-	421,913
Federal sources	98,424	6,579	10,619	4,839	10,000	720	1,752	66,376	-	-	-	-	199,309
Total revenues	98,424	6,579	10,619	4,839	10,000	720	1,752	66,376	421,913	4,769	23	21,127	647,141
Other financing sources													
Transfers in	-	-	-	-	-	-	-	-	110,075	-	-	-	110,075
Total revenues & other financing sources	$ 98,424	$ 6,579	$ 10,619	$ 4,839	$ 10,000	$ 720	$ 1,752	$ 66,376	$ 531,988	$ 4,769	$ 23	$ 21,127	$ 757,216
Expenditures													
Instruction													
Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 311,887	$ -	$ -	$ -	$ 311,887
Purchased professional & technical services	28,424	2,500	-	-	-	-	-	-	-	3,895	-	-	34,819
Supplies	-	4,079	10,619	2,285	10,000	-	-	39,351	12,530	874	-	-	79,738
Total	28,424	6,579	10,619	2,285	10,000	-	-	39,351	324,417	4,769	-	-	426,444
Support services													
Tuition	70,000	-	-	-	-	-	-	-	-	-	-	-	70,000
Salaries	-	-	-	-	-	-	-	-	86,696	-	-	-	86,696
Employee benefits	-	-	-	-	-	-	-	-	95,248	-	-	-	95,248
Purchased professional & technical services	-	-	-	-	-	720	-	-	-	-	-	-	720
Plant operations and maintenance	-	-	-	-	-	-	-	-	7,857	-	-	-	7,857
Transportation	-	-	-	-	-	-	-	-	700	-	-	-	700
Miscellaneous purchased services	-	-	-	-	-	-	-	-	3,795	-	-	-	3,795
Supplies	-	-	-	2,554	-	-	1,752	-	13,275	-	-	-	17,581
Student activities	-	-	-	-	-	-	-	-	-	-	-	23,913	23,913
Scholarship	-	-	-	-	-	-	-	-	-	-	75		75
Total	70,000	-	-	2,554	-	720	1,752	-	207,571	-	75	23,913	306,585
Capital outlay													
Instructional equipment	-	-	-	-	-	-	-	27,025	-		-	-	27,025
Total	-	-	-	-	-	-	-	27,025	-	-	-	-	27,025
Total expenditures	$ 98,424	$ 6,579	$ 10,619	$ 4,839	$ 10,000	$ 720	$ 1,752	$ 66,376	$ 531,988	$ 4,769	$ 75	$ 23,913	$ 760,054
Excess (deficiency) of revenues over (under) expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (52)	$ (2,786)	$ (2,838)
Fund balances, July 1	-	-	-	-	-	-	-	-	-	-	663	39,878	40,541
Fund balances, June 30	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 611	$ 37,092	$ 37,703

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid - Budgetary Basis
For the Fiscal Year Ended June 30, 2025

	Final Budget	Actual	Variance Final to Actual
Expenditures			
Instruction			
Salaries	$ 211,010	$ 211,010	$ -
Other salaries for instruction	106,542	100,877	5,665
Supplies	12,530	12,530	-
Total	330,082	324,417	5,665
Support services			
Salaries - supervisor of instruction	10,764	10,764	-
Salaries - program director	500	405	95
Salaries - other professional staff	20,405	20,248	157
Salaries - secretarial & clerical	5,168	5,168	-
Salaries - other	33,611	33,611	-
Salaries - master teachers	16,500	16,500	-
Employee benefits	95,248	95,248	-
Purchased professional and technical services	4,000	-	4,000
Purchased property services	7,857	7,857	-
Other purchased services	42,407	-	42,407
Transportation	1,776	700	1,076
Miscellaneous purchased services	5,000	3,795	1,205
Supplies	13,275	13,275	-
Total	256,511	207,571	48,940
Total expenditures	$ 586,593	$ 531,988	$ 54,605

DELAWARE TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid - Budgetary Basis (continued)
For the Fiscal Year Ended June 30, 2025

Calculation of Budget & Carryover	
Total revised 2024 - 2025 preschool education aid allocation	$ 361,675
Add: actual ECPA/PEA carryover (June 30, 2024)	131,209
Less: PEA deduction from state school aid 2025 - 2026	-
Add: budgeted transfer from general fund	110,075
Total preschool education aid funds available for 2024 - 2025 budget	602,959
Less: 2024 - 2025 budgeted preschool education aid	(586,593)
Available and unbudgeted preschool education aid funds as of June 30, 2025	16,366
Add: 2024 - 2025 unexpended preschool education aid	54,605
2024 - 2025 Actual carryover preschool education aid	$ 70,971
Preschool education aid carryover budgeted for preschool programs 2025 - 2026	$ -
Unbudgeted carryover preschool education aid	$ 70,971

See independent auditors' report.

CAPITAL PROJECTS FUND

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.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2025

Description	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date Prior Years	GAAP Expenditures to Date Current Year	Unexpended Appropriations 06/30/25
Improvement to district facilities	12/10/2019	$ 2,820,000	$ 2,639,921	$ -	$ 180,079
Improvement to district facilities - repair and replace sections of the roof	11/8/2022	1,350,000	60,515	-	194,439
			$ 2,700,436	$ -	$ 374,518

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
For the Fiscal Year Ended June 30, 2025

Fund balance - beginning of year	$	374,518
Fund balance - ending of year	$	374,518

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Improvement to District Facilities
For the Fiscal Year Ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources - proceeds from bond issuance	$ 2,820,000	$ -	$ 2,820,000	$ 2,820,000
Total revenues	2,820,000	-	2,820,000	2,820,000
Expenditures and other financing uses				
Other purchased professional services	179,951	-	179,951	420,000
Construction services	2,459,970	-	2,459,970	2,400,000
Total expenditures	2,639,921	-	2,639,921	2,820,000
Excess (deficiency) of revenues over (under) expenditures	$ 180,079	$ -	$ 180,079	$ -

Additional Project Information	
Project number	1040-040-20-1000
Bonds authorization date	12/10/2019
Bonds authorized	$ 2,820,000
Bonds issued	2,820,000
Original authorized cost	2,820,000
Increase in authorized cost	-
Revised authorized cost	2,820,000
Percentage completion	93.61%

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Improvement to District Facilities - Remove and Replace Sections of the Roof
For the Fiscal Year Ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources - debt authorized	$ -	$ -	$ -	$ -
Local sources - transfers	1,350,000	-	1,350,000	1,350,000
Total revenues	1,350,000	-	1,350,000	1,350,000
Expenditures and other financing uses				
Other purchased professional services	91,373	-	91,373	195,000
Construction services	1,064,188	-	1,064,188	1,155,000
Total expenditures	1,155,561	-	1,155,561	1,350,000
Excess (deficiency) of revenues over (under) expenditures	$ 194,439	$ -	$ 194,439	$ -

Additional Project Information	
Project number	1040-040-22-1000
Bonds authorization date	11/8/2022
Bonds authorized	$ -
Bonds issued	-
Original authorized cost	1,350,000
Increase in authorized cost	-
Revised authorized cost	1,350,000
Percentage completion	85.60%

See independent auditors' report.

LONG-TERM DEBT SCHEDULES

The Long-Term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding, obligations under leases, and early retirement program.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2025

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance 07/01/24	Issued	Retired	Balance 06/30/25
School bonds,									
2020 series	03/01/20	$ 2,820,000	03/01/26	$ 185,000	1.50%	$ 2,280,000	$ -	$ 180,000	$ 2,100,000
			03/01/27	190,000	1.50%	-	-	-	-
			03/01/28	195,000	1.75%	-	-	-	-
			03/01/29	200,000	1.75%	-	-	-	-
			03/01/30	205,000	2.00%	-	-	-	-
			03/01/31	210,000	2.00%	-	-	-	-
			03/01/32	220,000	2.00%	-	-	-	-
			03/01/33	225,000	2.00%	-	-	-	-
			03/01/34	230,000	2.00%	-	-	-	-
			03/01/35	240,000	2.00%	-	-	-	-
						$ 2,280,000	$ -	$ 180,000	$ 2,100,000

DELAWARE TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Leases
For the Fiscal Year Ended June 30, 2025

Description	Interest Rate	Date of Lease	Amount of Original Issue	Balance 07/01/24	Issued	Retired	Balance 06/30/25
Xerox Copiers	2.920%	5/1/2022	$ 35,412	$ 20,700	$ -	$ 7,111	$ 13,589
				$ 20,700	$ -	$ 7,111	$ 13,589

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2025

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Revenues					
Local tax levy	$ 75,000	$ -	$ 75,000	$ 75,000	$ -
State sources - Type II aid	75,425	-	75,425	75,425	-
Total revenues	150,425	-	150,425	150,425	-
Expenditures					
Regular debt service					
Redemption of principal	180,000	-	180,000	180,000	-
Interest	41,838	-	41,838	41,838	-
Total expenditures	221,838	-	221,838	221,838	-
Excess (deficiency) of revenues over (under) expenditures	(71,413)	-	(71,413)	(71,413)	-
Other financing sources (uses)					
Transfer in from capital reserve account	71,413	-	71,413	71,413	-
Total other financing sources (uses)	71,413	-	71,413	71,413	-
Net change in fund balance	-	-	-	-	-
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	$ -	$ -	$ -	$ -	$ -

See independent auditors' report.

STATISTICAL SECTION

DELAWARE TOWNSHIP SCHOOL DISTRICT
Statistical Section J Series

CONTENTS	PAGE
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and wellbeing have changed over time.	J-1 to J-5
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-6 to J-9
DEBT CAPACITY	
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 to J-13
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	J-14 to J-15
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	J-16 to J-20

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

The District implemented GASB Statement No. 84 in the fiscal year ending June 30, 2021. Schedules presenting information relating to the implementation of GASB Statement No. 84 include information beginning in that year.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Government activities										
Net investment in capital assets	$ 6,147,946	$ 6,373,507	$ 6,452,186	$ 6,579,574	$ 5,665,939	$ 6,875,505	$ 6,926,789	$ 6,952,956	$ 8,044,744	$ 8,116,589
Restricted	2,072,080	2,843,299	3,786,910	4,611,088	6,582,940	5,762,451	6,078,333	6,109,745	5,418,421	5,971,798
Unrestricted	(2,021,402)	(2,276,137)	(2,140,496)	(1,949,146)	(1,651,841)	(1,233,191)	(542,735)	(380,318)	(123,969)	(191,517)
Total governmental activities	$ 6,198,624	$ 6,940,669	$ 8,098,600	$ 9,241,516	$ 10,597,038	$ 11,404,765	$ 12,462,387	$ 12,682,383	$ 13,339,196	$ 13,896,870
Business-type activities										
Net investment in capital assets	$ 637	$ -	$ -	$ 1,724	$ 1,574	$ 1,424	$ 1,274	$ 3,119	$ 57,288	$ 156,746
Unrestricted	21,063	10,628	12,958	16,569	5,262	12,124	59,484	152,177	130,164	34,642
Total business-type activities	$ 21,700	$ 10,628	$ 12,958	$ 18,293	$ 6,836	$ 13,548	$ 60,758	$ 155,296	$ 187,452	$ 191,388
District-wide										
Net investment in capital assets	$ 6,148,583	$ 6,373,507	$ 6,452,186	$ 6,581,298	$ 5,667,513	$ 6,876,929	$ 6,928,063	$ 6,956,075	$ 8,102,032	$ 8,273,335
Restricted	2,072,080	2,843,299	3,786,910	4,611,088	6,582,940	5,762,451	6,078,333	6,109,745	5,418,421	5,971,798
Unrestricted	(2,000,339)	(2,265,509)	(2,127,538)	(1,932,577)	(1,646,579)	(1,221,067)	(483,251)	(228,141)	6,195	(156,875)
Total district-wide	$ 6,220,324	$ 6,951,297	$ 8,111,558	$ 9,259,809	$ 10,603,874 *	$ 11,418,313	$ 12,523,145	$ 12,837,679	$ 13,526,648	$ 14,088,258

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

DELAWARE TOWNSHIP SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction										
Regular	$ 4,109,371	$ 5,939,544	$ 6,395,199	$ 5,881,420	$ 5,469,777	$ 6,991,361	$ 6,226,768	$ 6,071,407	$ 6,360,089	$ 6,191,420
Special education	1,369,853	1,417,839	1,371,681	1,441,043	1,246,372	1,524,652	1,661,750	1,583,707	1,913,499	1,819,876
Other special education	261,282	307,397	348,340	327,470	316,394	370,777	339,834	366,695	373,251	367,619
Other instruction	137,040	101,586	255,588	225,932	270,191	103,172	207,215	131,322	149,317	193,575
Support services										
Tuition	193,850	270,350	239,899	233,092	240,978	176,213	166,756	243,554	369,602	180,876
Student & instruction related services	1,503,586	1,492,196	1,630,322	1,584,472	1,728,052	1,880,309	1,721,711	2,003,538	2,119,541	2,187,291
General & business administrative services	705,619	959,197	928,664	902,091	703,742	729,128	697,846	725,668	606,824	648,900
School administration	62,135	130,321	141,030	133,910	129,154	146,004	168,956	166,979	58,236	75,187
Plant operations & maintenance	950,577	735,182	835,701	832,754	952,823	1,044,869	1,064,798	1,166,166	1,132,094	1,241,105
Pupil transportation	410,373	407,802	394,856	425,869	443,576	406,060	489,660	587,153	549,763	621,261
Capital outlay	214,237	-	-	-	-	-	-	-	-	-
Interest on long-term debt	113,329	124,552	133,232	84,828	87,045	87,036	86,105	104,708	44,225	73,350
Unallocated depreciation	26,549	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	10,057,801	11,885,966	12,674,512	12,072,881	11,588,104	13,459,581	12,831,399	13,150,897	13,676,441	13,600,460
Business-type activities										
Food services	101,005	112,976	109,601	106,325	100,954	90,816	176,258	134,199	141,930	163,345
Total business-type activities	101,005	112,976	109,601	106,325	100,954	90,816	176,258	134,199	141,930	163,345
Total district expenses	$ 10,158,806	$ 11,998,942	$ 12,784,113	$ 12,179,206	$ 11,689,058	$ 13,550,397	$ 13,007,657	$ 13,285,096	$ 13,818,371	$ 13,763,805

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Program revenues										
Governmental activities										
Charges for services	$ 63,000	$ 116,667	$ 153,180	$ 149,556	$ 152,956	$ 48,726	$ 157,449	$ 150,092	$ 36,956	$ 21,150
Operating grants & contributions	432,888	148,360	164,616	163,972	138,513	220,518	261,388	294,968	473,184	745,016
Total governmental activities	495,888	265,027	317,796	313,528	291,469	269,244	418,837	445,060	510,140	766,166
Business-type activities										
Charges for services										
Food service	72,704	75,623	84,476	85,475	54,434	526	17,719	104,327	115,047	124,663
Operating grants & contributions	18,207	26,281	27,455	26,185	25,063	97,002	205,749	67,022	59,039	42,618
Total business-type activities	90,911	101,904	111,931	111,660	79,497	97,528	223,468	171,349	174,086	167,281
Total district-wide program revenues	$ 586,799	$ 366,931	$ 429,727	$ 425,188	$ 370,966	$ 366,772	$ 642,305	$ 616,409	$ 684,226	$ 933,447
Net (expense) revenues										
Governmental activities	$ (9,561,913)	$ (11,620,939)	$ (12,356,716)	$(11,759,353)	$(11,296,635)	$ (13,190,337)	$(12,412,562)	$ (12,705,837)	$ (13,166,301)	$ (12,834,294)
Business-type activities	(10,094)	(11,072)	2,330	5,335	(21,457)	6,712	47,210	37,150	32,156	3,936
Total district-wide net expenses	$ (9,572,007)	$ (11,632,011)	$ (12,354,386)	$(11,754,018)	$(11,318,092)	$ (13,183,625)	$(12,365,352)	$ (12,668,687)	$ (13,134,145)	$ (12,830,358)

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General revenues & other changes in net position										
Governmental activities										
Property taxes levied for general purposes, net	$ 7,328,700	$ 7,554,774	$ 7,792,127	$ 7,994,723	$ 8,254,617	$ 8,419,709	$ 8,588,103	$ 8,759,865	$ 8,935,500	$ 9,114,210
Taxes levied for debt service	527,288	538,725	551,375	547,537	551,800	330,209	151,191	10,000	-	75,000
Federal and State aid not restricted	1,874,340	4,381,767	5,113,504	4,273,176	3,680,080	5,141,442	4,508,696	3,948,585	4,532,166	3,888,348
Investment earnings	2,049	2,193	7,528	46,488	39,431	16,722	18,132	259,936	340,559	300,043
Miscellaneous income	30,271	43,083	50,113	41,917	11,668	89,982	66,247	4,735	14,889	14,367
Transfers in (out)	154,144	-	-	-	(10,000)	-	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	(1,572)	-	-	(3,797)	(57,288)	-	-
Total governmental activities	9,916,792	12,520,542	13,514,647	12,902,269	12,527,596	13,998,064	13,328,572	12,925,833	13,823,114	13,391,968
Business-type activities										
Miscellaneous income	15	-	-	-	-	-	-	100	-	-
Transfers	(224)	-	-	-	10,000	-	-	57,288	-	-
Total business-type activities	(209)	-	-	-	10,000	-	-	57,388	-	-
Total district-wide	$ 9,916,583	$ 12,520,542	$ 13,514,647	$ 12,902,269	$ 12,537,596	$ 13,998,064	$ 13,328,572	$ 12,983,221	$ 13,823,114	$ 13,391,968
Change in net position										
Governmental activities	$ 354,879	$ 899,603	$ 1,157,931	$ 1,142,916	$ 1,230,961	$ 807,727	$ 916,010	$ 219,996	$ 656,813	$ 557,674
Business-type activities	(10,303)	(11,072)	2,330	5,335	(11,457)	6,712	47,210	94,538	32,156	3,936
Total district	$ 344,576	$ 888,531	$ 1,160,261	$ 1,148,251	$ 1,219,504	$ 814,439	$ 963,220	$ 314,534	$ 688,969	$ 561,610

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Restricted	$ 1,936,326	$ 2,892,087	$ 3,907,297	$ 4,721,322	$ 5,023,828	$ 5,369,090	$ 6,343,016	$ 6,599,368	$ 5,403,362	$ 6,159,577
Committed	17,295	9,186	31,085	25,812	151,477	114,843	26,037	88,624	684,731	200,273
Assigned	-	60,552	-	15,353	66,669	-	58,660	169,727	13,528	87,720
Unassigned	201,902	144,318	157,637	212,857	146,635	356,912	324,188	225,859	243,635	214,060
Total general fund	$ 2,155,523	$ 3,106,143	$ 4,096,019	$ 4,975,344	$ 5,388,609 *	$ 5,840,845	$ 6,751,901	$ 7,083,578	$ 6,345,256	$ 6,661,630
All other governmental funds										
Restricted, reported in										
Special revenue fund	$ -	$ -	$ -	$ -	$ 28,657	$ 29,549	$ 29,727	$ 30,936	$ 40,541	$ 37,703
Capital projects fund	-	17,593	17,593	17,593	829,970	350,920	324,310	71,341	374,518	374,518
Committed, reported in										
Capital projects fund	-	-	-	-	905,432	311,611	81,278	158,098	-	-
Assigned, reported in										
Debt service fund	1	3,863	3,863	-	-	-	2	2	-	-
Unassigned										
Special revenue fund	-	-	-	-	-	-	-	-	(113,942)	(36,181)
Total all other governmental funds	$ 1	$ 21,456	$ 21,456	$ 17,593	$ 1,764,059 *	$ 692,080	$ 435,317	$ 260,377	$ 301,117	$ 376,040

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

DELAWARE TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	$ 7,855,988	$ 8,093,499	$ 8,343,502	$ 8,542,260	$ 8,806,417	$ 8,749,918	$ 8,739,294	$ 8,769,865	$ 8,935,500	$ 9,189,210
Tuition charges	63,000	76,167	114,680	99,056	103,331	44,138	138,713	123,188	-	-
Interest earnings	2,049	2,193	7,528	46,488	39,431	16,722	18,132	259,936	340,559	300,043
Rents and royalties	-	2,500	2,500	2,500	1,625	-	-	-	-	-
Miscellaneous	30,271	81,443	87,213	93,917	60,168	99,946	85,582	37,190	66,760	40,286
State sources	2,155,633	2,169,726	2,311,578	2,450,595	2,371,898	2,753,999	3,239,372	3,315,257	4,002,035	4,061,607
Federal sources	151,595	148,000	163,516	159,972	138,013	215,142	260,789	274,487	357,493	229,822
Total revenues	10,258,536	10,573,528	11,030,517	11,394,788	11,520,883	11,879,865	12,481,882	12,779,923	13,702,347	13,820,968
Expenditures										
Instruction										
Regular instruction	2,622,188	2,766,210	2,829,463	2,868,748	2,795,907	3,270,291	3,125,527	3,090,440	3,203,309	3,031,151
Special education instruction	907,768	712,671	624,488	752,580	675,676	721,851	875,543	833,205	964,947	941,394
Other special instruction	174,488	128,612	137,583	142,306	147,755	155,572	161,730	173,049	182,245	192,546
Other instruction	96,169	87,915	92,462	98,831	90,552	31,140	92,712	105,016	117,378	119,149
Support services										
Tuition	193,850	218,350	194,899	184,634	198,609	119,854	112,799	169,941	299,602	110,876
Student & inst related services	1,122,877	805,320	853,480	913,069	1,006,054	1,146,295	1,099,830	1,224,385	1,201,912	1,360,649
General administration	491,603	462,223	500,357	544,724	468,242	419,717	435,829	429,703	455,045	413,440
School administration services	41,100	71,038	71,857	75,156	75,793	78,866	99,723	97,233	43,788	37,925
Plant operations & maintenance	663,821	656,934	719,196	740,146	830,256	873,116	952,573	1,047,786	983,887	1,068,390
Pupil transportation	397,360	379,310	378,932	414,802	408,526	362,924	433,138	545,184	510,057	572,219
Employee benefits	1,614,144	1,566,821	1,686,081	1,695,990	1,705,139	1,643,576	1,466,426	1,675,532	1,549,535	1,629,011
On-behalf TPAF Pension & Social Security contribution	917,783	992,712	1,103,299	1,224,972	1,287,084	1,618,062	2,064,609	2,238,409	2,251,317	2,273,110
Capital outlay	387,061	87,707	100,141	115,584	798,797	123,635	119,043	195,135	409,387	624,243
Special revenue funds	-	148,360	164,616	163,972	138,513	224,217	279,946	320,663	718,511	801,318
Capital projects fund	-	-	-	-	1,084,598	1,072,871	256,943	176,149	1,204,921	-
Debt service										
Principal	410,000	435,000	470,000	490,000	510,000	535,000	205,000	165,000	170,000	180,000
Interest & other charges	117,287	99,863	113,787	93,812	74,212	102,621	81,630	79,068	76,800	74,250
Total expenditures	10,157,499	9,619,046	10,040,641	10,519,326	12,295,713	12,499,608	11,863,001	12,565,898	14,342,641	13,429,671

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds (continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Excess (deficiency) of revenues over (under) expenditures	$ 101,037	$ 954,482	$ 989,876	$ 875,462	$ (774,830)	$ (619,743)	$ 618,881	$ 214,025	$ (640,294)	$ 391,297
Other financing sources (uses)										
Assets acquired under lease	-	-	-	-	-	-	35,412	-	-	-
Proceeds from bond issuance	-	-	-	-	2,820,000	-	-	-	-	-
Transfers	-	-	-	-	(10,000)	-	-	(57,288)	-	-
Total other financing sources (uses)	-	-	-	-	2,810,000	-	35,412	(57,288)	-	-
Net change in fund balances	$ 101,037	$ 954,482	$ 989,876	$ 875,462	$ 2,035,170	$ (619,743)	$ 654,293	$ 156,737	$ (640,294)	$ 391,297
Debt service as a percentage of non-capital expenditures	5.70%	5.95%	6.24%	5.95%	5.35%	5.43%	2.50%	2.01%	1.80%	2.03%

Source: District Records

Note: Non-capital expenditures are total expenditures less capital outlay.

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

DELAWARE TOWNSHIP SCHOOL DISTRICT
General Fund - Other Local Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Interest income	$ 2,049	$ 2,193	$ 7,528	$ 46,488	$ 39,431	$ 16,719	$ 18,132	$ 259,936	$ 340,559	$ 300,043
Tuition	63,000	76,167	114,680	99,056	103,331	44,138	138,713	123,188	-	-
Prior year refunds	-	32,644	40,757	16,712	1,070	55,663	29,317	-	-	763
Miscellaneous	29,171	888	143	16,805	598	646	1,730	2,235	-	109
Shared service	-	38,000	36,000	48,000	48,000	-	-	-	3,984	2,625
Facility rentals	-	2,500	2,500	2,500	1,625	2,500	2,500	2,500	2,500	2,500
E-rate	-	9,521	9,093	8,400	-	31,173	2,700	-	8,370	8,370
Donations	-	-	-	-	10,000	-	-	-	-	-
Book fees	-	30	120	-	-	-	-	-	35	-
Sale of asset	-	-	-	-	-	-	30,000	-	-	-
Annual totals	$ 94,220	$ 161,943	$ 210,821	$ 237,961	$ 204,055	$ 150,839	$ 223,092	$ 387,859	$ 355,448	$ 314,410

Source: District Records

DELAWARE TOWNSHIP SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Vacant land	$ 7,096,320	$ 6,357,320	$ 5,442,620	$ 5,323,320	$ 5,174,520	$ 4,985,220	$ 5,415,420	$ 5,088,920	$ 4,810,100	$ 3,820,600
Residential	537,945,200	537,507,700	541,959,000	543,247,600	548,258,400	549,915,400	548,691,300	554,120,800	559,129,400	556,224,700
Farm regular	217,854,300	219,692,500	217,696,100	219,003,100	217,935,500	217,630,100	220,079,200	217,486,900	215,756,400	220,664,800
Q farm	6,454,510	6,501,710	6,414,610	6,389,910	6,355,310	6,345,210	6,327,410	6,283,810	6,253,000	6,333,000
Commercial	17,745,400	17,968,600	17,834,900	18,069,700	17,720,800	17,743,200	17,764,500	18,913,300	18,913,300	18,913,300
Industrial	7,270,600	7,270,600	7,270,600	7,270,600	7,270,600	7,270,600	7,270,600	7,270,600	7,270,600	7,270,600
Apartment	939,500	939,500	939,500	939,500	961,300	961,300	961,300	2,589,600	2,589,600	2,589,600
Total assessed value	795,305,830	796,237,930	797,557,330	800,243,730	803,676,430	804,851,030	806,509,730	811,753,930	814,722,400	815,816,600
Public utilities (a)	-	-	-	-	-	-	-	-	-	-
Net valuation taxable	$ 795,305,830	$ 796,237,930	$ 797,557,330	$ 800,243,730	$ 803,676,430	$ 804,851,030	$ 806,509,730	$ 811,753,930	$ 814,722,400	$ 815,816,600
Estimated actual county equalized value	$ 880,978,900	$ 882,054,987	$ 872,792,000	$ 861,310,655	$ 876,801,691	$ 873,035,069	$ 932,165,661	$ 1,034,608,629	$ 1,095,498,723	$ 1,204,512,919
Percentage of net valuation to estimated actual equalized value	90.28%	90.27%	91.38%	92.91%	91.66%	92.19%	86.52%	78.46%	74.37%	67.73%
Total direct school tax rate (b)	$ 1.02	$ 1.05	$ 1.07	$ 1.10	$ 1.09	$ 1.09	$ 1.09	$ 1.10	$ 1.13	$ 1.16

Source: 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 the County Board of Taxation requests Treasury to order a reassessment.

(a) Taxable value of machinery, implements and equipment of telephone and messenger system companies

(b) Tax rates are per $100.

* Revalued/Reassessed

* Limited exemptions and abatements

DELAWARE TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate Per $100 of Assessed Value)

Assessment Year	School District Direct Rate			Regional School Rate	Overlapping Rates		Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate		Municipality	County	
2016	$ 0.950	$ 0.068	$ 1.018	$ 0.604	$ 0.438	$ 0.428	$ 2.488
2017	0.978	0.070	1.048	0.596	0.453	0.411	2.508
2018	1.001	0.071	1.072	0.590	0.475	0.413	2.550
2019	1.030	0.071	1.101	0.537	0.485	0.406	2.529
2020	1.021	0.068	1.089	0.597	0.485	0.412	2.583
2021	1.045	0.041	1.086	0.610	0.495	0.409	2.600
2022	1.069	0.019	1.088	0.555	0.505	0.436	2.584
2023	1.100	0.001	1.101	0.571	0.525	0.481	2.678
2024	1.128	-	1.128	0.581	0.540	0.500	2.749
2025	1.146	0.009	1.155	0.629	0.555	0.544	2.883

Sources: Municipal Tax Collector

Notes: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget 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.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Principal Property Taxpayers,
Current Year and Nine Years Ago

	2025			2016		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Texas Eastern Transmission Corp.	$ 3,426,400	1	0.42%	$ 3,426,400	1	0.43%
Individual Property Owner	3,269,200	2	0.40%	-		0.00%
Trap Rock Industries, LLC	3,173,800	3	0.39%	3,173,800	2	0.40%
Sentinel Self Storage LLC	2,467,700	4	0.30%	-		0.00%
Cane Poultry Farm, INC	2,464,400	5	0.30%	2,442,700	4	0.31%
Individual Property Owner	2,222,000	6	0.27%	2,222,000	5	0.28%
Individual Property Owner	2,092,900	7	0.26%	-		0.00%
Individual Property Owner	1,921,900	8	0.24%	1,921,900	7	0.24%
Individual Property Owner	1,902,400	9	0.23%	1,788,800	8	0.22%
Individual Property Owner	1,891,300	10	0.23%	1,768,000	9	0.22%
Holly Farm Partners	-		0.00%	2,720,900	3	0.34%
Individual Property Owner	-		0.00%	2,122,600	6	0.27%
Tulach Mhoir LLC	-		0.00%	1,711,300	10	0.22%
	$ 24,832,000		3.04%	$ 23,298,400		2.93%

Source: Municipal Tax Assessor

DELAWARE TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Years

Fiscal Year Ended June 30,	Taxes Levied for the Year	Collected within the Year of the Levy (a)	
		Amount	Percentage of Levy
2016	$ 7,855,988	$ 7,855,988	100.00%
2017	8,093,499	8,093,499	100.00%
2018	8,343,502	8,343,502	100.00%
2019	8,542,260	8,542,260	100.00%
2020	8,806,417	8,806,417	100.00%
2021	8,749,918	8,749,918	100.00%
2022	8,739,294	8,739,294	100.00%
2023	8,769,865	8,769,865	100.00%
2024	8,935,500	8,935,500	100.00%
2025	9,189,210	9,189,210	100.00%

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

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

DELAWARE TOWNSHIP SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds	Governmental Activities: Certificates of Participation	Governmental Activities: Leases	Governmental Activities: Bond Anticipation Notes (BANs)	Business-Type Activities: Leases	Total District	% of Personal Income (a)	Per Capita (a)
2016	$ 2,440,000	$ -	$ -	$ -	$ -	$ 2,440,000	0.69%	$ 543
2017	2,005,000	-	-	-	-	2,005,000	0.55%	449
2018	1,535,000	-	-	-	-	1,535,000	0.42%	344
2019	1,045,000	-	-	-	-	1,045,000	0.28%	235
2020	3,355,000	-	-	-	-	3,355,000	0.84%	756
2021	2,820,000	-	-	-	-	2,820,000	0.70%	640
2022	2,615,000	-	123,115	-	-	2,738,115	0.61%	600
2023	2,450,000	-	27,607	1,350,000	-	3,827,607	0.84%	836
2024	2,280,000	-	20,700	-	-	2,300,700	0.48%	503
2025	2,100,000	-	13,589	-	-	2,113,589	N/A	460

Notes: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

N/A Information is not available

DELAWARE TOWNSHIP SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	% of Actual Taxable Value of Property (a)	Per Capita (b)
2016	$ 2,440,000	$ -	$ 2,440,000	0.31%	$ 543
2017	2,005,000	-	2,005,000	0.25%	449
2018	1,535,000	-	1,535,000	0.19%	344
2019	1,045,000	-	1,045,000	0.13%	235
2020	3,355,000	-	3,355,000	0.42%	756
2021	2,820,000	-	2,820,000	0.35%	640
2022	2,615,000	-	2,615,000	0.32%	573
2023	2,450,000	-	2,450,000	0.30%	535
2024	2,280,000	-	2,280,000	0.28%	499
2025	2,100,000	-	2,100,000	0.26%	457

Notes: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

(a) See Exhibit J-6 for property tax data.
(b) Population data can be found in Exhibit J-14.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2024

Governmental Unit	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Debt
Debt repaid with property taxes			
Municipality	$ 9,466,199	100.00%	$ 9,466,199
Regional High School	-	8.97%	-
County general obligation debt	72,292,160	4.09%	2,956,749
Subtotal, overlapping debt			12,422,948
School district direct debt			2,280,000
Total direct and overlapping debt			$ 14,702,948

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each Governmental Unit.

Notes: 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 Municipality. 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.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2025

		Equalized Valuation Basis
	2024	$ 1,202,897,387
	2023	1,091,507,234
	2022	1,027,924,713
		$ 3,322,329,334
Average equalized valuation of taxable property		$ 1,107,443,111
Debt limit (3.0% of average equalization value)	(a)	$ 33,223,293
Total net debt applicable to limit		2,100,000
Legal debt margin		$ 31,123,293

	Fiscal Year				
	2021	2022	2023	2024	2025
Debt limit	$ 26,032,369	$ 26,750,661	$ 28,299,342	$ 30,496,805	$ 33,223,293
Total net debt applicable	2,820,000	2,615,000	3,800,000	2,280,000	2,100,000
Legal debt margin	$ 23,212,369	$ 24,135,661	$ 24,499,342	$ 28,216,805	$ 31,123,293
Total net debt applicable to the limit as a percentage of debt limit	10.83%	9.78%	13.43%	7.48%	6.32%

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt limit	$ 26,734,162	$ 26,736,820	$ 26,663,971	$ 26,103,097	$ 26,028,241
Total net debt applicable	2,440,000	2,005,000	1,535,000	1,045,000	3,355,000
Legal debt margin	$ 24,294,162	$ 24,731,820	$ 25,128,971	$ 25,058,097	$ 22,673,241
Total net debt applicable to the limit as a percentage of debt limit	9.13%	7.50%	5.76%	4.00%	12.89%

Source: Equalized Valuation Basis was obtained from the annual report of the State of New Jersey Department of Treasury, Division of Taxation.

(a) Limit set by N.J.S.A. 18A:24-19.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2016	4,495	$ 353,545,235	$ 78,653	3.6%
2017	4,467	362,077,152	81,056	2.9%
2018	4,467	367,777,044	82,332	2.5%
2019	4,451	378,953,689	85,139	2.5%
2020	4,437	397,856,916	89,668	6.2%
2021	4,409	405,125,374	91,886	4.6%
2022	4,565	447,694,115	98,071	2.7%
2023	4,580	456,406,160	99,652	3.0%
2024	4,571	483,616,371	105,801	3.4%
2025	4,592	N/A	N/A	N/A

Sources:

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

(b) Personal income has been estimated based upon the municipal population and per capita personal income presented.

(c) Per capita personal income by County estimated based upon the 2020 census published by the U.S. Bureau of Economic Analysis.

(d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

DELAWARE TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

2025

Employer	Employees	Rank	Percentage of Total Municipal Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

2016

Employer	Employees	Rank	Percentage of Total Municipal Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Full Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/program										
Instruction										
Regular	35.0	36.5	34.0	35.6	37.5	37.7	34.8	37.0	36.2	36.0
Special education	9.0	10.0	11.7	13.3	12.8	8.6	15.6	16.3	18.2	18.2
Other special education	4.0	3.9	2.0	-	-	-	2.0	1.0	1.0	1.0
Support services										
Student and instruction related services	10.0	10.7	7.1	11.7	9.0	7.1	8.9	7.5	6.1	6.6
General administration	4.0	4.0	4.0	4.0	4.0	4.0	3.1	3.1	3.3	3.3
School administration services	2.0	1.0	3.1	2.1	2.1	3.6	1.0	3.6	3.6	3.2
Plant operations and maintenance	5.0	4.5	5.8	6.4	5.3	5.3	7.2	5.9	5.9	5.9
Transportation services	1.0	0.6	0.6	0.2	0.4	0.4	0.5	0.4	0.4	0.8
Total	70.0	71.2	68.3	73.3	71.1	66.7	73.1	74.8	74.7	75.0

Source: District Personnel Records

DELAWARE TOWNSHIP SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	June 30 Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	404	$ 9,243,151	$ 22,879	-2.44%	49.0	1:8	400.2	380.8	-2.63%	95.15%
2017	388	8,996,476	23,187	1.35%	49.0	1:8	384.2	367.3	-4.00%	95.60%
2018	386	9,356,713	24,240	4.54%	44.7	1:9	389.0	370.7	1.25%	95.30%
2019	373	9,819,930	26,327	8.61%	43.5	1:9	372.9	356.0	-4.14%	95.47%
2020	376	9,828,106	26,139	-0.71%	43.1	1:9	375.4	363.3	0.67%	96.78%
2021	362	10,665,481	29,463	12.72%	46.6	1:8	364.3	351.1	-2.96%	96.38%
2022	406	11,200,385	27,587	-6.37%	46.0	1:9	399.6	378.7	9.69%	94.77%
2023	412	11,950,546	29,006	5.14%	46.1	1:9	410.3	388.6	2.68%	94.72%
2024	405	12,481,533	30,819	6.25%	46.2	1:9	405.3	386.0	-1.22%	95.23%
2025	402	12,551,178	31,222	1.31%	46.0	1:9	406.1	385.8	0.20%	95.00%

Source: District Records

(a) Operating expenditures equal total expenditures less debt service and capital outlay.
(b) Teaching staff includes only full-time equivalents or certificated staff.
(c) Average Daily Enrollment and Average Daily Attendance are obtained from the School Register Summary.

DELAWARE TOWNSHIP SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Delaware Township Elementary										
Square feet	91,575	97,715	104,893	104,893	104,893	104,893	104,893	104,893	104,893	104,893
Capacity (students)	620	620	620	620	620	620	620	620	620	620
Enrollment	379	384	364	373	378	359	369	389	380	402
Garage (2013)										
Square feet	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200

Number of schools at June 30, 2025:	
Elementary	1
Other	1

Source: District Facilities Office

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

N/A = Not Available

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of Required Maintenance Expenditures by School Facility
Last Ten Fiscal Years

Undistributed expenditures - required maintenance for school facilities*

Fiscal Year Ended	Amount
2016	$ 212,079
2017	153,166
2018	189,217
2019	213,367
2020	317,026
2021	293,345
2022	297,332
2023	311,135
2024	234,770
2025	281,404
Total school facilities	$ 2,502,841

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

Source: District Records

DELAWARE TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
June 30, 2025
(Unaudited)

	Coverage	Deductible
Commercial Package Policy - School Alliance Insurance Fund		
Blanket building and contents (fund limit)	$ 500,000,000	$ 2,500
Accounts receivable	2,500,000	2,500
Automobile physical damage	In Blanket Limit	1,000
Builders risk	25,000,000	2,500
Electronic data processing equipment	In Blanket Limit	2,500
Comprehensive general liability	5,000,000	-
Automobile liability	5,000,000	-
Employee benefit liability	5,000,000	1,000
Excess liability	5,000,000	-
Crime		
Blanket employee dishonesty	500,000	1,000
Forgery/theft	50,000	1,000
Theft/disappearance/destruction:		
Inside	50,000	1,000
Outside	50,000	1,000
Computer fraud	50,000	1,000
Funds transfer fraud	50,000	1,000
School Board legal liability	5,000,000	5,000
Environmental impairment liability - ACE		
Limit of liability		
Incident	1,000,000	10,000
Fund annual aggregate	25,000,000	-
Workers' compensation - School Alliance Insurance Fund		
(a) Statutory benefits	Included	-
(a) Employer's liability	5,000,000	-
Supplemental coverage (optional)	Included	-
Public employees' faithful performance blanket position bond - Selective insurance company		
School Business Administrator	180,000	-

See independent auditors' report.

SINGLE AUDIT SECTION

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS - PART I

BKC
Certified Public Accountants, PC
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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable President and
Members of the Board of Education
Delaware Township School District
Sergeantsville, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States 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, and the aggregate remaining fund information of the Delaware Township School District (the District) in the County of Hunterdon, as of and for the year ended June 30, 2025, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements, and have issued our report thereon dated November 11, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Delaware Township School 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.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

November 11, 2025
Flemington, New Jersey

BKC
Certified Public Accountants, PC
www.bkc-cpa.com

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the New Jersey OMB Circular 15-08

Honorable President and
Members of the Board of Education
Delaware Township School District
Sergeantsville, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Delaware Township School District's (the District) compliance with the types of compliance requirements as subject to audit in the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2025. The District's major state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the 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; and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the New Jersey OMB's Circulars 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circulars 15-08, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

BKC, CPAs, PC

BKC, CPAs, PC

MH

Michael A. Holk, CPA,
PSA NO. 20CS00265600

November 11, 2025
Flemington, New Jersey

SUPPLEMENTARY INFORMATION

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2025

Grantor/Program Title	Federal AL Number	FAIN Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2024 Deferred Rev. (Accts. Rec)	Balance June 30, 2024 Carryover Amount	Cash Received	Budgetary Expenditure	Adjust-ment	Repayment of Prior Year Balance	Balance June 30, 2025 Accounts Receivable	Balance June 30, 2025 Deferred Revenue	Balance June 30, 2025 Due to Grantor
U.S. Department of Education passed through State Department of Education														
Special Revenue Fund														
Special education cluster (IDEA)														
IDEA Basic	84.027A	H027A240100	$ 101,440	07/01/23	06/30/24	$ (9,000)	$ -	$ 9,000	$ -	$ -	$ -	$ -	$ -	$ -
IDEA Basic	84.027A	H027A250100	98,424	07/01/24	06/30/25	-	-	98,424	98,424	-	-	-	-	-
IDEA Preschool	84.173A	H173A240114	6,745	07/01/23	06/30/24	(2,000)	-	2,000	-					
IDEA Preschool	84.173A	H173A250114	6,579	07/01/24	06/30/25	-	-	5,447	6,579	-	-	(1,132)	-	-
Total special education cluster (IDEA)						(11,000)	-	114,871	105,003	-	-	(1,132)	-	-
Title I A	84.010	S010A240030	10,217	07/01/23	06/30/24	(10,217)	-	10,217	-	-	-	-	-	-
Title I A	84.010	S010A250030	10,619	07/01/24	06/30/25	-	-	8,316	10,619	-	-	(2,303)	-	-
Title II A	84.367A	S367A240029	4,488	07/01/23	06/30/24	(3,714)	-	4,101	387	-	-	-	-	-
Title II A	84.367A	S367A250029	4,839	07/01/24	06/30/25	-	-	1,535	4,452	-	-	(2,917)	-	-
Title IV	84.424	S424A240031	10,000	07/01/23	06/30/24	(9,883)	-	9,883	-			-		
Title IV	84.424	S424A250031	10,000	07/01/24	06/30/25	-	-	6,676	10,000	-	-	(3,324)	-	-
Rural Education Achievement Program	84.358	S358B250030	66,376	07/01/24	06/30/25	-	-	-	66,376	-	-	(66,376)	-	-
COVID-19														
ARP - ESSER														
ARP - ESSER	84.425U	S425U210027	116,276	03/13/20	09/30/24	(60,174)	-	60,174	-	-	-	-	-	-
Evidenced Based Comprehensive Beyond the School Day	84.425U	S425U210027	40,000	03/13/20	09/30/24	(10,678)	-	10,678	-	-	-	-	-	-
Evidence Based Summer	84.425U	S425U210027	40,000	03/13/20	09/30/24	(6,523)	-	6,523	-	-	-	-	-	-
Accelerated Learning	84.425U	S425U210027	50,000	03/13/20	09/30/24	(26,355)	-	27,075	720	-	-	-	-	-
NJTSS Mental Health	84.425U	S425U210027	45,000	03/13/20	09/30/24	(39,608)	-	41,360	1,752	-	-	-	-	-
Total Special Revenue Fund						(178,152)	-	301,409	199,309	-	-	(76,052)	-	-
U.S. Department of Agriculture passed through State Department of Agriculture														
Enterprise Fund														
Child Nutrition Cluster														
National School Lunch Program														
Non-Cash Assistance (Commodities)	10.555	241NJ304N1099	16,982	07/01/23	06/30/24	1,689	-	-	1,689	-	-	-	-	-
Non-Cash Assistance (Commodities)	10.555	251NJ304N1099	16,135	07/01/24	06/30/25	-	-	16,135	14,235	-	-	-	1,900	-
Cash Assistance	10.555	191NJ304N1099	16,898	07/01/18	06/30/19	(3,551)	-	-	-	-	-	(3,551)	-	-
Cash Assistance	10.555	221NJ304N1099	188,196	07/01/21	06/30/22	(10,686)	-	10,686	-	-	-	-	-	-
Cash Assistance	10.555	241NJ304N1099	24,468	07/01/23	06/30/24	(1,403)	-	1,403	-	-	-	-	-	-
Cash Assistance	10.555	251NJ304N1099	24,310	07/01/24	06/30/25	-	-	22,440	24,310	-	-	(1,870)	-	-
Total Child Nutrition Cluster						(13,951)	-	50,664	40,234	-	-	(5,421)	1,900	-
P-EBT administrative	10.649	2022225900941	643	07/01/24	06/30/25	-	-	643	643	-	-	-	-	-
Total Enterprise Fund						(13,951)	-	51,307	40,877	-	-	(5,421)	1,900	-
Total Federal Awards						$ (192,103)	$ -	$ 352,716	$ 240,186	$ -	$ -	$ (81,473)	$ 1,900	$ -

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2025

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2024 Deferred Rev. (Accts. Rec)	Balance June 30, 2024 Due to Grantor	Cash Received	Budgetary Expenditure	Adjustments/ Repayments	Balance June 30, 2025 Accounts Receivable	Balance June 30, 2025 Deferred Revenue	Balance June 30, 2025 Due to Grantor	Memo Budgetary Receivable	Memo Cumulative Expenditure
State Department of Education														
General Fund														
Special Education Categorical Aid	25-495-034-5120-089	$ 360,951	07/01/24	06/30/25	$ -	$ -	$ 325,930	$ 360,951	$ -	$ -	$ -	$ -	$ 35,021	$ 360,951
School Choice Aid	25-495-034-5120-068	402,714	07/01/24	06/30/25	-	-	363,640	402,714	-	-	-	-	39,074	402,714
Security Aid	25-495-034-5120-084	34,010	07/01/24	06/30/25	-	-	30,710	34,010	-	-	-	-	3,300	34,010
Adjustment Aid	25-495-034-5120-085	129,444	07/01/24	06/30/25	-	-	116,884	129,444	-	-	-	-	12,560	129,444
Transportation Aid	25-495-034-5120-014	167,383	07/01/24	06/30/25	-	-	151,142	167,383	-	-	-	-	16,241	167,383
Extraordinary Aid	24-495-034-5120-044	131,805	07/01/23	06/30/24	(131,805)	-	131,805	-	-	-	-	-	-	131,805
Extraordinary Aid	25-100-034-5120-044	116,053	07/01/24	06/30/25	-	-	-	116,053	-	(116,053)	-	-	-	116,053
Non-Public Transportation Aid	24-495-034-5120-014	5,915	07/01/23	06/30/24	(5,915)	-	5,915	-	-	-	-	-	-	5,915
Non-Public Transportation Aid	25-495-034-5120-014	4,203	07/01/24	06/30/25	-	-	-	4,203	-	(4,203)	-	-	-	4,203
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	25-495-034-5094-002	1,492,753	07/01/24	06/30/25	-	-	1,492,753	1,492,753	-	-	-	-	-	1,492,753
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	25-495-034-5094-004	18,491	07/01/24	06/30/25	-	-	18,491	18,491	-	-	-	-	-	18,491
On-Behalf TPAF Pension Contribution - Postretirement Medical	25-495-034-5094-001	441,587	07/01/24	06/30/25	-	-	441,587	441,587	-	-	-	-	-	441,587
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	25-495-034-5094-004	674	07/01/24	06/30/25	-	-	674	674	-	-	-	-	-	674
Reimbursed TPAF Social Security Contribution	24-495-034-5094-003	311,666	07/01/23	06/30/24	(14,895)	-	14,895	-	-	-	-	-	-	311,666
Reimbursed TPAF Social Security Contribution	25-495-034-5094-003	319,605	07/01/24	06/30/25	-	-	303,947	319,605	-	(15,658)	-	-	-	319,605
Total General Fund					(152,615)	-	3,398,373	3,487,868	-	(135,914)	-	-	106,196	3,937,254
Special Revenue Fund														
Preschool Expansion Aid	24-100-034-5120-519	341,826	7/1/2023	6/30/2024	131,209	-	-	114,843	-	-	16,366	-	-	325,460
Preschool Expansion Aid	25-495-034-5120-086	361,675	7/1/2024	6/30/2025	-	-	325,494	307,070	-	-	54,605	-	36,181	307,070
Total Special Revenue Fund					131,209	-	325,494	421,913	-	-	70,971	-	36,181	632,530
Debt Service Fund														
Debt Service Aid-State Support	25-495-034-5120-017	75,425	07/01/24	06/30/25	-	-	75,425	75,425	-	-	-	-	-	75,425
Total Debt Service Fund					-	-	75,425	75,425	-	-	-	-	-	75,425
State Department of Agriculture														
Enterprise Fund														
State School Lunch Program	20-100-010-3350-023	919	07/01/18	06/30/19	(192)	-	-	-	-	(192)	-	-	-	919
State School Lunch Program	23-100-010-3350-023	4,681	07/01/21	06/30/22	(246)	-	-	-	-	(246)	-	-	-	4,681
State School Lunch Program	24-100-010-3350-023	1,858	07/01/23	06/30/24	(108)	-	108	-	-	-	-	-	-	1,858
State School Lunch Program	25-100-010-3350-023	1,741	07/01/24	06/30/25	-	-	1,612	1,741	-	(129)	-	-	-	1,741
Total Enterprise Fund					(546)	-	1,720	1,741	-	(567)	-	-	-	9,199
Total State Financial Assistance					$ (21,952)	$ -	$ 3,801,012	3,986,947	$ -	$ (136,481)	$ 70,971	$ -	$ 142,377	$ 4,654,408
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	25-495-034-5094-002	1,492,753	07/01/24	06/30/25				1,492,753						
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	25-495-034-5094-004	18,491	07/01/24	06/30/25				18,491						
On-Behalf TPAF Pension Contribution - Postretirement Medical	25-495-034-5094-001	441,587	07/01/24	06/30/25				441,587						
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	25-495-034-5094-004	674	07/01/24	06/30/25				674						
Total for State Financial Assistance - Major Program Determination								$ 2,033,442						

See independent auditors' report.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2025

Note 1 - General

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal awards and state financial assistance programs of the Delaware Township School District. The District is defined in Note 1 (A) to the District's Basic Financial Statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

Note 2 - Basis of accounting

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented using 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. The basis of accounting is described in Notes 1 (C) and 1 (D) to the District's Basic Financial Statements.

Note 3 - Relationship of financial statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($12,111) for the general fund and $119,025 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.

DELAWARE TOWNSHIP SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2025

Note 3 - Relationship of financial statements (continued)

Financial assistance revenues are reported in the District's Basic Financial Statements on a GAAP basis as follows:

	Federal	State	Total
General fund	$ -	$ 3,475,757	$ 3,475,757
Special revenue fund	229,822	510,425	740,247
Debt service fund	-	75,425	75,425
Food service fund	40,877	1,741	42,618
Total awards and financial assistance	$ 270,699	$ 4,063,348	$ 4,334,047

Note 4 - Relationship to federal and state financial reports

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

Note 5 - Other

Revenues and expenditures reported under the USDA Commodities Program represent 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 contribution represents the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the fiscal year ended June 30, 2025.

Note 6 - Indirect costs

The District has elected not to utilize the 10% de minimis indirect cost rate.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS - PART II

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal Control Over Financial Reporting:

1. Were material weakness(es) identified? __ Yes _X_ No
2. Were significant deficiencies identified? __ Yes _X_ No

Noncompliance material to Basic Financial Statements noted? __ Yes _X_ No

Federal Awards: *Not Applicable*

Internal Control Over Major Programs:

1. Were material weakness(es) identified? __ Yes _X_ No
2. Were significant deficiencies identified? __ Yes _X_ None reported

What was the type of auditors' report issued on compliance for major programs? _____

Were any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a)? __ Yes ___ No

Identification of Major Programs:

AL Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
Not Applicable	*Not Applicable*	*Not Applicable*

What was the dollar threshold used to distinguish between Type A and Type B programs? _____

Did the auditee qualify as a low-risk auditee? __ Yes ___ No

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

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

State Awards

What was the dollar threshold used to distinguish between Type A and Type B programs? *$750,000*

Did the auditee qualify as a low-risk auditee? *X* Yes ___ No

Internal Control Over Major Programs:
1. Were material weakness(es) identified?
__ Yes *X* No
2. Were there significant deficiencies identified that are not considered to be material weaknesses? __ Yes *X* None reported

What was the type of auditors' report issued on compliance for major programs? *Unmodified*

Were 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 Numbers	Name of State Program
	State Aid Public Cluster:
25-495-034-5120-089	*Special Education Categorical Aid*
25-495-034-5120-084	*Security Aid*
25-495-034-5120-085	*Adjustment Aid*
25-495-034-5120-068	*School Choice Aid*

DELAWARE TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section II - Financial Statement Findings

There were no findings or questioned costs for the fiscal year ended June 30, 2025.

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

There were no findings or questioned costs for the year ended June 30, 2025.

DELAWARE TOWNSHIP SCHOOL DISTRICT
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

There were no prior year findings or questioned costs.