

**EAST AMWELL TOWNSHIP
SCHOOL DISTRICT**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

JUNE 30, 2025

**Responsibility of the Management of
East Amwell Township School District
Hunterdon County, New Jersey**



Certified Public Accountants, PC

**EAST AMWELL TOWNSHIP
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS

	<u>Page</u>
Other Information - Part I	
Introduction Section	
Letter of Transmittal	1 - 7
Organizational Chart	8
Roster of Officials	9
Consultants and Advisors	10
Financial Section	
Independent Auditors' Report	11 - 14
Required Supplementary Information - Part I	
Management's Discussion and Analysis	15 - 23
Basic Financial Statements	
A. District-Wide Financial Statements	
A-1 Statement of Net Position	24 - 25
A-2 Statement of Activities	26
B. Fund Financial Statements	
Governmental Funds	
B-1 Balance Sheet	27 - 28
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	29 - 30
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Proprietary Funds	
B-4 Statement of Net Position	32
B-5 Statement of Revenues, Expenses, and Changes in Net Position	33
B-6 Statement of Cash Flows	34
Fiduciary Funds	
B-7 Statement of Net Position	N/A
B-8 Statement of Changes in Net Position	N/A
Notes to the Financial Statements	35 - 71

**EAST AMWELL TOWNSHIP
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS (continued)

	<u>Page</u>
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules	
C-1 General Fund - Budgetary Comparison Schedule	72 - 78
C-1a Combining Schedule of Program Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant - Budget and Actual	N/A
C-2 Special Revenue Fund - Budgetary Comparison Schedule	79 - 80
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	81
Required Supplementary Information - Part III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System	82
L-2 Schedule of District's Contributions - Public Employees Retirement System	83
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher's Pension and Annuity Fund	84
L-4 Schedule of District's Contributions - Teacher's Pension and Annuity Fund	85
M. Schedules Related to Accounting and Reporting for Other Postemployment Employee Benefits (GASB 75)	
M-1 Schedule of the District's Proportionate Share of the Net Other Postemployment Employee Benefits Liability	86
Notes to the Required Supplementary Information - Part III	87

**EAST AMWELL TOWNSHIP
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS (continued)

	<u>Page</u>
Other Information - Part II	
D. School Based Budget Schedules	N/A
Combining and Individual Non-Major Fund Financial Statements	
E. Special Revenue Fund	
E-1 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	88 - 89
E-2 Schedule of Preschool Education Aid Expenditure	90 - 91
F. Capital Projects Fund	
F-1 Summary Schedule of Project Expenditures	92
F-2 Summary Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budgetary Basis	93
F-2a to F-2b Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	94 - 95
G. Proprietary Funds	
Enterprise Fund	
G-1 Statement of Net Position	N/A
G-2 Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-3 Statement of Cash Flows	N/A
H. Fiduciary Funds	N/A
I. Long-Term Debt	
I-1 Schedule of Serial Bonds	96
I-2 Schedule of Obligations Under Leases	97
I-3 Debt Service Fund - Budgetary Comparison Schedule	98
Statistical Section	
J. Statistical Section	
J-1 Net Position by Component	99
J-2 Changes in Net Position	100 - 102
J-3 Fund Balances - Governmental Funds	103
J-4 Changes in Fund Balances - Governmental Funds	104 - 105
J-5 General Fund - Other Local Revenues by Source	106
J-6 Assessed Value and Actual Value of Taxable Property	107
J-7 Direct and Overlapping Property Tax Rates	108

**EAST AMWELL TOWNSHIP
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS (continued)

		<u>Page</u>
J.	Statistical Section (continued)	
	J-8 Principal Property Taxpayers	109
	J-9 Property Tax Levies and Collections	110
	J-10 Ratios of Outstanding Debt by Type	111
	J-11 Ratios of Net General Bonded Debt Outstanding	112
	J-12 Direct and Overlapping Governmental Activities Debt	113
	J-13 Legal Debt Margin Information	114
	J-14 Demographic and Economic Statistics	115
	J-15 Principal Employers	116
	J-16 Full Time Equivalent District Employees by Function/Program	117
	J-17 Operating Statistics	118
	J-18 School Building Information	119
	J-19 Schedule of Required Maintenance	120
	J-20 Insurance Schedule	121 - 122
	Single Audit Section	
K.	Single Audit Section	
	Other Reporting Required by Government Auditing Standards - Part I	
	K-1 Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	123 - 124
	K-2 Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the New Jersey OMB Circular Letter 15-08	125 - 127
	Supplementary Information	
	K-3 Schedule of Expenditures of Federal Awards, Schedule A	128
	K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	129
	K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	130 - 131
	Other Reporting Required by Government Auditing Standards - Part II	
	K-6 Schedule of Findings and Questioned Costs	132 - 134
	K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	135



EAST AMWELL TOWNSHIP SCHOOL

National Blue Ribbon School of Excellence

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October 14, 2025

Honorable President and Members
of the East Amwell School District
Hunterdon County, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report of the East Amwell 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

East Amwell School District is an independent reporting entity within the criteria adopted by the GASB (Governmental Account Standards Board) as established by Statement No. 14. All funds and accounting groups of the District are included in this report. The East Amwell Board of Education and its one school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels kindergarten through eight, including both regular and special education. Resident enrollment as of June 30, 2025 totaled 380 students.

The following details the changes in student enrollment of the District over the last fifteen years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2024-25	380	0.00%
2023-24	380	-0.01%
2022-23	382	3.80%
2021-22	368	8.24%
2020-21	340	-4.49%
2019-20	356	-2.99%
2018-19	367	3.97%
2017-18	353	-2.22%
2016-17	361	-2.69%
2015-16	371	-6.40%
2014-15	393	-6.40%
2013-14	418	-1.50%
2012-13	433	-3.70%
2011-12	450	-7.60%
2010-11	487	-2.80%

2. ECONOMIC CONDITION AND OUTLOOK

Located in the southern region of Hunterdon County, East Amwell Township encompasses 28.7 square miles and includes 47 miles of roadway, including the Route 31-202 corridor. Despite modern infrastructure, the township retains its rural charm, with the Village of Ringoes serving as the central area for both residential life and local commerce.

The East Amwell Township Elementary School, situated on a 32-acre site featuring outdoor playgrounds and ball fields, is the sole school building in the District. Originally built in 1938, the school has undergone several expansions, including in 1950, 1963, 1978, 1988, 1998, 2015, and 2018. Serving students from preschool through eighth grade, the current facility has a functional capacity of 530 students. Two soccer fields on the property are jointly used with the Township Recreation Committee.

The District is governed by a nine-member Board of Education, with members elected by the community to serve staggered three-year terms. As of June 30, 2025, staffing included 47 full-time and 5 part-time certificated employees, along with 14 full-time and 5 part-time non-certificated staff. The District also engages in shared services, including school-day transportation in collaboration with Hunterdon Central Regional High School and paraprofessional and related services through the Hunterdon County Educational Services Commission.

The District's long-term financial outlook is closely tied to the State's commitment to funding public education, which is dependent on decisions made by the Governor and State Legislature. Equally important are the levels of state tax revenue and the allocation formula used to distribute those funds among New Jersey's school districts, both of which will significantly affect the quality of education provided to East Amwell students and the burden on local property taxpayers.

3. MAJOR INITIATIVES

Blue Ribbon School

East Amwell School is proud to have been recognized as a National Blue Ribbon School of Excellence. Our students' strong performance on standardized assessments is a testament to their achievement and success.

Facility Upgrades

The school building continues to serve as a central hub for community activities. To maintain the facility's condition, the District has undertaken several routine maintenance and improvement projects. These include a chassis upgrade to support district technology infrastructure and the ongoing installation of BenQ Boards to enhance interactive instruction and promote student engagement. Additional upgrades included the installation of new basketball hoops and the purchase of maintenance equipment, such as a Kubota tractor, to support groundskeeping efforts. The chiller unit servicing the 1999 wing and Cafeteria was also upgraded, featuring the addition of automated temperature controls to improve energy efficiency and climate regulation.

Test Results

The third through eighth grade students participated in NJSLA assessments in Spring 2025. East Amwell students performed better than or equal to the State average in all areas. The District will analyze this data, along with LinkIt! and Achieve 3000 data to implement intervention strategies where needed.

Professional Development

Professional development is a key factor in the success of our school. The growth in student achievement directly reflects the impact of our thoughtful and effective professional development initiatives. The overall approach is to provide staff members with the knowledge and tools needed to educate the whole child in this complex world. Professional development activities in the 2024-2025 school year included training in Dyslexia, Word Study, Science Assessment Review, LinkIt!, Ben-Q Technology, and Wellness Activities, Curriculum reviews in Mathematics and Science, ST Math, Achieve 3000, as well as, mandatory training through consultants and web-based offerings. Professional development is ongoing and emphasizes current research and best practices. These professional development opportunities bring the school community together, fostering collaboration focused on student achievement and school improvement.

Synergistics

The Synergistics Lab is a technology-enhanced learning environment where students engage in a variety of content areas, experiencing multi-sensory learning through audio, video, software, text, and hands-on activities, all based on the makerspace learning model. Modules offered include Financial Literacy, Career Exploration, Podcasting, Design Challenge, Electrical Circuits, 3D Printing, Art, Orthographic Drawing, Film, Photography, Music Making, Structural Design, Solar and Electric

Vehicles, Flight Technology, Interior Design, and Personal Finance. Located in the Technology Lab, Synergistics offers a well-rounded program that caters to a wide range of student interests and serves as an introduction to the applied technology curriculum at Hunterdon Central High School.

Future Ready Classroom

A Future Ready Classroom should be a dynamic, tech-enabled environment designed to foster the skills and competencies essential for students to thrive in our rapidly evolving world.

In order for students to be prepared for a more complex life and work environment, a Future Ready Classroom must promote creativity, critical thinking, communication, and collaboration that allow students to create with video, audio, text, and images an opportunity to build higher-order thinking skills.

Authoring multimedia content requires students to:

- Employ creativity and innovation as they develop, implement, and communicate ideas and demonstrate originality and inventiveness;
- Be critical thinkers and problem solvers as they frame, analyze, and synthesize information to solve problems and answer questions;
- Communicate and collaborate as they articulate thoughts and ideas clearly and effectively and share responsibility for collaborative work and;
- Build information, media, and technology skills in context.

Using creative technology tools, students learn to manage information as they design digital projects such as presentations, stories, videos, and interactive media - becoming creators, not just consumers.

To build a successful learning environment, students need the ability to work independently, collaborate with diverse peers, and contribute meaningfully to their communities. Project-based learning supports these goals by promoting self-directed learning, encouraging teamwork, and strengthening social interaction skills.

Collaborating on technology projects helps students grow as self-directed learners, while also fostering leadership, responsibility, and a deeper social and cultural awareness.

East Amwell School's Future Ready Classrooms are supported by a high-speed fiber optic network that ensures fast internet and data access for every student and staff member. Each classroom is equipped with Epson smart board technology and is seamlessly integrated into a robust Aerohive wireless network, providing reliable connectivity for all users.

Each student has access to their own personal learning device for use in the classroom. iPads are used in Pre-K through 1st grade while ChromeBooks, supported by Google Classroom, are used in 2nd grade through 8th grade.

Each staff member has been issued a laptop for connectivity to classroom smart technology, providing unique interaction with students in the delivery of Core Standard lessons.

Teachers use Google Sites as a simple and clear format of communicating with school families. Homework, activities, and a calendar are maintained by staff using Sites. Their personal homepage enables better communication, allowing for high achievement of students. PlanbookEDU is used by the teaching staff for the creation of lesson plans that can be shared with administrators. IEP Direct is used by the Child Study Team to create, sustain and monitor student IEPs for better success in the classroom. IEP Direct is also used to monitor the students' 504 plans.

The School website, which can be translated into many different languages, also provides tremendous communication between the School District, staff members, and families. Parent Square Mass Notification system is used for daily blasts of information through email, text, and phone and also provides emergency notices, such as school closings due to inclement weather, when needed.

The Library/Media Center is equipped with DESTINY, a complete library automation solution accessible from student/teacher Chromebooks/laptops. Students' Chromebooks provide further access to the Internet and resources such as World Book Online, Google Applications and search engines such as EPSCOhost, and many others available through the NJ State Library website.

The Computer Lab, located in the Media Center, includes 24 Chromebook stations for student use, while students also have the option to work on their school-issued 1:1 devices. All devices are connected to the wireless network, internet-ready, and equipped with Google Workspace and Chrome, providing access to student accounts and online files.

A state-of-the-art TV studio has been integrated into the technology enrichment program, where students produce and broadcast the morning announcements daily.

Student Information System

Genesis serves as the District's student information system, delivering essential data to both staff and families. Through the Parent Portal, users can access progress reports, report cards, and daily assignments, fostering clear and consistent communication among all stakeholders.

Network Administration

Computer systems analysis/design, remote access support for data servers, and high-level technical support for both PC and Mac platforms were provided by an outside vendor. This support is supplemented and coordinated on-site by a part-time District Technology Coordinator.

Long-Range Facilities Plan

The Long-Range Facilities Plan was updated in 2025 to incorporate infrastructure needs and long-term strategic priorities. The updated plan reaffirmed the facility's existing functional capacity of 530 students. The plan continues to be reviewed annually to ensure the facility remains in good condition and aligned with the District's operational and educational goals.

4. INTERNAL ACCOUNT CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept

of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by Management.

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

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

5. BUDGETARY CONTROLS

In addition to internal account controls, the District maintains budgetary control. 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. 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 balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2025.

6. ACCOUNTING SYSTEM AND REPORTS

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

7. FINANCIAL INFORMATION AT FISCAL YEAR-END

As demonstrated by the various statements and schedules included in the Financial Section of this report, the District continues to meet its responsibility for sound financial management.

8. DEBT ADMINISTRATION

The District issued bank qualified (callable) 20-year bonds totaling \$3,315,000 aggregate principal in August 2017 at the per annum interest rate of 2.00%-3.125%. Principal payment dates began January 15, 2019 and interest payment dates began in July. Principal payment dates continue each January 15 until maturity on January 15, 2038 or earlier redemption. Interest payment dates continue each January 15 and July 15 until maturity on January 15, 2038 or earlier redemption.

9. CASH MANAGEMENT

The investment policy of the District is guided in large part by state statute as detailed in the Notes to the Financial Statements, Notes 1 and 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect

Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires Governmental Units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10. RISK MANAGEMENT

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

11. 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.


12. ACKNOWLEDGEMENTS

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

Respectfully submitted,



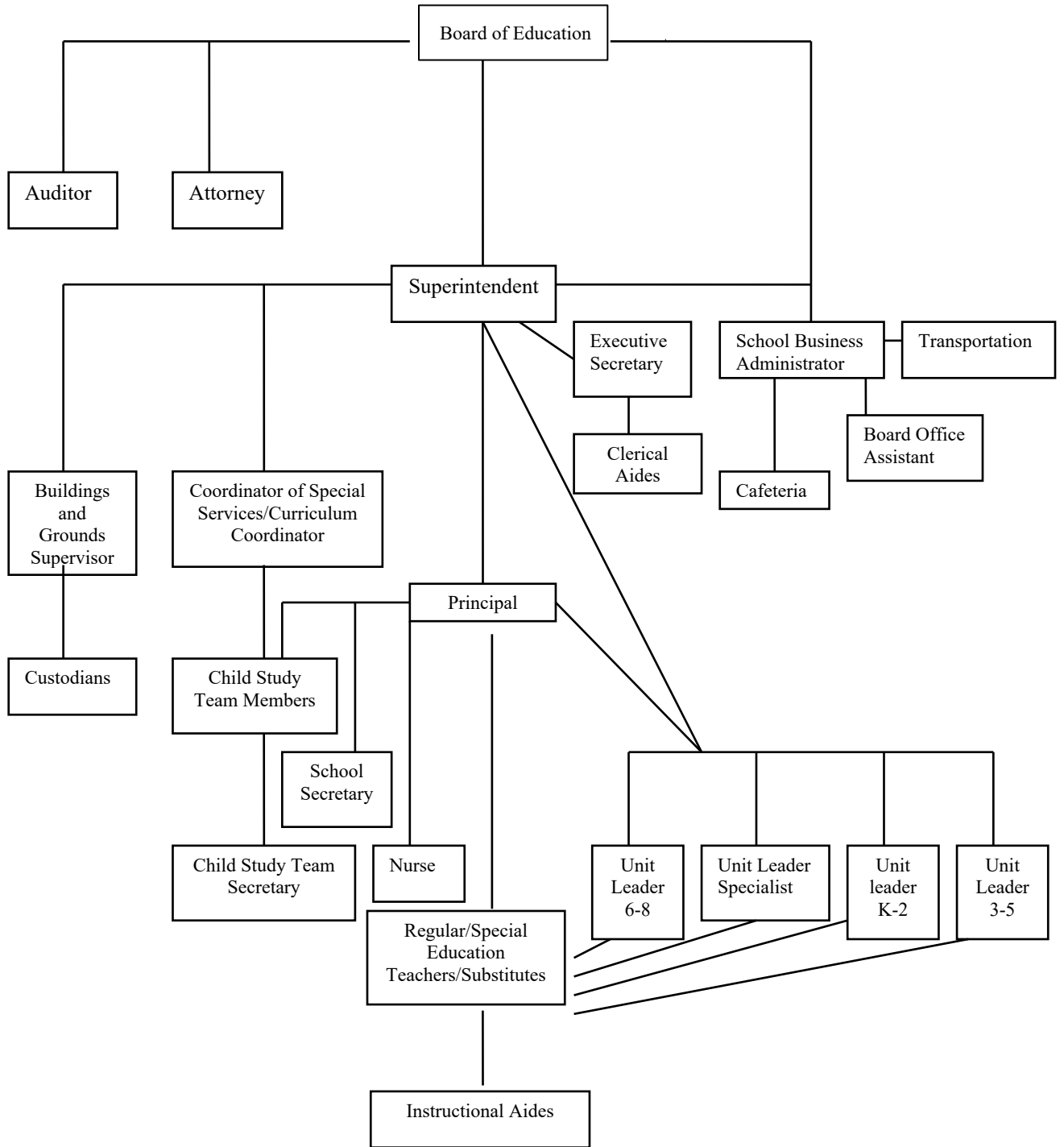
John Capuano
Superintendent



Jason Bohm
Interim SBA/Board Secretary

EAST AMWELL TOWNSHIP SCHOOL DISTRICT

1110 ORGANIZATIONAL CHART



EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Roster of Officials
June 30, 2025

<u>Members of the Board of Education</u>	<u>Title</u>	<u>Term Expires</u>
Jason Nelson	President	2025
Peter Miller	Vice President	2026
Vance Fox		2025
Jessica Kraycirik		2025
Carole Ammann		2026
Paul Hutchins		2026
Chad Beyer		2027
Jason Bloom		2027
Jaime Quinn		2027
<u>Other Officials</u>	<u>Title</u>	
John Capuano	Superintendent	
Kimberly McMinn	Board Secretary	
Heidi Gara	School Business Administrator	

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors
June 30, 2025

AUDIT FIRM

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

ATTORNEY

Fogarty & Hara
Counselors at Law
16-00 Route 208 South
Fair Lawn, NJ 07410

OFFICIAL DEPOSITORY

Northfield Bank



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

Independent Auditors' Report

Honorable President and
Members of the Board of Education
East Amwell Township School District
Ringoos, 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 East Amwell 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 opinions on the Basic Financial Statements do not cover the Other Information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 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



Michael Holk, CPA, PSA
NO. 20CS00265600

October 14, 2025
Flemington, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

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

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

Financial Highlights

Key financial highlights for 2025 are as follows:

- In total, net position increased \$452,389, which represents a 5.15% increase from 2024.
- General revenues accounted for \$12,331,342 in revenue or 90.45% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for or \$1,302,342 or 9.55% of total revenues of \$13,633,684.
- Total assets of governmental activities increased by \$316,183 as cash and cash equivalents increased by \$313,547, receivables and other assets decreased by \$33,438 and capital assets increased by \$36,074.
- The School District had \$13,181,295 in expenses; \$1,302,342 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes) of \$12,331,342 were adequate to provide for these programs.
- Among major funds, the general fund had \$11,766,407 in revenues, \$11,403,850 in expenditures, and \$110,075 transfers out. The general fund's balance increased \$252,482 from 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 East Amwell Township School District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund Financial Statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The Fund Financial Statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of East Amwell 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 several 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 the fiscal year?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers 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 has 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 activities and business-type 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-type activity is a service that is provided on a charge for goods or services basis to recover the expenses of the goods or services provided. The food service enterprise fund is reported as a business activity.

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

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 provided. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The cafeteria service is currently managed by a food service company.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
EAST AMWELL TOWNSHIP
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

The School District as a Whole

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

Table 1 provides a summary of the School District’s net position for the fiscal year ended June 30, 2025 compared to June 30, 2024.

Table 1
Net Position

	06/30/25	06/30/24	Variance	
			Dollars	%
Assets				
Current & other assets	\$ 4,642,394	\$ 4,383,538	\$ 258,856	5.91%
Capital assets	9,117,464	9,084,232	33,232	0.37%
Total assets	<u>13,759,858</u>	<u>13,467,770</u>	<u>292,088</u>	2.17%
Deferred outflows on deferred pension activity	<u>263,500</u>	<u>290,643</u>	<u>(27,143)</u>	-9.34%
Liabilities				
Long-term liabilities	4,243,120	4,444,836	(201,716)	-4.54%
Other liabilities	<u>337,757</u>	<u>268,173</u>	<u>69,584</u>	25.95%
Total liabilities	<u>4,580,877</u>	<u>4,713,009</u>	<u>(132,132)</u>	-2.80%
Deferred inflows on deferred pension activity	<u>207,316</u>	<u>262,628</u>	<u>(55,312)</u>	-21.06%
Net position				
Net investment in capital assets	6,725,109	6,530,963	194,146	2.97%
Restricted	3,554,743	3,007,614	547,129	18.19%
Unrestricted	<u>(1,044,687)</u>	<u>(755,801)</u>	<u>(288,886)</u>	38.22%
Total net position	<u>\$ 9,235,165</u>	<u>\$ 8,782,776</u>	<u>\$ 452,389</u>	5.15%

Total assets increased \$292,088. Cash and cash equivalents increased by \$283,468, receivables and other assets decreased by \$24,612, and capital assets increased by \$33,232. 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 \$288,886.

The negative balance in unrestricted net position is not a negative reflection on the District’s financial condition but 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.

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

Table 2 provides a summary of the District's changes in net position for the fiscal year ended June 30, 2025 compared to June 30, 2024.

Table 2
Changes in Net Position

	06/30/25	06/30/24	Variance	
			Dollars	%
Revenues				
Program revenues				
Charges for services	\$ 208,771	\$ 302,074	\$ (93,303)	-30.89%
Operating grants	1,093,571	829,241	264,330	31.88%
General revenues				
Property taxes	8,637,136	8,474,177	162,959	1.92%
Unrestricted grants	3,483,276	4,116,732	(633,456)	-15.39%
Other	210,930	160,946	49,984	31.06%
Total revenues	<u>13,633,684</u>	<u>13,883,170</u>	<u>(249,486)</u>	-1.80%
Program expenses				
Instruction				
Regular	6,543,144	6,351,639	191,505	3.02%
Special	1,466,914	1,446,588	20,326	1.41%
Other special	204,541	180,470	24,071	13.34%
Other instruction	117,943	93,786	24,157	25.76%
Support services				
Tuition	67,999	-	67,999	*
Student & instructional staff	1,905,130	1,955,901	(50,771)	-2.60%
General & business administration	767,420	652,446	114,974	17.62%
School administration	273,961	245,342	28,619	11.66%
Maintenance	995,776	868,348	127,428	14.67%
Transportation	551,135	525,585	25,550	4.86%
Food service	213,094	201,397	11,697	5.81%
Interest on long-term debt	74,238	108,911	(34,673)	-31.84%
Total expenses	<u>13,181,295</u>	<u>12,630,413</u>	<u>550,882</u>	4.36%
Loss on disposal of assets	<u>-</u>	<u>(9,459)</u>	<u>9,459</u>	100.00%
Change in net position	<u>\$ 452,389</u>	<u>\$ 1,243,298</u>	<u>\$ (790,909)</u>	-63.61%

* Undefined

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

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 63.35% of revenues for district-wide activities for the East Amwell School District for fiscal year 2025.

Instruction comprises 63.54% of District expenses. Support services expenses comprise 36.46% of the expenses. The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for the fiscal year ended June 30, 2025 compared to June 30, 2024. That is, it identifies the cost of these services supported by tax revenue and unrestricted state entitlements.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	6/30/25	6/30/24	6/30/25	6/30/24
Instruction	\$ 8,375,424	\$ 8,072,483	\$ 7,500,582	\$ 7,373,664
Support services				
Tuition	67,999	-	67,999	-
Student & instructional staff	1,905,186	1,955,901	1,777,745	1,766,079
General & business administration	760,871	652,446	760,871	652,446
School administration	242,161	245,342	136,171	200,235
Plant operations & maintenance	991,187	868,348	980,663	858,509
Pupil transportation	551,135	525,585	551,135	525,585
Food service	213,094	201,397	29,549	13,669
Interest on long-term debt	74,238	108,911	74,238	108,911
Total expenses	<u>\$ 13,181,295</u>	<u>\$ 12,630,413</u>	<u>\$ 11,878,953</u>	<u>\$ 11,499,098</u>

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

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

General administration, school administration and business 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.

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

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.

Extracurricular activities include expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

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 revenues is apparent. For all activities, general revenue support is 90.45%. The community, as a whole, is the primary support for the East Amwell Township School District.

The School District's Funds

Information about the School District's major funds starts in the section entitled Fund Financial Statements. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$13,072,623, and expenditures of \$12,861,127. The change in fund balance for the year was an increase of \$211,496 which was most significant in the general fund.

General Fund Budgeting Highlights

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

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

For the general fund, budgetary basis revenues were \$9,741,682, \$287,145 above original budgeted estimates of \$9,454,537. This difference was primarily due to receiving unbudgeted extraordinary aid and interest earned on investments.

The general fund revenues and other financing sources of the School District exceeded expenditures and other financing uses by \$248,894. This enabled the capital reserve account to be increased by \$550,000. The financial position of the School District remains strong.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
EAST AMWELL TOWNSHIP
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Capital Assets

At the end of the fiscal year 2025, the School District had \$9,117,464 invested in land, buildings, and furniture and equipment.

Table 4 provides a summary of the School District’s capital assets net of depreciation for the fiscal year ended June 30, 2025 compared to June 30, 2024.

Table 4
Capital Assets (Net of Depreciation)

	06/30/25	06/30/24	Variance	
			Dollars	%
Land	\$ 462,026	\$ 462,026	\$ -	0.00%
Construction in progress	278,063	35,007	243,056	694.31%
Land improvements	12	5,312	(5,300)	-99.76%
Right to use	21,166	37,040	(15,874)	-42.86%
Buildings & improvements	7,938,806	8,267,944	(329,138)	-3.98%
Furniture & equipment	417,391	276,903	140,488	50.74%
Total	<u>\$ 9,117,464</u>	<u>\$ 9,084,232</u>	<u>\$ 33,232</u>	0.37%

Overall capital assets increased \$33,232 from fiscal year 2024 to fiscal year 2025. Increases in capital assets were offset by depreciation expenses for the year.

Debt Administration

At June 30, 2025, the School District had \$4,243,120 of outstanding long-term liabilities. This amount is detailed in Table 5 below for the fiscal year ended June 30, 2025 compared to June 30, 2024.

Table 5
Long-Term Liabilities

	06/30/25	06/30/24	Variance	
			Dollars	%
General obligation bonds	\$ 2,370,000	\$ 2,515,000	\$ (145,000)	-5.77%
Compensated absences	414,670	390,793	23,877	6.11%
Leases payable	22,355	38,269	(15,914)	-41.58%
PERS net pension liability	1,436,095	1,500,774	(64,679)	-4.31%
Total	<u>\$ 4,243,120</u>	<u>\$ 4,444,836</u>	<u>\$ (201,716)</u>	-4.54%

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

For the Future

The East Amwell Township School District is in very good financial condition, reflecting careful planning and community support. As a primarily residential community with limited commercial ratables, the financial burden largely rests with local homeowners. Acknowledging this, the District is committed to seeking fiscally responsible ways to maintain and improve its facilities - ensuring a high-quality learning environment for all students.

Key concerns include the growing dependence on local property taxes, rising costs associated with special education, and the ongoing need to ensure the safety and security of our students. The District has increased its reserve funds in recent years to address facility needs identified through continuous facility walkthroughs and an updated Long Range Facility Plan. Alongside routine summer custodial and maintenance tasks, a chassis upgrade project was successfully finished. Throughout the 2024-2025 school year, the 1999 Wing Chiller project took place, as well as the installation of new basketball hoops.

During the 2022-2023 school year, the District submitted several Capital Improvement projects, as identified in the Long-Range Facility Plan, to the State of New Jersey for ROD Grant funding. As of June 30, 2025, the District is in the process of implementing approved projects in the future with the use of capital reserve funds. The District will continue to work towards completion of identified projects with reserve funds to limit impact on the tax-payers of East Amwell.

The District invested in BenQ Boards, along with replacement iPads and Chromebooks, to advance the 1:1 technology initiative for all students. Additionally, enhanced security measures were implemented to improve the safety of students, staff, and the broader community. The budget also continued to provide funding for a School Security Officer to be present on-site daily.

The East Amwell Township School District has consistently shown its dedication to financial excellence and continues to prioritize sound fiscal management in preparation for future needs.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Jason Bohm, School Business Administrator at East Amwell Township Board of Education, 43 Wertsville Road, Ringoes, NJ 08551 or email at jbohm@eastamwell.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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 859,843	\$ 40,324	\$ 900,167
Receivables, net	131,582	9,074	140,656
Due from other funds	-	478	478
Inventory	-	10,127	10,127
Restricted assets			
Capital reserve - cash	2,798,153	-	2,798,153
Emergency reserve - cash	50,300	-	50,300
Maintenance reserve - cash	403,660	-	403,660
Student activities - cash	30,027	-	30,027
Unemployment claims - cash	232,929	-	232,929
Capital projects - cash	75,897	-	75,897
Capital assets, net			
Land	462,026	-	462,026
Capital assets not being depreciated or amortized	278,063	-	278,063
Other capital assets, net of depreciation and amortization	8,333,423	43,952	8,377,375
Total assets	13,655,903	103,955	13,759,858
Deferred outflows of resources			
Deferred amount on pension activity	263,500	-	263,500
Liabilities			
Accounts payable	104,584	-	104,584
Accrued interest	33,677	-	33,677
Due to other funds	478	-	478
Payroll deductions and withholdings payable	42,837	-	42,837
Unearned revenue	108,233	8,334	116,567
Unemployment compensation claims payable	39,614	-	39,614
Long-term liabilities			
Due within one year	166,641	-	166,641
Due beyond one year	4,076,479	-	4,076,479
Total liabilities	4,572,543	8,334	4,580,877
Deferred inflows of resources			
Deferred amount on pension liability	207,316	-	207,316

See accompanying notes to the financial statements.

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net position			
Net investment in capital assets	\$ 6,681,157	\$ 43,952	\$ 6,725,109
Restricted for			
Capital reserve	2,798,153	-	2,798,153
Emergency reserve	50,300	-	50,300
Maintenance reserve	403,660	-	403,660
Student activities	30,027	-	30,027
Unemployment claims	196,706	-	196,706
Capital projects	75,897	-	75,897
Unrestricted	(1,096,356)	51,669	(1,044,687)
Total net position	<u>\$ 9,139,544</u>	<u>\$ 95,621</u>	<u>\$ 9,235,165</u>

See accompanying notes to the financial statements.

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

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental activities								
Instruction								
Regular	\$ 3,481,088	\$ 3,062,056	\$ 25,781	\$ 728,098	\$ -	\$ (5,789,265)	\$ -	\$ (5,789,265)
Special education	898,750	568,164	-	107,753	-	(1,359,161)	-	(1,359,161)
Other special education	110,696	93,845	-	13,210	-	(191,331)	-	(191,331)
Other instruction	106,939	11,004	-	-	-	(117,943)	-	(117,943)
Support services								
Tuition	67,999	-	-	-	-	(67,999)	-	(67,999)
Students and instruction related services	1,213,524	691,606	63,233	138,068	-	(1,703,829)	-	(1,703,829)
General and business administration services	563,419	204,001	-	-	-	(767,420)	-	(767,420)
School administration services	172,523	101,438	-	32,130	-	(241,831)	-	(241,831)
Plant operations and maintenance	863,188	132,588	6,850	3,674	-	(985,252)	-	(985,252)
Pupil transportation	549,369	1,766	-	-	-	(551,135)	-	(551,135)
Interest on long-term debt	74,238	-	-	-	-	(74,238)	-	(74,238)
Total governmental activities	<u>8,101,733</u>	<u>4,866,468</u>	<u>95,864</u>	<u>1,022,933</u>	<u>-</u>	<u>(11,849,404)</u>	<u>-</u>	<u>(11,849,404)</u>
Business-type activities								
Food service	213,094	-	112,907	70,638	-	-	(29,549)	(29,549)
Total business-type activities	<u>213,094</u>	<u>-</u>	<u>112,907</u>	<u>70,638</u>	<u>-</u>	<u>-</u>	<u>(29,549)</u>	<u>(29,549)</u>
Total primary government	<u>\$ 8,314,827</u>	<u>\$ 4,866,468</u>	<u>\$ 208,771</u>	<u>\$ 1,093,571</u>	<u>\$ -</u>	<u>(11,849,404)</u>	<u>(29,549)</u>	<u>(11,878,953)</u>
General revenues, special items and transfers								
Property taxes levied for general purposes						8,442,047	-	8,442,047
Property taxes levied for debt service						195,089	-	195,089
Federal and state aid not restricted						3,483,276	-	3,483,276
Investment earnings						174,205	2,488	176,693
Miscellaneous income						34,237	-	34,237
Total general revenues, special items and transfers						<u>12,328,854</u>	<u>2,488</u>	<u>12,331,342</u>
Change in net position						479,450	(27,061)	452,389
Net position - beginning						8,660,094	122,682	8,782,776
Net position - ending						<u>\$ 9,139,544</u>	<u>\$ 95,621</u>	<u>\$ 9,235,165</u>

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet
For the Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 859,843	\$ -	\$ -	\$ -	\$ 859,843
Due from other funds	1,785	-	-	-	1,785
Receivables from other governments					
State	105,508	12,704	-	-	118,212
Other local governments	10,875	-	-	-	10,875
Other accounts receivable	701	1,794	-	-	2,495
Restricted cash and cash equivalents	3,485,042	30,027	75,897	-	3,590,966
Total assets	\$ 4,463,754	\$ 44,525	\$ 75,897	\$ -	\$ 4,584,176
Liabilities and fund balances					
Liabilities					
Due to other funds	\$ 478	\$ 1,785	\$ -	\$ -	\$ 2,263
Accounts payable	98,912	5,672	-	-	104,584
Payroll deductions and withholdings payable	42,837	-	-	-	42,837
Unearned revenue	17,850	90,383	-	-	108,233
Unemployment compensation claims payable	39,614	-	-	-	39,614
Total liabilities	199,691	97,840	-	-	297,531

See accompanying notes to the financial statements.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet (continued)
For the Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Liabilities and fund balances					
Fund balances					
Restricted fund balance					
Excess surplus - designated for subsequent year's expenditures	\$ 375,967	\$ -	\$ -	\$ -	\$ 375,967
Excess surplus - current year	129,983	-	-	-	129,983
Capital reserve	2,798,153	-	-	-	2,798,153
Emergency reserve	50,300	-	-	-	50,300
Maintenance reserve	403,660	-	-	-	403,660
Student activities	-	30,027	-	-	30,027
Unemployment claims	196,706	-	-	-	196,706
Capital projects	-	-	75,897	-	75,897
Committed fund balance					
Encumbrances	79,314	-	-	-	79,314
Unassigned fund balance	229,980	(83,342)	-	-	146,638
Total fund balances	4,264,063	(53,315)	75,897	-	4,286,645
Total liabilities and fund balances	\$ 4,463,754	\$ 44,525	\$ 75,897	\$ -	

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.	9,073,512
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	56,184
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.	(4,243,120)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(33,677)
Total net position of governmental activities	\$ 9,139,544

See accompanying notes to the financial statements.

EAST AMWELL 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	\$ 8,442,047	\$ -	\$ -	\$ 195,089	\$ 8,637,136
Tuition charges					
Individuals	23,294	-	-	-	23,294
Other LEAs within the State	2,487	-	-	-	2,487
Rents and royalties	6,850	-	-	-	6,850
Interest	174,205	-	-	-	174,205
Miscellaneous	34,237	75,588	-	-	109,825
Total local sources	8,683,120	75,588	-	195,089	8,953,797
State sources	3,083,287	800,246	-	24,961	3,908,494
Federal sources	-	210,332	-	-	210,332
Total revenues	11,766,407	1,086,166	-	220,050	13,072,623
Expenditures					
Current					
Instructional					
Regular instruction	2,841,137	639,951	-	-	3,481,088
Special education instruction	790,997	107,753	-	-	898,750
Other special instruction	97,486	13,210	-	-	110,696
Other instruction	106,939	-	-	-	106,939
Support service and undistributed costs					
Tuition	67,999	-	-	-	67,999
Student and instruction related services	1,042,500	171,024	-	-	1,213,524
General and business administrative services	579,333	-	-	-	579,333
School administrative services	144,978	27,545	-	-	172,523
Plant operations and maintenance	860,038	3,150	-	-	863,188
Pupil transportation	549,369	-	-	-	549,369
Unallocated benefits	3,884,303	255,601	-	-	4,139,904

See accompanying notes to the financial statements.

EAST AMWELL 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	\$ 437,588	\$ 8,550	\$ 10,443	\$ -	\$ 456,581
Debt service					
Principal	-	-	-	145,000	145,000
Interest and other charges	1,183	-	-	75,050	76,233
Total expenditures	<u>11,403,850</u>	<u>1,226,784</u>	<u>10,443</u>	<u>220,050</u>	<u>12,861,127</u>
Excess (deficit) of revenues over (under) expenditures	362,557	(140,618)	(10,443)	-	211,496
Other financing sources (uses)					
Transfers in (out)	(110,075)	110,075	-	-	-
Total other financing sources (uses)	<u>(110,075)</u>	<u>110,075</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	252,482	(30,543)	(10,443)	-	211,496
Fund balances, July 1	<u>4,011,581</u>	<u>(22,772)</u>	<u>86,340</u>	<u>-</u>	<u>4,075,149</u>
Fund balances, June 30	<u>\$ 4,264,063</u>	<u>\$ (53,315)</u>	<u>\$ 75,897</u>	<u>\$ -</u>	<u>\$ 4,286,645</u>

See accompanying notes to the financial statements.

EAST AMWELL 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)	\$	211,496
<p>Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:</p>		
<p>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 exceeds depreciation in the period:</p>		
Capital outlays	\$ 456,581	
Depreciation and amortization expense	<u>(420,507)</u>	36,074
<p>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:</p>		
Debt principal payments	145,000	
Lease principal payments	<u>15,914</u>	160,914
<p>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.</p>		
		92,848
<p>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.</p>		
		1,995
<p>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.</p>		
		<u>(23,877)</u>
Change in net position of governmental activities	\$	<u><u>479,450</u></u>

See accompanying notes to the financial statements.

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

	<u>Food Service Fund</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 40,324
Due from other funds	478
Receivables from other governments	
State	757
Federal	8,317
Inventory	<u>10,127</u>
Total current assets	<u>60,003</u>
Noncurrent assets	
Capital assets	98,247
Less: accumulated depreciation	<u>54,295</u>
Total noncurrent assets	<u>43,952</u>
Total assets	<u>103,955</u>
Liabilities	
Current liabilities	
Unearned revenues - commodities	4,137
Unearned revenues - prepaid sales	<u>4,197</u>
Total liabilities	<u>8,334</u>
Net position	
Net investment in capital assets	43,952
Unrestricted	<u>51,669</u>
Total net position	<u><u>\$ 95,621</u></u>

See accompanying notes to the financial statements.

EAST AMWELL 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 programs	\$ 75,334
Daily sales - non-reimbursable programs	37,573
Total operating revenues	112,907
Operating expenses	
Cost of sales - reimbursable programs	65,650
Cost of sales - non-reimbursable programs	21,091
Commodity food costs	16,422
Salaries	54,208
Support services - employee benefits	5,018
Purchased professional/technical services	2,059
Purchased property services	3,241
Other purchased services	
Insurance	6,616
Management fee	12,130
Supplies and materials	20,269
Depreciation	6,390
Total operating expenses	213,094
Operating income (loss)	(100,187)
Non-operating revenues (expenses)	
State sources	
State school lunch program	4,170
Federal sources	
National school lunch program	
Cash assistance	47,822
Non-cash assistance (commodities)	16,422
P-EBT	643
Local food program	1,581
Interest earned on investments	2,488
Total non-operating revenues (expenses)	73,126
Change in net position	(27,061)
Net position, beginning	122,682
Net position, ending	\$ 95,621

See accompanying notes to the financial statements.

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

	<u>Food Service Fund</u>
Cash flows from operating activities	
Receipts from customers (net)	\$ 113,985
Payments to Food Service Management Co.	(148,412)
Payments to employees	(19,530)
Payments to vendors (net)	(22,756)
Net cash provided by (used for) operating activities	<u>(76,713)</u>
Cash flows from non-capital financing activities	
State sources	3,573
Federal sources	44,599
Net interfund transactions	(478)
Net cash provided by (used for) non-capital financing activities	<u>47,694</u>
Cash flows from investing activities	
Interest on investments	<u>2,488</u>
Cash flows from financing activities	
Acquisition of equipment	<u>(3,548)</u>
Net increase (decrease) in cash and cash equivalents	(30,079)
Cash and cash equivalents, beginning	<u>70,403</u>
Cash and cash equivalents, ending	<u>\$ 40,324</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities	
Operating income (loss)	\$ (100,187)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Depreciation	6,390
Federal food donation program	16,422
(Increase) decrease in inventory	(2,304)
Increase (decrease) in unearned revenue	2,966
Net cash provided by (used for) operating activities	<u>\$ (76,713)</u>

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies

The financial statements of the East Amwell 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 380 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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 Activities) 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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.

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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

Equipment	12 years
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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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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:

<u>Assets</u>	<u>Years</u>
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

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

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.

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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 and amortization, 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

O. Fund balances - governmental funds (continued)

- 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.

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 and amortization 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 one item that qualifies for reporting in this category, deferred amount on pension activity. 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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

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.

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	\$ 250,000
Insured by GUDPA	4,474,446
Total bank balances	\$ 4,724,446

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

	<u>Ref.</u>	
Unrestricted cash and cash equivalents		
Governmental funds, Balance Sheet	B-1	\$ 859,843
Enterprise funds, Statement of Net Position	B-4	40,324
Restricted cash and cash equivalents		
Governmental funds, Balance Sheet	B-1	3,590,966
Total cash and cash equivalents		\$ 4,491,133

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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	\$ 462,026	\$ -	\$ -	\$ 462,026
Construction in progress	35,007	243,056	-	278,063
Total	497,033	243,056	-	740,089
Capital assets, being depreciated or amortized				
Land improvements	122,047	-	-	122,047
Right-to-use	63,497	-	-	63,497
Building & improvements	12,942,299	10,443	-	12,952,742
Furniture & equipment	923,260	203,082	25,618	1,100,724
Total	14,051,103	213,525	25,618	14,239,010
Accumulated depreciation or amortization				
Land improvements	116,736	5,299	-	122,035
Right-to-use	26,457	15,874	-	42,331
Building & improvements	4,674,353	339,583	-	5,013,936
Furniture & equipment	693,152	59,751	25,618	727,285
Total	5,510,698	420,507	25,618	5,905,587
Total capital assets, being depreciated or amortized, net	8,540,405	(206,982)	-	8,333,423
Governmental activities capital assets, net	\$ 9,037,438	\$ 36,074	\$ -	\$ 9,073,512
	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities				
Furniture & equipment	\$ 94,699	\$ 3,548	\$ -	\$ 98,247
Less: accumulated depreciation	47,905	6,390	-	54,295
Business type activities capital assets, net	\$ 46,794	\$ (2,842)	\$ -	\$ 43,952

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets (continued)

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

Instruction		
Regular	\$	219,678
Special education		56,717
Other special instruction		6,986
Other instruction		6,749
Support services		
Student & instruction		78,319
General & business administration		36,560
School administration		9,149
Plant maintenance		6,349
Total depreciation and amortization expense, governmental activities	<u>\$</u>	<u>420,507</u>

Note 5 - Long-term debt

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
General obligation bonds payable	\$ 2,515,000	\$ -	\$ 145,000	\$ 2,370,000	\$ 150,000
Lease	38,269	-	15,914	22,355	16,641
Compensated absences payable	390,793	23,877	-	414,670	-
PERS net pension liability	1,500,774	-	64,679	1,436,095	-
Total governmental activities long-term liabilities	<u>\$ 4,444,836</u>	<u>\$ 23,877</u>	<u>\$ 225,593</u>	<u>\$ 4,243,120</u>	<u>\$ 166,641</u>

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.

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

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 150,000	\$ 72,150	\$ 222,150
2027	155,000	67,650	222,650
2028	160,000	63,000	223,000
2029	165,000	58,200	223,200
2030	170,000	53,250	223,250
2031-2035	930,000	186,750	1,116,750
2036-2038	640,000	40,469	680,469
Total	<u>\$ 2,370,000</u>	<u>\$ 541,469</u>	<u>\$ 2,911,469</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 5 - Long-term debt (continued)

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

\$3,315,000 - 2018 refunding general obligation bonds, due in annual installments of \$110,000 to \$220,000, beginning January 15, 2019, through January 15, 2038, interest at 2.00% to 3.125%. \$ 2,370,000

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 \$27,770,237. Total net debt applicable at June 30, 2025 is \$2,370,000, resulting in a legal debt margin of \$25,400,237.

Leases Payable

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

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 16,641	\$ 663	\$ 17,304
2027	5,714	54	5,768
Total	<u>\$ 22,355</u>	<u>\$ 717</u>	<u>\$ 23,072</u>

Leases payable - Leases payable at June 30, 2025, with their outstanding balances are comprised of the following individual issues:

\$69,216 - 2023 lease, interest at 4.48%, due in annual installments beginning November 1, 2022, to October 1, 2026. \$ 22,355

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)
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 pension 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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 will be credited with the full payment and any such amounts were 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 17.46% 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 \$4,630 to the PERS for normal pension benefits on behalf of the District.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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 the measurement date of June 30, 2024:

Net pension liability	\$ 1,436,095
Proportionate share	0.0105688129%

Plan fiduciary net position as a percentage of the total pension liability	68.22%
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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%
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Investment rate of return	7.00%
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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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Long-term expected rate of return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024 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 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:

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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 the measurement date, June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% 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%)	\$	1,436,095
At a 1% lower rate (6.00%)		1,924,280
At a 1% higher rate (8.00%)		1,043,028

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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 28,768	\$ 3,823
Changes of assumptions	1,784	16,339
Net difference between projected and actual earnings on pension plan investments	-	66,588
Changes in proportion and differences between District contributions and proportionate share of contributions	89,136	120,566
District contributions subsequent to the measurement date	143,812	-
Total	<u>\$ 263,500</u>	<u>\$ 207,316</u>

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 ended June 30, 2025, the Plan measurement date is June 30, 2024) of \$143,812 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Collective deferred outflows of resources and deferred inflows of resources (continued)

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 year ended June 30, 2024 measurement date:

	<u>Beginning Balance</u>	<u>Net Change in Activity</u>	<u>Ending Balance</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 14,349	\$ 14,419	\$ 28,768
Changes of assumptions	3,297	(1,513)	1,784
Differences between expected and actual experience	6,911	(6,911)	-
Deferred inflows of resources			
Differences between expected and actual experience	(6,135)	2,312	(3,823)
Changes of assumptions	(90,953)	74,614	(16,339)
Differences between projected and actual investment earnings on pension plan investments	-	(66,588)	(66,588)
Net changes	<u>\$ (72,531)</u>	<u>\$ 16,333</u>	<u>\$ (56,198)</u>

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 (benefits) as follows:

Fiscal Year Ended June 30,

2025	\$ (60,972)
2026	47,178
2027	(27,143)
2028	(15,669)
2029	408
Total	<u>\$ (56,198)</u>

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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 \$50,966, which represents the District's proportionate share of allocable plan pension expense (benefit) of \$31,297, plus the net amortization of deferred amounts from changes in proportion of \$24,999, and plus other adjustments to the net pension liability of (\$5,330). 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 ended June 30, 2024 measurement date are as follows:

Service cost	\$	69,414
Interest on total pension liability		259,280
Benefit changes		-
Member contributions		(56,849)
Administrative expense		2,008
Other- Chapter 19 adjustment		(2,090)
Expected investment return net of investment expense		(156,624)
Pension expense related to specific liabilities of individual employers		(1,999)
Recognition (amortization) of deferred inflows/outflows of resources		
Differences between projected and actual experience		7,899
Changes of assumptions		(63,366)
Difference between projected and actual investment earnings on pension plan investments		(26,376)
Pension expense (benefit)	\$	31,297

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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	Definition
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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)
B. Teacher’s Pension and Annuity Fund (TPAF) (continued)

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. 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 ended June 30, 2024, the State of New Jersey contributed \$1,446,527 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:

Total pension liability	\$	26,672,836
Plan fiduciary net position		10,132,040
Net pension liability	\$	16,540,796
 Proportionate share		 0.0334663833%
 Plan fiduciary net position as a percentage of the total pension liability		 37.99%

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)
B. Teacher’s Pension and Annuity Fund (TPAF) (continued)

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%

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 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)
B. Teacher’s Pension and Annuity Fund (TPAF) (continued)
Long-term expected rate of return (continued)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF’s target asset allocations as of June 30, 2024 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
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 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 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%)	\$	16,540,796
At a 1% lower rate (6.00%)		19,661,077
At a 1% higher rate (8.00%)		13,912,929

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)
B. Teacher’s Pension and Annuity Fund (TPAF) (continued)
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 year ended June 30, 2024 measurement date are as follows:

Service cost	\$	466,272
Interest on total pension liability		1,805,696
Benefit changes		-
Member contributions		(323,555)
Administrative expense		8,021
Expected investment return net of investment expense		(628,389)
Pension expense related to specific liabilities of individual employers		(174)
Recognition (amortization) of deferred inflows/outflows of resources		
Differences between projected and actual experience		54,478
Changes of assumptions		(1,395,612)
Difference between projected and actual investment earnings on pension plan investments		(47,075)
Pension expense (benefit)	\$	(60,338)

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 \$4,724.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)
D. Other pension plan information

During the fiscal year ended June 30, 2025, the State of New Jersey contributed \$390,052 to the TPAF for postretirement medical benefits, \$16,333 for non-contributory insurance premiums, \$289 for long-term disability insurance, and \$1,318,544 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 \$295,919 during the fiscal 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.

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

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 2024 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.state.nj.us/treasury/taxation/payments-notice.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.

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 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	21,652,956
Employer OPEB expense and related revenue	430,736
 Allocable proportionate percentage	 0.0362996264%

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)
Changes in the total OPEB liability

	Total OPEB Liability
Total OPEB liability at June 30, 2023	\$ 19,822,170
Service cost	669,527
Interest cost	712,764
Change of benefit terms	-
Differences between expected and actual experiences	(645,724)
Changes of assumptions	1,619,929
Member contributions	18,639
Gross benefit payments	(544,349)
Total OPEB liability at June 30, 2024	\$ 21,652,956

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 June 30, 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. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

Changes in the total OPEB liability (continued)

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 seven 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.

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:

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

<u>Total OPEB liability (school retirees)</u>	
At current discount rate (3.93%)	\$ 21,652,956
At a 1% lower rate (2.93%)	25,360,249
At a 1% higher rate (4.93%)	18,671,523

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

The following presents the total non-employer OPEB liability, 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:

<u>Total OPEB liability (school retirees)</u>	
Healthcare cost trend rate	\$ 21,652,956
At a 1% lower rate (1% decrease)	18,037,070
At a 1% higher rate (1% increase)	26,362,886

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

For the fiscal year ended June 30, 2024, the District recognized OPEB expense of \$430,736 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:

AXA Equitable	Great American Life
Variable Annuity Life Insurance Co.	Metropolitan Life
Lincoln Investment Planning	ABMM Financial

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 9 - Interfund receivables and payables

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

	Receivable	Payable
General fund	\$ 1,785	\$ 478
Special revenue fund	-	1,785
Food service fund	478	-
	\$ 2,263	\$ 2,263

The balance due from the special revenue fund to the general fund of \$1,785 represents a loan as a result of cash flow issues relating to the delayed receipt of grant revenues. The balance due from the general fund to the food service fund of \$478 represents aid received in the general fund due to food service.

Note 10 - Inventory

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

Food	\$ 8,439
Supplies	1,688
Total	\$ 10,127

Note 11 - Contingent liabilities

Grantor agencies

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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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	Board Contrib.	Interest Earnings	Employee Contrib.	Amount Reimbursed	Ending Balance Available for Claims
2024 - 2025	\$ -	\$ 6,790	\$ 9,598	\$ 1,144	\$ 236,320
2023 - 2024	-	5,991	9,252	604	221,076
2022 - 2023	-	100	9,184	1,662	206,437

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 N.J.A.C.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	\$ 2,248,153	\$ 550,000	\$ -	\$ -	\$ -	\$ 2,798,153
Emergency	50,300	-	-	-	-	50,300
Maintenance	403,660	-	-	-	-	403,660
Total	<u>\$ 2,702,113</u>	<u>\$ 550,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,252,113</u>

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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.	\$ 375,967
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.	129,983
Capital reserve account - represents funds restricted to capital projects in the Districts long range facilities plan.	2,798,153
Emergency reserve account - represents funds accumulated to finance unanticipated general fund expenditures required for a thorough and efficient education.	50,300
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).	403,660
Unemployment compensation - represents funds accumulated for future unemployment claims.	196,706

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.	79,314
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Unassigned

Undesignated - represents fund balance which has not been restricted or designated.	326,810
Total fund balance - budgetary basis (Exhibit C-1)	4,360,893
Last state aid payments not recognized on GAAP basis	(96,830)
Total fund balance - GAAP basis (Exhibit B-1)	\$ 4,264,063

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 \$129,983.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

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 (\$1,096,356) on Schedule A-1, Statement of Net Position. The deficit balance is not a negative reflection on the District's financial condition but 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 (\$83,342) 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 October 14, 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

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources					
Local tax levy	\$ 8,442,047	\$ -	\$ 8,442,047	\$ 8,442,047	\$ -
Tuition from individuals	-	-	-	23,294	23,294
Tuition from other LEAs within the State	-	-	-	2,487	2,487
Rents and royalties	7,000	-	7,000	6,850	(150)
Unrestricted miscellaneous revenues	35,000	-	35,000	201,652	166,652
Interest earned on capital reserve funds	1,000	-	1,000	-	(1,000)
Other restricted miscellaneous revenues	-	-	-	6,790	6,790
Total	<u>8,485,047</u>	<u>-</u>	<u>8,485,047</u>	<u>8,683,120</u>	<u>198,073</u>
State sources					
School Choice Aid	375,648	-	375,648	375,648	-
Categorical Transportation Aid	181,957	-	181,957	181,957	-
Extraordinary Aid	-	-	-	73,541	73,541
Categorical Special Education Aid	373,946	-	373,946	373,946	-
Categorical Security Aid	37,939	-	37,939	37,939	-
Other State Aid	-	-	-	15,531	15,531
TPAF Pension (on-behalf)	-	-	-	1,318,544	1,318,544
TPAF Non-contributory insurance	-	-	-	16,333	16,333
TPAF Social Security (reimbursed)	-	-	-	295,919	295,919
TPAF Postretirement benefits	-	-	-	390,052	390,052
TPAF Long-term disability insurance	-	-	-	289	289
Total	<u>969,490</u>	<u>-</u>	<u>969,490</u>	<u>3,079,699</u>	<u>2,110,209</u>
Total revenues	<u>\$ 9,454,537</u>	<u>\$ -</u>	<u>\$ 9,454,537</u>	<u>\$ 11,762,819</u>	<u>\$ 2,308,282</u>

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures					
Current					
Instruction - regular program					
Salaries of Teachers					
Preschool	\$ 22,859	\$ 11,175	\$ 34,034	\$ 33,907	\$ 127
Kindergarten	164,010	(942)	163,068	162,623	445
Grades 1-5	1,206,391	2,894	1,209,285	1,207,347	1,938
Grades 6-8	1,084,379	(21,014)	1,063,365	1,053,029	10,336
Home instruction					
Purchased technical services	1,200	3,864	5,064	5,064	-
Other purchased services	150	-	150	-	150
Regular programs - undistributed instruction					
Other salaries for instruction	20,660	(1,222)	19,438	14,062	5,376
Purchased professional - educational services	144,000	(10,803)	133,197	114,998	18,199
Purchased technical services	47,125	(675)	46,450	28,642	17,808
Other purchased services	95,428	(27,087)	68,341	56,206	12,135
General supplies	128,018	36,919	164,937	142,579	22,358
Textbooks	6,316	552	6,868	6,868	-
Other objects	22,939	(5,915)	17,024	15,812	1,212
Total	<u>2,943,475</u>	<u>(12,254)</u>	<u>2,931,221</u>	<u>2,841,137</u>	<u>90,084</u>
Special education					
Resource room/resource center					
Salaries of Teachers	560,211	24,004	584,215	583,909	306
Other salaries for instruction	122,235	(6,141)	116,094	99,098	16,996
Purchased professional - educational services	144,000	(6,920)	137,080	104,175	32,905
Other purchased services	2,850	-	2,850	-	2,850
General supplies	7,701	-	7,701	3,815	3,886
Total	<u>836,997</u>	<u>10,943</u>	<u>847,940</u>	<u>790,997</u>	<u>56,943</u>
Total special education	<u>836,997</u>	<u>10,943</u>	<u>847,940</u>	<u>790,997</u>	<u>56,943</u>
Basic skills/remedial					
Salaries of Teachers	104,192	-	104,192	97,441	6,751
Other purchased services	250	-	250	-	250
General supplies	1,250	-	1,250	45	1,205
Total	<u>105,692</u>	<u>-</u>	<u>105,692</u>	<u>97,486</u>	<u>8,206</u>
School-sponsored co/extracurricular activities - instruction					
Salaries	57,212	4,138	61,350	61,350	-
Purchased services	1,500	(1,500)	-	-	-
Supplies and materials	3,700	(1,253)	2,447	855	1,592
Other objects	400	-	400	-	400
Total	<u>62,812</u>	<u>1,385</u>	<u>64,197</u>	<u>62,205</u>	<u>1,992</u>

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
School-sponsored athletics - instruction					
Salaries	\$ 37,670	\$ (1,385)	\$ 36,285	\$ 36,285	\$ -
Purchased services	4,600	800	5,400	5,400	-
Supplies and materials	7,500	(900)	6,600	2,449	4,151
Other objects	500	100	600	600	-
Total	50,270	(1,385)	48,885	44,734	4,151
Total instruction regular	\$ 3,999,246	\$ (1,311)	\$ 3,997,935	\$ 3,836,559	\$ 161,376
Undistributed expenditures					
Undistributed expenditures - instruction					
Tuition to priv. school for the disabled within state	\$ -	\$ 67,999	\$ 67,999	\$ 67,999	\$ -
Total	-	67,999	67,999	67,999	-
Undistributed expenditures - health services					
Salaries	86,545	(3,083)	83,462	77,941	5,521
Purchased professional and technical services	14,141	2,130	16,271	12,519	3,752
Other purchased services	600	-	600	343	257
Supplies and materials	3,491	953	4,444	3,288	1,156
Other objects	452	-	452	-	452
Total	105,229	-	105,229	94,091	11,138
Undistributed expenditures - speech/ot/pt and related services					
Purchased professional - educational services	191,687	(4,433)	187,254	181,742	5,512
Supplies and materials	450	-	450	374	76
Total	192,137	(4,433)	187,704	182,116	5,588
Undistributed expenditures - other supp. service stds. - extra service					
Salaries	35,101	2,576	37,677	37,677	-
Purchased professional - educational services	1,100	2,741	3,841	3,841	-
Total	36,201	5,317	41,518	41,518	-
Undistributed expenditures - guidance					
Salaries of other Professional Staff	107,390	-	107,390	103,985	3,405
Purchased professional - educational services	5,000	-	5,000	-	5,000
Other purchased services	2,800	-	2,800	-	2,800
Supplies and materials	2,650	-	2,650	231	2,419
Other objects	130	-	130	-	130
Total	117,970	-	117,970	104,216	13,754
Undistributed expenditures - child study teams					
Salaries of other Professional Staff	276,365	(250)	276,115	251,617	24,498
Salaries of Secretarial and Clerical Assistants	47,716	-	47,716	46,551	1,165
Other salaries	22,950	-	22,950	19,544	3,406
Purchased professional - educational services	39,000	-	39,000	29,978	9,022
Other purchased professional and technical services	12,000	802	12,802	12,802	-
Other purchased services	3,381	-	3,381	2,163	1,218
Supplies and materials	9,000	(802)	8,198	6,081	2,117
Total	410,412	(250)	410,162	368,736	41,426

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Undistributed expenditures - improvement of inst. service					
Salaries of other Professional Staff	\$ 15,200	\$ (472)	\$ 14,728	\$ 3,120	\$ 11,608
Salaries of Secretarial and Clerical Assist	3,322	-	3,322	-	3,322
Other salaries	83,719	472	84,191	84,191	-
Other purchased services	1,657	177	1,834	1,756	78
Supplies and materials	500	(177)	323	-	323
Other objects	1,650	-	1,650	1,543	107
Total	106,048	-	106,048	90,610	15,438
Undistributed expenditures - edu. media service/sch. library					
Salaries	58,182	-	58,182	53,182	5,000
Salaries of technology coordinators	64,895	(1,062)	63,833	50,768	13,065
Purchased professional and technical services	63,250	(429)	62,821	38,886	23,935
Other purchased services	6,250	(485)	5,765	2,543	3,222
Supplies and materials	16,046	724	16,770	10,340	6,430
Other objects	150	-	150	-	150
Total	208,773	(1,252)	207,521	155,719	51,802
Undistributed expenditures - instructional staff training services					
Purchased professional - educational services	2,820	(244)	2,576	2,050	526
Other purchased services	8,000	-	8,000	3,444	4,556
Supplies and materials	1,000	-	1,000	-	1,000
Other objects	100	-	100	-	100
Total	11,920	(244)	11,676	5,494	6,182
Undistributed expenditures - support service - general admin.					
Salaries	210,110	4,562	214,672	214,583	89
Legal services	20,875	4,305	25,180	22,523	2,657
Audit fees	20,000	(100)	19,900	19,900	-
Architectural/engineering services	24,640	1,500	26,140	24,415	1,725
Other purchased professional services	-	3,012	3,012	3,012	-
Purchased technical services	-	3,400	3,400	3,400	-
Communications/telephone	20,275	14,129	34,404	34,404	-
BOE other purchased services	3,600	(193)	3,407	3,407	-
Miscellaneous purchased services	25,392	(7,093)	18,299	18,299	-
General supplies	9,590	188	9,778	9,778	-
BOE in-house training/meeting supplies	200	151	351	351	-
Miscellaneous expenditures	500	20,802	21,302	21,302	-
BOE membership dues and fees	4,800	(93)	4,707	4,707	-
Total	339,982	44,570	384,552	380,081	4,471
Undistributed expenditures - support service - school admin.					
Salaries of Principals/Assistant Principals	98,550	(167)	98,383	95,550	2,833
Salaries of Secretarial and Clerical Assistants	41,629	(2,789)	38,840	31,851	6,989
Other purchased services	3,329	167	3,496	3,394	102
Supplies and materials	4,000	284	4,284	4,284	-
Other objects	2,060	280	2,340	2,340	-
Total	149,568	(2,225)	147,343	137,419	9,924

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Undistributed expenditures - central services					
Salaries	\$ 93,997	\$ (4,793)	\$ 89,204	\$ 88,068	\$ 1,136
Purchased professional services	107,586	2,679	110,265	107,728	2,537
Miscellaneous purchased services	1,927	263	2,190	2,190	-
Supplies and materials	800	3,969	4,769	710	4,059
Other objects	1,560	(722)	838	556	282
Total	205,870	1,396	207,266	199,252	8,014
Undistributed expenditures - admin. info. technology					
Purchased professional services	5,300	2,259	7,559	7,559	-
Total	5,300	2,259	7,559	7,559	-
Undistributed expenditures - req. maint. for school facilities					
Salaries	50,257	3	50,260	50,260	-
Cleaning, repair, and maintenance services	60,203	1,300	61,503	55,795	5,708
General supplies	10,000	(10,000)	-	-	-
Other objects	2,745	(1,129)	1,616	-	1,616
Total	123,205	(9,826)	113,379	106,055	7,324
Undistributed expenditures - custodial services					
Salaries	264,825	9,528	274,353	258,628	15,725
Purchased professional and technical services	28,857	9,928	38,785	35,605	3,180
Cleaning, repair, and maintenance service	20,404	4,270	24,674	24,436	238
Insurance	71,870	(12,882)	58,988	56,722	2,266
Miscellaneous purchased services	1,225	(250)	975	975	-
General supplies	36,184	9,479	45,663	42,865	2,798
Energy (natural gas)	55,000	(3,761)	51,239	50,995	244
Energy (electricity)	95,000	(7,124)	87,876	87,876	-
Other objects	2,130	(604)	1,526	1,526	-
Total	575,495	8,584	584,079	559,628	24,451
Undistributed expenditures - care and upkeep of grounds					
Salaries	85,154	(1,342)	83,812	82,770	1,042
Cleaning, repair, and maintenance service	7,500	(6,085)	1,415	1,415	-
General supplies	12,100	4,144	16,244	16,095	149
Total	104,754	(3,283)	101,471	100,280	1,191
Undistributed expenditures - security					
Purchased professional and technical services	63,710	23,445	87,155	87,136	19
Cleaning, repair, and maintenance service	3,500	(1,159)	2,341	2,341	-
General supplies	6,680	(1,325)	5,355	4,598	757
Total	73,890	20,961	94,851	94,075	776

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Undistributed expenditures - student trans. service					
Salaries for pupil trans. (between home & school) - reg.	\$ 8,913	\$ 23	\$ 8,936	\$ 8,917	\$ 19
Contract service-aid in lieu pymts - non-public schools	8,155	1,261	9,416	9,416	-
Contract service-aid in lieu pymts-choice school students	5,825	(5,825)	-	-	-
Contract service (oth. than between home & school) - vend.	25,000	1,105	26,105	26,105	-
Contract service (between home & school) - joint agreements	523,742	(38,054)	485,688	485,688	-
Contract service (sp ed stds) - joint agreements	-	19,243	19,243	19,243	-
Total	<u>571,635</u>	<u>(22,247)</u>	<u>549,388</u>	<u>549,369</u>	<u>19</u>
Unallocated benefits - employee benefits					
Social Security contributions	110,808	(11,234)	99,574	99,574	-
Other retirement contributions - PERS	160,058	(15,682)	144,376	143,813	563
Other retirement contributions - ERIP	7,100	(2,376)	4,724	4,724	-
Other retirement contributions - regular	5,000	-	5,000	5,000	-
Workmen's compensation	58,212	(8,228)	49,984	49,984	-
Health benefits	1,691,048	(104,815)	1,586,233	1,481,728	104,505
Tuition reimbursement	41,529	(6,086)	35,443	24,612	10,831
Other employee benefits	59,625	-	59,625	39,731	19,894
Unused sick payment to terminated/retired staff	-	14,000	14,000	14,000	-
Total	<u>2,133,380</u>	<u>(134,421)</u>	<u>1,998,959</u>	<u>1,863,166</u>	<u>135,793</u>
On-behalf TPAF Pension contribution	-	-	-	1,318,544	(1,318,544)
On-behalf TPAF Non-contributory insurance	-	-	-	16,333	(16,333)
On-behalf TPAF Postretirement medical benefits	-	-	-	390,052	(390,052)
On-behalf TPAF Long-term disability insurance	-	-	-	289	(289)
Reimbursed TPAF Social Security contribution	-	-	-	295,919	(295,919)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,021,137</u>	<u>(2,021,137)</u>
Total undistributed expenditures	<u>\$ 5,471,769</u>	<u>\$ (27,095)</u>	<u>\$ 5,444,674</u>	<u>\$ 7,128,520</u>	<u>\$ (1,683,846)</u>
Total current	<u>\$ 9,471,015</u>	<u>\$ (28,406)</u>	<u>\$ 9,442,609</u>	<u>\$ 10,965,079</u>	<u>\$ (1,522,470)</u>
Capital outlay					
Equipment					
Undistributed					
Undistributed expenditures - instruction	\$ -	\$ 73,312	\$ 73,312	\$ 73,312	\$ -
Undistributed expend. - support service - related & extra.	-	4,080	4,080	4,080	-
Undistributed expenditures - admin. info. technology	56,000	1,509	57,509	57,509	-
Undistributed expenditures - custodial services	-	10,708	10,708	10,708	-
Undistributed expenditures - care and upkeep of grounds	48,923	2,949	51,872	48,923	2,949
Total equipment	<u>104,923</u>	<u>92,558</u>	<u>197,481</u>	<u>194,532</u>	<u>2,949</u>

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Facilities acquisition and construction service					
Architectural/engineering services	\$ 36,193	\$ (22,680)	\$ 13,513	\$ 7,424	\$ 6,089
Construction services	254,998	2	255,000	235,632	19,368
Assessment for debt service on SDA funding	1,183	-	1,183	1,183	-
Total facilities acquisition and construction service	<u>292,374</u>	<u>(22,678)</u>	<u>269,696</u>	<u>244,239</u>	<u>25,457</u>
Total capital outlay	<u>\$ 397,297</u>	<u>\$ 69,880</u>	<u>\$ 467,177</u>	<u>\$ 438,771</u>	<u>\$ 28,406</u>
Total expenditures	<u>\$ 9,868,312</u>	<u>\$ 41,474</u>	<u>\$ 9,909,786</u>	<u>\$ 11,403,850</u>	<u>\$ (1,494,064)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (413,775)</u>	<u>\$ (41,474)</u>	<u>\$ (455,249)</u>	<u>\$ 358,969</u>	<u>\$ 814,218</u>
Other financing sources (uses)					
Operating transfer out					
Transfer to food service fund - board contribution	(5,000)	-	(5,000)	-	5,000
Transfer to special revenue fund - preschool programs	<u>(110,075)</u>	<u>-</u>	<u>(110,075)</u>	<u>(110,075)</u>	<u>-</u>
Total other financing sources (uses)	<u>(115,075)</u>	<u>-</u>	<u>(115,075)</u>	<u>(110,075)</u>	<u>5,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(528,850)	(41,474)	(570,324)	248,894	819,218
Fund balances, July 1	4,111,999	-	4,111,999	4,111,999	-
Fund balances, June 30	<u>\$ 3,583,149</u>	<u>\$ (41,474)</u>	<u>\$ 3,541,675</u>	<u>\$ 4,360,893</u>	<u>\$ 819,218</u>
Recapitulation of excess (deficiency) of revenues over (under) expenditures					
Adjustment for prior year encumbrances	\$ (407,970)	\$ -	\$ (407,970)	\$ (407,970)	\$ -
Increase in capital reserve	-	550,000	550,000	550,000	-
Interest deposit to capital reserve	1,000	-	1,000	-	(1,000)
Interest earned on unemployment compensation	-	-	-	6,790	6,790
Budgeted fund balance	<u>(121,880)</u>	<u>(591,474)</u>	<u>(713,354)</u>	<u>100,074</u>	<u>813,428</u>
Total	<u>\$ (528,850)</u>	<u>\$ (41,474)</u>	<u>\$ (570,324)</u>	<u>\$ 248,894</u>	<u>\$ 819,218</u>
Recapitulation of fund balance					
Restricted fund balance					
Excess surplus - designated for subsequent year's expenditures				\$ 375,967	
Excess surplus - current year				129,983	
Capital reserve				2,798,153	
Emergency reserve				50,300	
Maintenance reserve				403,660	
Unemployment compensation				196,706	
Committed fund balance					
Year-end encumbrances				79,314	
Unassigned fund balance				<u>326,810</u>	
Fund balance per budgetary basis				4,360,893	
Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				<u>(96,830)</u>	
Fund balance per governmental funds (GAAP)				<u>\$ 4,264,063</u>	

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources	\$ 84,035	\$ -	\$ 84,035	\$ 76,171	\$ (7,864)
State sources	832,525	6,583	839,108	831,980	(7,128)
Federal sources	248,358	3	248,361	210,333	(38,028)
Total revenues	<u>1,164,918</u>	<u>6,586</u>	<u>1,171,504</u>	<u>1,118,484</u>	<u>(53,020)</u>
Other financing sources					
Transfers in	<u>110,075</u>	<u>-</u>	<u>110,075</u>	<u>110,075</u>	<u>-</u>
Total revenues & other financing sources	<u>\$1,274,993</u>	<u>\$ 6,586</u>	<u>\$1,281,579</u>	<u>\$1,228,559</u>	<u>\$ (53,020)</u>
Expenditures					
Instruction					
Salaries	\$ 700,148	\$ 1,450	\$ 701,598	\$ 692,775	\$ 8,823
Purchased professional and technical services	51,578	(3,000)	48,578	15,728	32,850
Other purchased services	2,000	2,971	4,971	4,908	63
General supplies	41,121	1	41,122	38,566	2,556
Total	<u>794,847</u>	<u>1,422</u>	<u>796,269</u>	<u>751,977</u>	<u>44,292</u>
Support services					
Salaries	97,171	-	97,171	97,171	-
Employee benefits	265,849	3	265,852	265,470	382
Purchased professional and technical services	32,879	-	32,879	27,699	5,180
Plant operations and maintenance	(400)	4,112	3,712	3,213	499
Other purchased services	6,404	-	6,404	6,404	-
Travel	10,000	(9,971)	29	29	-
Supplies and materials	5,010	2,470	7,480	4,813	2,667
Student activities	62,451	-	62,451	62,451	-
Total	<u>479,364</u>	<u>(3,386)</u>	<u>475,978</u>	<u>467,250</u>	<u>8,728</u>

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (continued)					
Capital outlay					
Instructional equipment	\$ -	\$ 8,550	\$ 8,550	\$ 8,550	\$ -
Total	<u>-</u>	<u>8,550</u>	<u>8,550</u>	<u>8,550</u>	<u>-</u>
 Total expenditures	 <u>\$1,274,211</u>	 <u>\$ 6,586</u>	 <u>\$1,280,797</u>	 <u>\$1,227,777</u>	 <u>\$ 53,020</u>
 Excess (deficiency) of revenues over (under) expenditures	 \$ 782	 \$ -	 \$ 782	 \$ 782	 \$ -
 Fund balances, July 1	 <u>29,245</u>	 <u>-</u>	 <u>29,245</u>	 <u>29,245</u>	 <u>-</u>
 Fund balances, June 30	 <u>\$ 30,027</u>	 <u>\$ -</u>	 <u>\$ 30,027</u>	 <u>\$ 30,027</u>	 <u>\$ -</u>
 Recapitulation of fund balance					
Restricted fund balance					
Student activities				\$ 30,027	
Fund balance per budgetary basis				<u>30,027</u>	
 Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				<u>(83,342)</u>	
 Fund balance per governmental funds (GAAP)				<u>\$ (53,315)</u>	

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Notes to 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	Capital Projects Fund
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 11,762,819	\$ 1,118,484	\$ -
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	-	900	-
Outstanding encumbrances - current year	-	(1,893)	-
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	100,418	52,017	-
State aid receivable current year	(96,830)	(83,342)	-
Total revenues (GAAP basis)	\$ 11,766,407	\$ 1,086,166	\$ -
Uses/Outflows of Resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 11,403,850	\$ 1,227,777	\$ 10,443
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	-	900	-
Outstanding encumbrances - current year	-	(1,893)	-
Total expenditures (GAAP basis)	\$ 11,403,850	\$ 1,226,784	\$ 10,443

See independent auditors' reports.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

EAST AMWELL 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 a percentage of the total pension liability
	Percentage	Value			
2016	0.0105374274%	\$ 3,120,884	\$ 724,564	430.73%	40.14%
2017	0.0106076987%	2,469,303	786,750	313.86%	48.10%
2018	0.0106301900%	2,093,031	689,472	303.57%	53.60%
2019	0.0099914112%	1,800,301	748,083	240.66%	56.27%
2020	0.0107937335%	1,760,176	791,855	222.29%	58.32%
2021	0.0108052469%	1,280,043	846,451	151.22%	70.33%
2022	0.0115544371%	1,743,724	790,090	220.70%	62.91%
2023	0.0103613300%	1,500,774	835,390	179.65%	65.23%
2024	0.0105688129%	1,436,095	761,345	188.63%	68.22%
2025	N/A	N/A	823,699	N/A	N/A

N/A = Information not available

See independent auditors' reports.

EAST AMWELL 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	\$ 87,741	\$ (87,741)	\$ -	\$ 724,564	12.11%
2017	93,975	(93,975)	-	786,750	11.94%
2018	98,269	(98,269)	-	689,472	14.25%
2019	105,736	(105,736)	-	748,083	14.13%
2020	97,187	(97,187)	-	791,855	12.27%
2021	118,078	(118,078)	-	846,451	13.95%
2022	126,542	(126,542)	-	790,090	16.02%
2023	145,707	(145,707)	-	835,390	17.44%
2024	138,482	(138,482)	-	761,345	18.19%
2025	143,812	(143,812)	-	823,699	17.46%

See independent auditors' reports.

EAST AMWELL 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)			Total	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
	District's proportion		State's				
	Percentage	Value	proportion				
2016	0.00%	\$ -	\$ 27,881,315	\$ 27,881,315	\$ 3,594,916	0.00%	22.33%
2017	0.00%	-	24,247,579	24,247,579	3,594,070	0.00%	25.41%
2018	0.00%	-	21,876,597	21,876,597	3,555,516	0.00%	26.49%
2019	0.00%	-	20,731,584	20,731,584	3,640,029	0.00%	26.95%
2020	0.00%	-	22,046,999	22,046,999	3,707,569	0.00%	24.60%
2021	0.00%	-	15,514,837	15,514,837	3,761,762	0.00%	35.52%
2022	0.00%	-	17,386,181	17,386,181	3,924,438	0.00%	32.29%
2023	0.00%	-	16,392,315	16,392,315	3,915,354	0.00%	34.68%
2024	0.00%	-	16,540,796	16,540,796	3,989,940	0.00%	37.99%
2025	N/A	N/A	N/A	N/A	4,179,216	N/A	N/A

N/A = Information not available

See independent auditors' reports.

EAST AMWELL 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	\$ 283,767	\$ (283,767)	\$ -	\$ 3,594,916	7.89%
2017	404,513	(404,513)	-	3,594,070	11.26%
2018	518,696	(518,696)	-	3,555,516	14.59%
2019	678,294	(678,294)	-	3,640,029	18.63%
2020	679,211	(679,211)	-	3,707,569	18.32%
2021	758,695	(758,695)	-	3,761,762	20.17%
2022	945,736	(945,736)	-	3,924,438	24.10%
2023	1,410,337	(1,410,337)	-	3,915,354	36.02%
2024	1,338,372	(1,338,372)	-	3,989,940	33.54%
2025	1,446,527	(1,446,527)	-	4,179,216	34.61%

See independent auditors' reports.

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

EAST AMWELL 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 covered employee payroll	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 post employment employee benefits liability
	District's proportion		State's proportion	Total			
	Percentage	Value					
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	0.00%	-	\$ 20,862,672	\$ 20,862,672	\$ 4,380,820	0.00%	0.00%
2018	0.00%	-	17,278,116	17,278,116	4,244,988	0.00%	0.00%
2019	0.00%	-	16,317,729	16,317,729	4,388,112	0.00%	0.00%
2020	0.00%	-	26,157,147	26,157,147	4,499,424	0.00%	0.00%
2021	0.00%	-	22,845,517	22,845,517	4,608,213	0.00%	0.00%
2022	0.00%	-	18,988,367	18,988,367	4,714,528	0.00%	0.00%
2023	0.00%	-	19,822,170	19,822,170	4,750,744	0.00%	0.00%
2024	0.00%	-	21,652,956	21,652,956	4,751,285	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' reports.

EAST AMWELL 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 seven 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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program 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 ESSER III	Mental Health	ARP Accelerated Learning
Revenues								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	101,233	6,520	13,220	5,405	14,821	13,309	1,429	3,192
Total revenues	101,233	6,520	13,220	5,405	14,821	13,309	1,429	3,192
Other financing sources								
Transfer from general fund	-	-	-	-	-	-	-	-
Total revenues and other financing sources	\$ 101,233	\$ 6,520	\$ 13,220	\$ 5,405	\$ 14,821	\$ 13,309	\$ 1,429	\$ 3,192
Expenditures								
Instruction								
Salaries	\$ 94,039	\$ 4,936	\$ 12,268	\$ 2,001	\$ -	\$ 245	\$ -	\$ -
Purchased professional and technical services	-	1,206	-	-	-	3,022	-	-
Other purchased services	-	-	-	-	-	2,000	-	-
General supplies	-	-	-	-	-	2,000	-	192
Total	94,039	6,142	12,268	2,001	-	7,267	-	192
Support services								
Salaries	-	-	-	-	-	5,602	-	-
Employee benefits	7,194	378	942	-	-	440	-	-
Purchased professional and technical services	-	-	-	-	14,821	-	1,429	-
Plant operations & maintenance	-	-	-	-	-	-	-	-
Other purchased services	-	-	-	3,404	-	-	-	3,000
Travel	-	-	-	-	-	-	-	-
Supplies and materials	-	-	10	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-
Total	7,194	378	952	3,404	14,821	6,042	1,429	3,000
Capital								
Instructional equipment	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Total expenditures	\$ 101,233	\$ 6,520	\$ 13,220	\$ 5,405	\$ 14,821	\$ 13,309	\$ 1,429	\$ 3,192
Excess (deficiency) of revenues over (under) expenditures:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, July 1	-	-	-	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis (continued)
For the Fiscal Year Ended June 30, 2025

	ARP Summer Learning	Small Rural School Achievement	SDA Emergent and Capita Maintenance Needs	Preschool Expansion Aid	Local	Student Activities	Total
Revenues							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 12,938	\$ 63,233	\$ 76,171
State sources	-	-	5,683	826,297	-	-	831,980
Federal sources	9,672	41,532	-	-	-	-	210,333
Total revenues	9,672	41,532	5,683	826,297	12,938	63,233	1,118,484
Other financing sources							
Transfer from general fund	-	-	-	110,075	-	-	110,075
Total revenues and other financing sources	\$ 9,672	\$ 41,532	\$ 5,683	\$ 936,372	\$ 12,938	\$ 63,233	\$ 1,228,559
Expenditures							
Instruction							
Salaries	\$ 1,266	\$ 23,358	\$ -	\$ 552,087	\$ 2,575	\$ -	\$ 692,775
Purchased professional and technical services	7,500	4,000	-	-	-	-	15,728
Other purchased services	-	-	-	2,908	-	-	4,908
General supplies	51	2,460	-	26,000	7,863	-	38,566
Total	8,817	29,818	-	580,995	10,438	-	751,977
Support services							
Salaries	705	-	-	90,864	-	-	97,171
Employee benefits	150	765	-	255,601	-	-	265,470
Purchased professional and technical services	-	10,949	-	-	500	-	27,699
Plant operations & maintenance	-	-	3,213	-	-	-	3,213
Other purchased services	-	-	-	-	-	-	6,404
Travel	-	-	-	29	-	-	29
Supplies and materials	-	-	2,470	333	2,000	-	4,813
Student activities	-	-	-	-	-	62,451	62,451
Total	855	11,714	5,683	346,827	2,500	62,451	467,250
Capital							
Instructional equipment	-	-	-	8,550	-	-	8,550
Total	-	-	-	8,550	-	-	8,550
Total expenditures	\$ 9,672	\$ 41,532	\$ 5,683	\$ 936,372	\$ 12,938	\$ 62,451	\$ 1,227,777
Excess (deficiency) of revenues over (under) expenditures:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 782	\$ 782
Fund balances, July 1	-	-	-	-	-	29,245	29,245
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,027	\$ 30,027

See independent auditors' reports.

EAST AMWELL 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	\$ 422,927	\$ 422,927	\$ -
Other salaries for instruction	134,558	129,160	5,398
Purchased professional and technical services	2,971	2,908	63
Supplies	26,000	26,000	-
Total	<u>586,456</u>	<u>580,995</u>	<u>5,461</u>
Support services			
Salaries - supervisor of instruction	10,222	10,222	-
Salaries - program director	9,811	9,811	-
Salaries - other professional staff	23,173	23,173	-
Salaries - secretarial & clerical	7,512	7,512	-
Salaries - other	30,146	30,146	-
Salaries - community parent involvement	10,000	10,000	-
Employee benefits	255,601	255,601	-
Travel	29	29	-
Supplies	2,000	333	1,667
Total	<u>348,494</u>	<u>346,827</u>	<u>1,667</u>
Capital outlay			
Instructional equipment	8,550	8,550	-
Total	<u>8,550</u>	<u>8,550</u>	<u>-</u>
Total expenditures	<u>\$ 943,500</u>	<u>\$ 936,372</u>	<u>\$ 7,128</u>

See independent auditors' reports.

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

Calculation of Budget & Carryover

Total revised 2024 - 2025 preschool education aid allocation	\$ 833,425
Add: actual ECPA/PEA carryover (June 30, 2024)	63,978
Less: PEA deduction from state school aid 2025 - 2026	-
Add: budgeted transfer from general fund	<u>110,075</u>
Total preschool education aid funds available for 2024 - 2025 budget	1,007,478
Less: 2024 - 2025 budgeted preschool education aid	(943,500)
Available and unbudgeted preschool education aid funds as of June 30, 2025	63,978
Add: 2024 - 2025 unexpended preschool education aid	<u>7,128</u>
2024 - 2025 Actual carryover preschool education aid	<u><u>\$ 71,106</u></u>
Preschool education aid carryover budgeted for preschool programs 2025 - 2026	<u><u>\$ 63,978</u></u>
Unbudgeted carryover preschool education aid	<u><u>\$ 7,128</u></u>

See independent auditors' reports.

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.

EAST AMWELL 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		Unexpended Appropriations 06/30/25
			Prior Years	Current Year	
School facilities improvements	10/29/2020	\$ 989,500	\$ 923,542	\$ 10,443	\$ 55,515
Trailer replacement, permanent facilities, and bathroom renovations project	5/16/2017	4,258,261	4,253,841	-	4,420
		<u>\$ 5,247,761</u>	<u>\$ 5,177,383</u>	<u>\$ 10,443</u>	<u>\$ 59,935</u>

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures,
and Changes in Net Position - Budgetary Basis
For the Fiscal Year Ended June 30, 2025

Expenditures and other financing uses		
Construction services	\$	10,443
Total expenditures and other financing uses		10,443
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses		(10,443)
Net position - beginning		86,340
Net position - ending	\$	75,897
Analysis of balance		
Capital project fund balance	\$	59,935
Interest earnings		15,962
	\$	75,897

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
Trailer Replacement, Permanent Facilities, and Bathroom Renovations Project
For the Fiscal Year Ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources				
Transfers from other funds	\$ 943,261	\$ -	\$ 943,261	\$ 943,261
Bond proceeds	3,315,000	-	3,315,000	3,315,000
Total revenues	<u>4,258,261</u>	<u>-</u>	<u>4,258,261</u>	<u>4,258,261</u>
Expenditures and other financing uses				
Purchased professional and technical services	369,204	-	369,204	369,204
Fees and permits	12,059	-	12,059	33,860
Construction services	3,811,497	-	3,811,497	3,470,307
Construction contingency	-	-	-	314,890
Other purchased services	61,081	-	61,081	70,000
Total expenditures	<u>4,253,841</u>	<u>-</u>	<u>4,253,841</u>	<u>4,258,261</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 4,420</u>	<u>\$ -</u>	<u>\$ 4,420</u>	<u>\$ -</u>

Additional Project Information

Project number	1160-050-16-1000
Project authorization date	5/16/2017
Bonds authorized	1/24/2017
Bonds issued	\$ 3,315,000
Original authorized cost	3,815,000
Additional authorized cost	443,261
Revised authorized cost	4,258,261
Percentage completion	99.90%

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
School Facilities Improvements
For the Fiscal Year Ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources				
Authorized but not issued debt	\$ 989,500	\$ -	\$ 989,500	\$ 989,500
Total revenues	<u>989,500</u>	<u>-</u>	<u>989,500</u>	<u>989,500</u>
Expenditures and other financing uses				
Purchased professional and technical services	200,482	10,443	210,925	95,000
Fees and permits	-	-	-	2,000
Construction services	723,060	-	723,060	850,000
Construction contingency	-	-	-	42,500
Total expenditures	<u>923,542</u>	<u>10,443</u>	<u>933,985</u>	<u>989,500</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 65,958</u>	<u>\$ (10,443)</u>	<u>\$ 55,515</u>	<u>\$ -</u>

Additional Project Information

Project number	1160-050-21-1000
Project authorization date	10/29/2020
Bonds authorized	2/8/2022
Bonds and bond anticipation notes	\$ 989,500
Original authorized cost	989,500
Additional authorized cost	-
Revised authorized cost	989,500
Percentage completion	94.39%

See independent auditors' reports.

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.

EAST AMWELL 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		Interest Rate	Balance 07/01/24	Issued	Retired	Balance 06/30/25
			Date	Amount					
Series 2017 school bond	08/09/17	\$ 3,315,000	01/15/26	\$ 150,000	3.00%	\$ 2,515,000	\$ -	\$ 145,000	\$ 2,370,000
			01/15/27	155,000	3.00%	-	-	-	-
			01/15/28	160,000	3.00%	-	-	-	-
			01/15/29	165,000	3.00%	-	-	-	-
			01/15/30	170,000	3.00%	-	-	-	-
			01/15/31	175,000	3.00%	-	-	-	-
			01/15/32	180,000	3.00%	-	-	-	-
			01/15/33	185,000	3.00%	-	-	-	-
			01/15/34	190,000	3.00%	-	-	-	-
			01/15/35	200,000	3.13%	-	-	-	-
			01/15/36	205,000	3.13%	-	-	-	-
			01/15/37	215,000	3.13%	-	-	-	-
			01/15/38	220,000	3.13%	-	-	-	-
					<u>\$ 2,515,000</u>	<u>\$ -</u>	<u>\$ 145,000</u>	<u>\$ 2,370,000</u>	

See independent auditors' reports.

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

Description	Interest Rate	Amount Original Issue	Balance 07/01/24	Issued	Retired	Balance 06/30/25
Copiers	4.48%	\$ 63,497	\$ 38,269	\$ -	\$ 15,914	\$ 22,355
			<u>\$ 38,269</u>	<u>\$ -</u>	<u>\$ 15,914</u>	<u>\$ 22,355</u>

See independent auditors' reports.

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

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources					
Local tax levy	\$ 195,089	\$ -	\$ 195,089	\$ 195,089	\$ -
State sources					
Debt service aid type II	24,961	-	24,961	24,961	-
Total revenues	<u>220,050</u>	<u>-</u>	<u>220,050</u>	<u>220,050</u>	<u>-</u>
Expenditures					
Regular debt service					
Redemption of principal	145,000		145,000	145,000	-
Interest	75,050		75,050	75,050	-
Total expenditures	<u>220,050</u>	<u>-</u>	<u>220,050</u>	<u>220,050</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' reports.

STATISTICAL SECTION

EAST AMWELL 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.	

EAST AMWELL 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
Governmental activities										
Net investment in capital assets	\$ 3,875,104	\$ 4,766,360	\$ 3,678,801	\$ 5,532,761	\$ 6,009,157	\$ 5,903,303	\$ 6,493,410	\$ 6,501,301	\$ 6,484,169	\$ 6,681,157
Restricted	1,221,498	1,600,367	3,665,609	2,144,653	2,231,832	2,503,582	2,367,241	2,402,898	3,007,614	3,554,743
Unrestricted	(1,459,906)	(2,084,338)	(2,244,584)	(2,079,533)	(2,178,906)	(1,885,385)	(1,688,926)	(1,497,649)	(831,689)	(1,096,356)
Total governmental activities	<u>\$ 3,636,696</u>	<u>\$ 4,282,389</u>	<u>\$ 5,099,826</u>	<u>\$ 5,597,881</u>	<u>\$ 6,062,083</u>	<u>\$ 6,521,500</u>	<u>\$ 7,171,725</u>	<u>\$ 7,406,550</u>	<u>\$ 8,660,094</u>	<u>\$ 9,139,544</u>
Business-type activities										
Net investment in capital assets	\$ 14,118	\$ 12,655	\$ 24,156	\$ 21,513	\$ 18,870	\$ 19,960	\$ 27,401	\$ 52,890	\$ 46,794	\$ 43,952
Unrestricted	8,943	9,488	6,193	10,483	18,131	31,701	80,863	80,038	75,888	51,669
Total business-type activities	<u>\$ 23,061</u>	<u>\$ 22,143</u>	<u>\$ 30,349</u>	<u>\$ 31,996</u>	<u>\$ 37,001</u>	<u>\$ 51,661</u>	<u>\$ 108,264</u>	<u>\$ 132,928</u>	<u>\$ 122,682</u>	<u>\$ 95,621</u>
District-wide										
Net investment in capital assets	\$ 3,889,222	\$ 4,779,015	\$ 3,702,957	\$ 5,554,274	\$ 6,028,027	\$ 5,923,263	\$ 6,520,811	\$ 6,554,191	\$ 6,530,963	\$ 6,725,109
Restricted	1,221,498	1,600,367	3,665,609	2,144,653	2,231,832	2,503,582	2,367,241	2,402,898	3,007,614	3,554,743
Unrestricted	(1,450,963)	(2,074,850)	(2,238,391)	(2,069,050)	(2,160,775)	(1,853,684)	(1,608,063)	(1,417,611)	(755,801)	(1,044,687)
Total district-wide	<u>\$ 3,659,757</u>	<u>\$ 4,304,532</u>	<u>\$ 5,130,175</u>	<u>\$ 5,629,877</u>	<u>\$ 6,099,084</u>	<u>\$ 6,573,161</u>	<u>\$ 7,279,989</u>	<u>\$ 7,539,478</u>	<u>\$ 8,782,776</u>	<u>\$ 9,235,165</u>

*

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

* as restated

See independent auditors' reports.

EAST AMWELL 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	\$ 4,037,150	\$ 4,808,627	\$ 4,962,362	\$ 5,045,841	\$ 5,187,463	\$ 6,239,554	\$ 5,740,023	\$ 5,906,616	\$ 6,351,639	\$ 6,543,144
Special education	1,289,730	1,397,812	1,489,674	1,334,468	1,290,557	1,489,763	1,360,042	1,357,260	1,446,588	1,466,914
Other special education	111,261	151,606	305,990	255,082	226,090	209,262	178,915	234,941	180,470	204,541
Other instruction	85,519	99,215	333,204	205,967	295,592	26,033	161,777	79,378	93,786	117,943
Support services										
Tuition	71,253	115,341	324	-	-	-	169,166	196,571	-	67,999
Student & instruction related services	1,716,823	1,819,222	1,812,937	1,775,661	1,834,648	2,054,970	2,054,888	2,071,794	1,955,901	1,932,675
General & business administrative services	826,490	761,492	843,999	637,688	670,296	755,620	729,711	733,694	652,446	767,420
School administration	303,504	289,866	315,213	263,499	267,834	313,335	273,093	283,891	245,342	246,416
Plant operations & maintenance	1,252,073	1,096,369	1,083,689	821,357	743,580	886,783	850,208	992,026	868,348	995,776
Pupil transportation	444,932	459,972	427,123	455,647	452,556	458,156	489,311	483,524	525,585	551,135
Interest on long-term debt	20,768	12,135	80,664	90,273	88,841	86,196	83,449	80,650	108,911	74,238
Total governmental activities expenses	<u>10,159,503</u>	<u>11,011,657</u>	<u>11,655,179</u>	<u>10,885,483</u>	<u>11,057,457</u>	<u>12,519,672</u>	<u>12,090,583</u>	<u>12,420,345</u>	<u>12,429,016</u>	<u>12,968,201</u>
Business-type activities										
Food service	<u>104,583</u>	<u>92,087</u>	<u>96,360</u>	<u>99,751</u>	<u>81,442</u>	<u>115,059</u>	<u>171,424</u>	<u>169,435</u>	<u>201,397</u>	<u>213,094</u>
Total business-type activities	<u>104,583</u>	<u>92,087</u>	<u>96,360</u>	<u>99,751</u>	<u>81,442</u>	<u>115,059</u>	<u>171,424</u>	<u>169,435</u>	<u>201,397</u>	<u>213,094</u>
Total district expenses	<u>\$ 10,264,086</u>	<u>\$ 11,103,744</u>	<u>\$ 11,751,539</u>	<u>\$ 10,985,234</u>	<u>\$ 11,138,899</u>	<u>\$ 12,634,731</u>	<u>\$ 12,262,007</u>	<u>\$ 12,589,780</u>	<u>\$ 12,630,413</u>	<u>\$ 13,181,295</u>

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

See independent auditors' reports.

EAST AMWELL 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										
Operating grants & contributions	\$ 191,440	\$ 178,679	\$ 166,979	\$ 160,506	\$ 186,738	\$ 218,223	\$ 274,070	\$ 353,489	\$ 758,247	\$ 1,022,933
Charges for services	353,533	373,980	377,623	298,988	172,773	168,575	317,862	345,893	185,340	95,864
Total governmental activities	<u>544,973</u>	<u>552,659</u>	<u>544,602</u>	<u>459,494</u>	<u>359,511</u>	<u>386,798</u>	<u>591,932</u>	<u>699,382</u>	<u>943,587</u>	<u>1,118,797</u>
Business-type activities										
Charges for services										
Food service	58,685	54,272	53,383	61,500	49,354	3,279	7,064	100,964	116,734	112,907
Operating grants & contributions	43,967	36,466	36,768	39,119	37,007	126,413	220,848	93,392	70,994	70,638
Total business-type activities	<u>102,652</u>	<u>90,738</u>	<u>90,151</u>	<u>100,619</u>	<u>86,361</u>	<u>129,692</u>	<u>227,912</u>	<u>194,356</u>	<u>187,728</u>	<u>183,545</u>
Total district-wide program revenues	<u>\$ 647,625</u>	<u>\$ 643,397</u>	<u>\$ 634,753</u>	<u>\$ 560,113</u>	<u>\$ 445,872</u>	<u>\$ 516,490</u>	<u>\$ 819,844</u>	<u>\$ 893,738</u>	<u>\$ 1,131,315</u>	<u>\$ 1,302,342</u>
Net (expense) revenues										
Governmental activities	\$ (9,614,530)	\$ (10,458,998)	\$ (11,110,577)	\$ (10,425,989)	\$ (10,697,946)	\$ (12,132,874)	\$ (11,498,651)	\$ (11,720,963)	\$ (11,485,429)	\$ (11,849,404)
Business-type activities	<u>(1,931)</u>	<u>(1,349)</u>	<u>(6,209)</u>	<u>868</u>	<u>4,919</u>	<u>14,633</u>	<u>56,488</u>	<u>24,921</u>	<u>(13,669)</u>	<u>(29,549)</u>
Total district-wide net expenses	<u>\$ (9,616,461)</u>	<u>\$ (10,460,347)</u>	<u>\$ (11,116,786)</u>	<u>\$ (10,425,121)</u>	<u>\$ (10,693,027)</u>	<u>\$ (12,118,241)</u>	<u>\$ (11,442,163)</u>	<u>\$ (11,696,042)</u>	<u>\$ (11,499,098)</u>	<u>\$ (11,878,953)</u>

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

See independent auditors' reports.

EAST AMWELL 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	\$ 6,748,018	\$ 6,865,199	\$ 6,863,399	\$ 6,930,899	\$ 7,063,298	\$ 7,349,926	\$ 7,625,549	\$ 7,963,158	\$ 8,276,517	\$ 8,442,047
Taxes levied for debt service	217,950	223,950	225,750	213,223	194,025	196,153	198,192	195,709	197,660	195,089
Unrestricted grants & contributions	3,291,667	3,987,671	4,802,972	3,710,543	3,736,535	5,031,820	4,308,805	3,783,089	4,116,732	3,483,276
Investment earnings	7,675	7,258	32,429	25,872	15,953	5,928	2,396	2,622	146,681	174,205
Miscellaneous income	19,008	20,613	17,608	16,225	10,829	8,464	13,934	11,210	10,842	34,237
Operating transfer	-	-	(14,144)	-	-	-	-	-	-	-
Capital grants-unallocated	(158,222)	-	-	27,282	-	-	-	-	-	-
Special item - gain/(loss) on disposal of assets	(9,471)	-	-	-	(71,205)	-	-	-	(9,459)	-
Total governmental activities	<u>10,116,625</u>	<u>11,104,691</u>	<u>11,928,014</u>	<u>10,924,044</u>	<u>10,949,435</u>	<u>12,592,291</u>	<u>12,148,876</u>	<u>11,955,788</u>	<u>12,738,973</u>	<u>12,328,854</u>
Business-type activities										
Investment earnings	26	23	60	76	86	27	16	46	2,519	2,488
Miscellaneous	-	408	211	703	-	-	99	(303)	904	-
Transfers	-	-	14,144	-	-	-	-	-	-	-
Total business-type activities	<u>26</u>	<u>431</u>	<u>14,415</u>	<u>779</u>	<u>86</u>	<u>27</u>	<u>115</u>	<u>(257)</u>	<u>3,423</u>	<u>2,488</u>
Total district-wide	<u>\$ 10,116,651</u>	<u>\$ 11,105,122</u>	<u>\$ 11,942,429</u>	<u>\$ 10,924,823</u>	<u>\$ 10,949,521</u>	<u>\$ 12,592,318</u>	<u>\$ 12,148,991</u>	<u>\$ 11,955,531</u>	<u>\$ 12,742,396</u>	<u>\$ 12,331,342</u>
Change in net position										
Governmental activities	\$ 502,095	\$ 645,693	\$ 817,437	\$ 498,055	\$ 251,489	\$ 459,417	\$ 650,225	\$ 234,825	\$ 1,253,544	\$ 479,450
Business-type activities	(1,905)	(918)	8,206	1,647	5,005	14,660	56,603	24,664	(10,246)	(27,061)
Total district	<u>\$ 500,190</u>	<u>\$ 644,775</u>	<u>\$ 825,643</u>	<u>\$ 499,702</u>	<u>\$ 256,494</u>	<u>\$ 474,077</u>	<u>\$ 706,828</u>	<u>\$ 259,489</u>	<u>\$ 1,243,298</u>	<u>\$ 452,389</u>

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

See independent auditors' reports.

EAST AMWELL 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	\$ 1,436,901	\$ 1,501,107	\$ 2,358,509	\$ 2,203,644	\$ 2,388,048	\$ 2,680,136	\$ 3,218,848	\$ 3,495,430	\$ 3,389,876	\$ 3,954,769
Committed	450,225	32,200	35,678	165,610	90,197	181,477	67,746	54,605	407,970	79,314
Assigned	2,088	13,219	12,707	7,746	-	-	-	-	-	-
Unassigned	176,030	175,202	169,374	190,519	206,535	344,759	341,633	294,437	213,735	229,980
Total general fund	<u>\$ 2,065,244</u>	<u>\$ 1,721,728</u>	<u>\$ 2,576,268</u>	<u>\$ 2,567,519</u>	<u>\$ 2,684,780</u>	<u>\$ 3,206,372</u>	<u>\$ 3,628,227</u>	<u>\$ 3,844,472</u>	<u>\$ 4,011,581</u>	<u>\$ 4,264,063</u>
					*					
All other governmental funds										
Restricted, reported in										
Special revenue fund	\$ -	\$ -	\$ -	\$ -	\$ 29,240	\$ 28,395	\$ 29,350	\$ 28,064	\$ 29,245	\$ 30,027
Capital projects fund	-	318,869	1,517,611	139,916	20,382	20,382	(652,008)	(885,165)	86,340	75,897
Unrestricted, reported in										
Special revenue fund	-	-	-	-	-	-	-	-	(52,017)	(83,342)
Total all other governmental funds	<u>\$ -</u>	<u>\$ 318,869</u>	<u>\$ 1,517,611</u>	<u>\$ 139,916</u>	<u>\$ 49,622</u>	<u>\$ 48,777</u>	<u>\$ (622,658)</u>	<u>\$ (857,101)</u>	<u>\$ 63,568</u>	<u>\$ 22,582</u>
					*					

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

* as restated

See independent auditors' reports.

EAST AMWELL 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	\$ 6,965,968	\$ 7,089,149	\$ 7,089,149	\$ 7,144,122	\$ 7,257,323	\$ 7,546,079	\$ 7,823,741	\$ 8,158,867	\$ 8,474,177	\$ 8,637,136
Tuition charges	276,992	333,472	331,090	284,528	182,474	150,455	289,777	284,517	119,664	25,781
Interest earnings	7,675	7,258	32,429	25,872	15,953	5,928	2,396	2,622	146,681	174,205
Rents and royalties	6,001	6,058	6,283	6,460	4,264	6,250	6,500	6,500	6,750	6,850
Miscellaneous	89,548	57,418	57,858	24,225	12,206	20,334	35,519	66,086	96,351	109,825
State sources	1,711,757	1,897,989	1,998,698	2,174,797	2,230,709	2,513,680	2,963,234	2,964,918	3,816,815	3,908,494
Federal sources	183,154	171,113	166,979	160,506	171,396	218,223	298,043	366,187	323,130	210,332
Total revenues	9,241,095	9,562,457	9,682,486	9,820,510	9,874,325	10,460,949	11,419,210	11,849,697	12,983,568	13,072,623
Expenditures										
Instruction										
Regular instruction	2,489,180	2,559,198	2,532,039	2,693,695	2,706,574	2,809,992	2,807,141	2,988,014	2,804,760	2,841,137
Special education instruction	607,723	635,459	615,553	560,496	646,986	680,361	634,888	699,906	708,825	790,997
Other special instruction	77,067	61,670	68,379	67,271	75,892	54,795	76,982	96,895	73,139	97,486
Other instruction	80,206	81,915	80,587	89,394	74,600	19,408	71,222	70,520	84,350	106,939
Support services										
Tuition	71,253	94,964	324	-	-	-	169,166	196,571	-	67,999
Student & inst related services	974,377	922,662	932,236	998,787	1,023,710	1,038,365	1,092,652	1,112,391	1,024,907	1,042,500
General administration	277,838	244,524	261,144	277,235	306,549	295,911	331,825	356,891	283,335	380,081
School administration services	150,076	148,115	148,955	157,237	156,323	160,328	161,966	158,641	149,788	137,419
Central services	178,072	166,345	176,976	205,428	185,451	191,910	182,654	189,441	194,798	199,252
Administration info technology	4,790	4,790	4,090	4,890	4,940	4,990	5,040	5,576	5,249	7,559
Plant operations & maintenance	757,340	671,419	617,835	704,094	627,714	719,934	745,212	901,450	757,459	860,038
Pupil transportation	430,786	448,337	427,123	451,994	449,345	453,437	487,566	482,925	524,548	549,369
Employee benefits	1,228,684	1,238,766	1,325,882	1,395,064	1,377,134	1,480,778	1,596,009	1,777,248	1,746,238	1,863,166
On-behalf TPAF pension & Social Security contribution	978,100	1,004,181	1,106,952	1,242,478	1,287,620	1,519,873	2,012,023	1,962,726	2,116,093	2,021,137
Capital outlay	244,316	719,816	37,453	205,324	624,893	77,991	102,821	67,456	133,711	437,588
Special revenue funds	191,440	178,679	166,979	160,506	172,773	209,696	294,700	409,651	1,016,629	1,199,239
Capital projects	698,310	181,131	2,200,620	1,752,556	119,533	-	672,390	233,157	17,995	10,443
Debt service										
Principal	190,000	205,000	215,000	110,000	130,000	135,000	140,000	140,000	145,000	145,000
Interest & other charges	29,133	20,133	11,933	130,505	90,033	87,433	84,733	81,933	108,966	76,233
Total expenditures	9,658,691	9,587,104	10,930,060	11,206,954	10,060,070	9,940,202	11,668,990	11,931,392	11,895,790	12,833,582

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

See independent auditors' reports.

EAST AMWELL 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	\$ (417,596)	\$ (24,647)	\$ (1,247,574)	\$ (1,386,444)	\$ (185,745)	\$ 520,747	\$ (249,780)	\$ (81,695)	\$ 1,087,778	\$ 239,041
Other financing sources (uses)										
Lease proceeds	-	-	-	-	-	-	-	63,497	-	-
Bond anticipation notes	-	-	3,315,000	-	-	-	-	-	-	-
Transfers in (out)	-	-	(14,144)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	3,300,856	-	-	-	-	63,497	-	-
Net change in fund balances	<u>\$ (417,596)</u>	<u>\$ (24,647)</u>	<u>\$ 2,053,282</u>	<u>\$ (1,386,444)</u>	<u>\$ (185,745)</u>	<u>\$ 520,747</u>	<u>\$ (249,780)</u>	<u>\$ (18,198)</u>	<u>\$ 1,087,778</u>	<u>\$ 239,041</u>
Debt service as a percentage of non-capital expenditures	2.58%	2.66%	2.68%	2.67%	2.42%	2.31%	2.11%	1.95%	2.21%	1.82%

Source: District Records

Note: 1) Non-capital expenditures are total expenditures less capital outlay, capital projects and debt service.
2) During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' reports.

EAST AMWELL 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	\$ 7,675	\$ 7,258	\$ 18,067	\$ 24,272	\$ 15,953	\$ 5,928	\$ 2,396	\$ 2,622	\$ 146,681	\$ 174,205
Tuition	276,992	333,472	331,090	284,528	182,474	150,455	289,777	284,517	119,664	25,781
Building use fees	6,001	6,058	6,283	6,460	4,264	6,250	6,500	6,500	6,750	6,850
Milford Board of Education - interlocal government fees	70,540	34,450	40,250	8,000	-	-	-	-	-	-
Rebates	-	-	5,200	-	-	-	-	-	-	-
Prior year refunds	1,260	2,047	912	9,598	49	2,118	282	179	2,275	97
Lost books and fines	44	133	78	44	-	-	-	-	-	-
Sale of surplus equipment & supplies	-	5,539	-	-	-	-	533	-	-	4,513
E-rate reimbursements	11,936	11,526	10,117	6,580	7,445	5,340	11,062	3,237	7,041	29,474
Miscellaneous	5,768	368	1,301	3	535	1,006	649	7,794	1,526	153
Safety incentive/grant	-	-	-	-	2,800	-	-	-	-	-
Donation	-	1,000	-	-	-	-	-	-	-	-
Prior year accounts payable canceled	-	-	-	-	-	-	1,408	-	-	-
Annual totals	\$ 380,216	\$ 401,851	\$ 413,298	\$ 339,485	\$ 213,520	\$ 171,097	\$ 312,607	\$ 304,849	\$ 283,937	\$ 241,073

Source: District Records

See independent auditors' reports.

EAST AMWELL 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	\$ 8,636,700	\$ 8,836,200	\$ 8,851,500	\$ 8,498,100	\$ 8,702,100	\$ 7,863,800	\$ 8,305,100	\$ 7,604,600	\$ 7,971,700	\$ 7,240,100
Residential	451,287,800	453,019,600	453,517,900	455,785,800	454,885,900	455,773,400	455,709,400	460,970,800	463,057,400	458,026,600
Farm regular	115,158,200	115,304,600	117,668,200	116,318,100	118,510,700	119,719,000	119,932,700	117,470,700	115,814,100	121,752,400
Q farm	4,986,275	4,967,585	4,970,585	4,962,285	4,936,285	4,815,700	4,761,600	4,892,800	5,141,500	5,160,200
Commercial	85,095,500	86,788,800	87,088,800	80,723,700	80,427,400	80,037,500	80,290,300	79,893,600	79,893,600	79,551,300
Apartment	2,262,200	2,262,200	2,262,200	3,449,500	3,449,500	3,410,300	3,448,600	3,448,600	3,448,600	3,448,600
Total assessed value	667,426,675	671,178,985	674,359,185	669,737,485	670,911,885	671,619,700	672,447,700	674,281,100	675,326,900	675,179,200
Public utilities (a)	913,321	930,472	896,375	878,047	869,008	883,440	841,090	782,173	-	-
Net valuation taxable	\$ 668,339,996	\$ 672,109,457	\$ 675,255,560	\$ 670,615,532	\$ 671,780,893	\$ 672,503,140	\$ 673,288,790	\$ 675,063,273	\$ 675,326,900	\$ 675,179,200
Estimated actual county equalized value	\$ 731,145,385	\$ 722,154,783	\$ 736,776,388	\$ 752,486,010	\$ 763,908,225	\$ 752,072,400	\$ 789,874,226	\$ 861,159,935	\$ 930,716,510	\$ 989,708,590
Percentage of net valuation to estimated actual equalized value	91.41%	93.07%	91.65%	89.12%	87.94%	89.42%	85.24%	78.39%	72.56%	68.22%
Total direct school tax rate (b)	\$ 1.061	\$ 1.055	\$ 1.058	\$ 1.083	\$ 1.124	\$ 1.164	\$ 1.212	\$ 1.255	\$ 1.279	\$ 1.317

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's of telephone and messenger system companies.

(b) Tax rates are per \$100.

* Revalued/Reassessed

See independent auditors' reports.

EAST AMWELL 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	Fire District	
2016	\$ 1.028	\$ 0.033	\$ 1.061	\$ 0.622	\$ 0.235	\$ 0.407	\$ 0.035	\$ 2.360
2017	1.022	0.033	1.055	0.632	0.254	0.399	0.036	2.376
2018	1.024	0.034	1.058	0.645	0.244	0.411	0.037	2.395
2019	1.051	0.032	1.083	0.676	0.243	0.423	0.038	2.463
2020	1.094	0.030	1.124	0.703	0.242	0.430	0.038	2.537
2021	1.134	0.030	1.164	0.684	0.243	0.421	0.041	2.553
2022	1.181	0.031	1.212	0.643	0.255	0.443	0.040	2.593
2023	1.225	0.030	1.255	0.578	0.255	0.482	0.041	2.611
2024	1.249	0.030	1.279	0.553	0.258	0.512	0.041	2.643
2025	1.287	0.030	1.317	0.501	0.262	0.541	0.041	2.662

Sources: Municipal Tax Collector

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the 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.

* Revalued/Reassessed

See independent auditors' reports.

EAST AMWELL 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 Trans Co.	\$ 37,706,600	1	5.58%	\$ 37,706,600	1	5.64%
Algonquin Gas Trans c/o Duke Energy	6,536,100	2	0.97%	6,536,100	3	0.98%
The Ridge at Back Brook Road	5,347,200	3	0.79%	10,500,000	2	1.57%
Bosum/Neely Partnership	3,636,200	4	0.54%	3,527,000	4	0.53%
Individual property owner	2,119,800	5	0.31%	-		0.00%
Hunterdon Storage Inc.	1,781,000	6	0.26%	1,781,000	5	0.27%
GAW Holdings LLC	1,779,000	7	0.26%	-		0.00%
Jordan Sidney & T/A Ifida Realty	1,728,300	8	0.26%	1,511,900	9	0.23%
Southwark Farm, LLC	1,723,600	9	0.26%	1,720,900	6	0.26%
Individual property owner	1,470,000	10	0.22%	-		0.00%
Back Brook Farm LLC	-		0.00%	1,708,300	7	0.26%
Ringoies TLC LLC	-		0.00%	1,513,000	8	0.23%
Individual property owner	-		0.00%	1,483,900	10	0.22%
	<u>\$ 63,827,800</u>		<u>9.45%</u>	<u>\$ 67,988,700</u>		<u>10.19%</u>

Source: Municipal Tax Assessor

See independent auditors' reports.

EAST AMWELL 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	\$ 6,965,968	\$ 6,965,968	100.00%
2017	7,089,149	7,089,149	100.00%
2018	7,089,149	7,089,149	100.00%
2019	7,144,122	7,144,122	100.00%
2020	7,257,323	7,257,323	100.00%
2021	7,546,079	7,546,079	100.00%
2022	7,823,741	7,823,741	100.00%
2023	8,158,867	8,158,867	100.00%
2024	8,474,177	8,474,177	100.00%
2025	8,637,136	8,637,136	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.

See independent auditors' reports.

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

Fiscal Year Ended June 30,	Governmental Activities			Bond Anticipation Notes (BANs)	Business-Type Activities Leases	Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Certificates of Participation	Leases					
2016	\$ 420,000	\$ -	\$ -	\$ -	\$ -	\$ 420,000	0.14%	\$ 108
2017	215,000	-	-	-	-	215,000	0.07%	55
2018	3,315,000	-	-	-	-	3,315,000	1.03%	849
2019	3,205,000	-	-	-	-	3,205,000	0.97%	825
2020	3,075,000	-	-	-	-	3,075,000	0.89%	795
2021	2,940,000	-	-	-	-	2,940,000	0.83%	765
2022	2,800,000	-	-	989,500	-	3,789,500	0.98%	964
2023	2,660,000	-	53,487	989,500	-	3,702,987	0.94%	940
2024	2,515,000	-	37,613	-	-	2,552,613	0.61%	648
2025	2,370,000	-	22,355	-	-	2,392,355	N/A	606

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 are calculated using personal income and population for the prior calendar year.

N/A Information is not available

See independent auditors' reports.

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			% of Actual Taxable Value of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ 420,000	\$ -	\$ 420,000	0.06%	\$ 108
2017	215,000	-	215,000	0.03%	55
2018	3,315,000	-	3,315,000	0.49%	849
2019	3,205,000	-	3,205,000	0.48%	825
2020	3,075,000	-	3,075,000	0.46%	795
2021	2,940,000	-	2,940,000	0.44%	765
2022	2,800,000	-	2,800,000	0.42%	713
2023	2,660,000	-	2,660,000	0.39%	675
2024	2,515,000	-	2,515,000	0.37%	639
2025	2,370,000	-	2,370,000	0.35%	600

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.

* Revalued/Reassessed

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

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Debt</u>
Debt repaid with property taxes			
Municipality	\$ 678,000	100.00%	\$ 678,000
Regional High School	-	7.50%	-
County general obligation debt	72,292,160	3.42%	<u>2,472,392</u>
Subtotal, overlapping debt			3,150,392
School district direct debt			<u>2,552,613</u>
Total direct and overlapping debt			<u><u>\$ 5,703,005</u></u>

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

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of 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.

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2025

	Equalized Valuation Basis
	2024 \$ 989,926,561
	2023 929,273,842
	2022 857,823,319
	\$2,777,023,722
Average equalized valuation of taxable property	\$ 925,674,574
Debt limit (3.0% of average equalization value)	(a) \$ 27,770,237
Total net debt applicable to limit	2,370,000
Legal debt margin	\$ 25,400,237

	Fiscal Year				
	2021	2022	2023	2024	2025
Debt limit	\$ 22,685,642	\$ 22,997,936	\$ 23,960,323	\$ 25,750,133	\$ 27,770,237
Total net debt applicable	2,940,000	3,789,500	3,649,500	2,515,000	2,370,000
Legal debt margin	\$ 19,745,642	\$ 19,208,436	\$ 20,310,823	\$ 23,235,133	\$ 25,400,237
Total net debt applicable to the limit as a percentage of debt limit	12.96%	16.48%	15.23%	9.77%	8.53%

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt limit	\$ 21,798,685	\$ 21,752,101	\$ 21,792,777	\$ 22,061,384	\$ 22,505,997
Total net debt applicable	420,000	3,315,000	3,315,000	3,205,000	3,075,000
Legal debt margin	\$ 21,378,685	\$ 18,437,101	\$ 18,477,777	\$ 18,856,384	\$ 19,430,997
Total net debt applicable to the limit as a percentage of debt limit	1.93%	15.24%	15.21%	14.53%	13.66%

Source: Equalized valuation bases were 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.

See independent auditors' reports.

EAST AMWELL 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	3,898	\$ 306,589,394	\$ 78,653	3.3%
2017	3,902	316,280,512	81,056	3.1%
2018	3,906	321,588,792	82,332	3.1%
2019	3,885	330,765,015	85,139	2.3%
2020	3,866	346,656,488	89,668	7.1%
2021	3,842	353,026,012	91,886	4.4%
2022	3,929	385,320,959	98,071	2.9%
2023	3,938	392,429,576	99,652	2.9%
2024	3,937	416,538,537	105,801	2.8%
2025	3,948	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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

2025

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

2016

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

See independent auditors' reports.

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

Function/program	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Instruction										
Regular	34.6	34.6	32.6	33.1	33.6	33.6	35.5	35.5	35.5	34.9
Special education	17.0	15.7	15.4	16.2	18.0	18.0	16.1	16.7	14.1	13.3
Support services										
Student and instruction related services	5.2	5.3	6.3	6.3	6.2	6.2	6.2	6.2	6.2	5.2
General administration	3.2	3.2	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0
School administration services	2.4	2.4	2.6	2.6	2.6	2.6	2.6	2.4	2.4	2.4
Central services	2.2	2.2	2.4	2.4	2.4	2.4	2.4	2.4	2.8	2.4
Administrative information technology	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Plant operations and maintenance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Total	<u>70.6</u>	<u>69.4</u>	<u>68.3</u>	<u>69.6</u>	<u>70.8</u>	<u>70.8</u>	<u>70.8</u>	<u>71.2</u>	<u>69.0</u>	<u>66.2</u>

Source: District Personnel Records

See independent auditors' reports.

EAST AMWELL 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	371	\$ 8,496,932	\$ 22,903	10.57%	52	1 to 7.19	368.7	354.7	-5.67%	96.20%
2017	360	8,461,024	23,503	2.62%	42	1 to 8.57	354.5	340.3	-3.86%	95.99%
2018	345	8,465,054	24,536	4.40%	40	1 to 8.63	351.9	337.3	-0.73%	95.85%
2019	367	9,008,569	24,547	0.04%	43	1 to 8.53	363.1	350.0	3.18%	96.39%
2020	356	9,095,611	25,549	4.08%	42	1 to 8.46	357.3	348.6	-1.59%	97.55%
2021	340	9,639,778	28,352	10.97%	42	1 to 8.10	338.9	328.2	-5.15%	96.84%
2022	368	10,669,046	28,992	2.26%	43	1 to 8.56	366.2	345.8	8.06%	94.43%
2023	382	11,408,846	29,866	3.01%	43	1 to 8.88	379.1	358.1	3.53%	94.46%
2024	380	11,490,118	30,237	1.24%	43	1 to 8.84	377.4	360.6	-0.46%	95.55%
2025	380	12,164,318	32,011	5.87%	42	1 to 9.05	400.7	382.6	6.18%	95.48%

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.

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Elementary (1939)</u>										
Square feet	62,500	64,000	68,570	68,570	68,570	68,570	68,570	68,570	68,570	68,570
Capacity (students)	530	530	530	530	530	530	530	530	530	530
Enrollment	371	360	345	367	356	340	368	382	380	380
<u>Number of schools at June 30, 2025:</u>										
Elementary	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.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

Undistributed Expenditures - Required Maintenance for School Facilities *

<u>Fiscal Year Ending</u>	<u>Amount</u>
2016	\$ 183,334
2017	142,883
2018	99,453
2019	136,239
2020	68,414
2021	125,044
2022	107,924
2023	229,315
2024	74,745
2025	106,055
Total school facilities	<u>\$ 1,273,406</u>

* 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

See independent auditors' reports.

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

	Coverage	Deductible
Commercial Package Policy - New Jersey Schools Insurance Group (NJSIG)		
Real & Personal Property (per occurrence)	\$ 350,000,000	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Paper & Records	10,000,000	5,000
Demolition & Increased Cost of Construction	25,000,000	-
Limited Builders Risk	10,000,000	-
Fire Dept. Service Charge	10,000	-
Arson Reward	10,000	-
Pollution Cleanup & Removal	250,000	-
Flood/Earthquake:		
Flood Zone A & V	25,000,000	500,000
All Other Flood Zones	75,000,000	10,000
Earthquake	50,000,000	5,000
Terrorism	1,000,000	-
Electronic Data Processing:		
Blanket Hardware/Software, Extra Expense, Business Income,		
Transit, Debris Removal	Included in Blanket Limit	1,000
Flood (Deductible for Zone A & Z)	-	500,000
(Deductible All Other Flood Zones)	-	10,000
Equipment Breakdown		
Combined Single Limit/Accident for Property Damage &		
Business Income	100,000,000	25,000
Property Damage	Included	-
Off Premises Property Damage	1,000,000	25,000
Extra Expense	10,000,000	25,000
Service Interruption	10,000,000	25,000
Perishable Goods	1,000,000	25,000
Data Restoration	1,000,000	25,000
Demolition	1,000,000	25,000
Ordinance or Law	1,000,000	25,000
Expediting Expense	1,000,000	25,000
Hazardous Substances	1,000,000	25,000
Newly Acquired Locations - 120 Days Notice	1,000,000	25,000
Crime Coverage:		
Public Employee Dishonesty	100,000	500
Theft, Disapp. & Destruction/Money Orders & Counterfeit Currency	25,000	500
Forgery or Alteration	100,000	500
Computer Fraud	100,000	1,000

See independent auditors' reports.

EAST AMWELL TOWNSHIP SCHOOL DISTRICT
Insurance Schedule (continued)
June 30, 2025
(Unaudited)

	Coverage	Deductible
Public Officials Bond		
H. Gara - Business Administrator (Selective) 6/30/24-1/1/25	\$ 200,000	\$ -
McMinn - Board Secretary (Selective) 1/1/25 - 6/30/25	200,000	-
General Liability:		
Bodily Injury & Property Damage	31,000,000	-
Products & Completed Operations	31,000,000	-
Sexual Abuse	15,000,000	-
Personal Injury & Advertising Injury	31,000,000	-
Employee Benefits Liability	31,000,000	1,000
Premises Medical Payments	\$10,000 per accident	-
	\$5,000 per person	-
Terrorism	1,000,000	-
Automotive Coverage:		
Combined Single Limit for Bodily Injury & Property Damage	16,000,000	-
Personal Injury Protection	N/A	-
Medical Payments	N/A	-
Underinsured	N/A	-
Terrorism	1,000,000	1,000
Garagekeepers	Included	-
School Leaders Errors & Omissions		
Coverage A - protection againsts "loss"/Wrongful Acts	31,000,000	5,000
Coverage B - defense costs for specific administrative actions	\$100,000/claim	5,000
	\$300,000/agg	5,000
Retro Date	7/1/1986	-
Workers' Compensation		
Part One	Statutory	-
Part Two		
Bodily Injury by Accident	2,000,000	-
Bodily Injury by Disease	2,000,000	-
Student/Athletic Volunteer Accident:		
All School (Zurich)	5,000,000	-

See independent auditors' reports.

SINGLE AUDIT SECTION

**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS - PART I**



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

**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
East Amwell Township School District
County of Hunterdon, 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 East Amwell 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 October 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the East Amwell 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

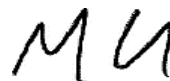
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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

October 14, 2025
Flemington, New Jersey



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
East Amwell Township School District
Ringoes, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the East Amwell 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



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

October 14, 2025
Flemington, New Jersey

SUPPLEMENTARY INFORMATION

EAST AMWELL 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		Balance 06/30/24	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balance	Balance June 30, 2025		
				From	To							Accounts Receivable	Deferred Revenue	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	\$ 102,257	07/01/23	06/30/24	\$ (10,226)	\$ -	\$ 10,226	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
IDEA Basic	84.027A	H027A250100	101,233	07/01/24	06/30/25	-	-	91,109	101,233	-	-	(10,124)	-	-
IDEA Preschool	84.173A	H173A240114	6,642	07/01/23	06/30/24	(665)	-	665	-	-	-	-	-	-
IDEA Preschool	84.173A	H173A250114	6,520	07/01/24	06/30/25	-	-	5,866	6,520	-	-	(654)	-	-
Total special education cluster (IDEA)						(10,891)	-	107,866	107,753	-	-	(10,778)	-	-
Title I A														
Title I A	84.010	S010A230030	14,320	07/01/22	06/30/23	(16)	-	16	-	-	-	-	-	-
Title I A	84.010	S010A240030	12,341	07/01/23	06/30/24	(1,241)	-	1,244	3	-	-	-	-	-
Title I A	84.010	S010A250030	13,217	07/01/24	06/30/25	-	-	11,896	13,217	-	-	(1,321)	-	-
Title II A	84.367A	S367A240029	4,986	07/01/23	06/30/24	(2,157)	-	3,556	1,399	-	-	-	-	-
Title II A	84.367A	S367A250029	5,404	07/01/24	06/30/25	-	-	3,401	4,006	-	-	(605)	-	-
Title IV	84.424	S424A240031	10,000	07/01/23	06/30/24	-	-	10,000	10,000	-	-	-	-	-
Title IV	84.424	S424A250031	10,000	07/01/24	06/30/25	-	-	4,821	4,821	-	-	-	-	-
Rural Education Achievement Program	84.358	S358B240030	45,662	07/01/23	06/30/24	-	-	26,767	26,767	-	-	-	-	-
Rural Education Achievement Program	84.358	S358B250030	47,615	07/01/24	06/30/25	-	-	14,765	14,765	-	-	-	-	-
COVID-19														
ARP - ESSER														
ARP - ESSER	84.425U	S425U210027	146,460	03/13/20	09/30/24	(4,316)	-	17,625	13,309	-	-	-	-	-
NJTSS Mental Health Support Staffing	84.425U	S425U210027	45,000	03/13/20	09/30/24	(7,906)	-	9,335	1,429	-	-	-	-	-
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	50,000	03/13/20	09/30/24	(6,577)	-	9,769	3,192	-	-	-	-	-
Evidenced Based Comprehensive Beyond the School Day	84.425U	S425U210027	40,000	03/13/20	09/30/24	(17,982)	-	17,982	-	-	-	-	-	-
Evidenced Based Summer Learning and Enrichment	84.425U	S425U210027	40,000	03/13/20	09/30/24	-	-	9,672	9,672	-	-	-	-	-
Total Special Revenue Fund						(51,086)	-	248,715	210,333	-	-	(12,704)	-	-
U.S. Department of Agriculture passed through State Department of Education Enterprise Fund														
Child Nutrition Cluster														
National School Lunch Program														
Non-Cash Assistance (Commodities)	10.555	241NJ304N1099	16,440	07/01/23	06/30/24	2,249	-	-	2,249	-	-	-	-	-
Non-Cash Assistance (Commodities)	10.555	251NJ304N1099	18,310	07/01/24	06/30/25	-	-	18,310	14,173	-	-	-	4,137	-
Cash Assistance	10.555	241NJ304N1099	39,859	07/01/23	06/30/24	(2,870)	-	2,870	-	-	-	-	-	-
Cash Assistance	10.555	251NJ304N1099	47,822	07/01/24	06/30/25	-	-	39,505	47,822	-	-	(8,317)	-	-
Total Child Nutrition Cluster						(621)	-	60,685	64,244	-	-	(8,317)	4,137	-
P-EBT	10.649	2022225900941	643	07/01/24	06/30/25	-	-	643	643	-	-	-	-	-
Local Food for Schools Cooperative Agreement Program	10.185	16161NJ304N1099	1,581	07/01/24	06/30/25	-	-	1,581	1,581	-	-	-	-	-
Total Enterprise Fund						(621)	-	62,909	66,468	-	-	(8,317)	4,137	-
Total Federal Awards						\$ (51,707)	\$ -	\$ 311,624	\$ 276,801	\$ -	\$ -	\$ (21,021)	\$ 4,137	\$ -

See independent auditors' reports.

EAST AMWELL 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		Balance June 30, 2024		Cash Received	Budgetary Expenditure	Adjustments/Repayments	Balance June 30, 2025			Memo	
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education														
General Fund														
School Choice Aid	25-495-034-5120-068	\$ 375,648	07/01/24	06/30/25	\$ -	\$ -	\$ 338,129	\$ 375,648	\$ -	\$ -	\$ -	\$ -	\$ 37,519	\$ 375,648
Transportation Aid	25-495-034-5120-014	181,957	07/01/24	06/30/25	-	-	163,784	181,957	-	-	-	-	18,173	181,957
Special Education Categorical Aid	25-495-034-5120-089	373,946	07/01/24	06/30/25	-	-	336,597	373,946	-	-	-	-	37,349	373,946
Security Aid	25-495-034-5120-084	37,939	07/01/24	06/30/25	-	-	34,150	37,939	-	-	-	-	3,789	37,939
Homeless Aid	25-495-034-5120-005	12,262	07/01/24	06/30/25	-	-	-	12,262	-	-	-	-	-	12,262
Non-Public Transportation Aid	24-495-034-5120-014	1,820	07/01/23	06/30/24	(1,820)	-	1,820	-	-	-	-	-	-	1,820
Non-Public Transportation Aid	25-495-034-5120-014	3,269	07/01/24	06/30/25	-	-	-	3,269	-	(3,269)	-	-	-	3,269
Extraordinary Special Education Costs Aid	24-100-034-5120-044	62,333	07/01/23	06/30/24	(62,333)	-	62,333	-	-	-	-	-	-	62,333
Extraordinary Special Education Costs Aid	25-100-034-5120-044	73,541	07/01/24	06/30/25	-	-	-	73,541	-	(73,541)	-	-	-	73,541
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	25-495-034-5094-002	1,318,544	07/01/24	06/30/25	-	-	1,318,544	1,318,544	-	-	-	-	-	1,318,544
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	25-495-034-5094-004	16,333	07/01/24	06/30/25	-	-	16,333	16,333	-	-	-	-	-	16,333
On-Behalf TPAF Pension Contribution - Post Retirement Medical	25-495-034-5094-001	390,052	07/01/24	06/30/25	-	-	390,052	390,052	-	-	-	-	-	390,052
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	25-495-034-5094-004	289	07/01/24	06/30/25	-	-	289	289	-	-	-	-	-	289
Reimbursed TPAF Social Security Contribution	24-495-034-5094-003	280,813	07/01/23	06/30/24	(13,918)	-	13,918	-	-	-	-	-	-	280,813
Reimbursed TPAF Social Security Contribution	25-495-034-5094-003	295,919	07/01/24	06/30/25	-	-	267,221	295,919	-	(28,698)	-	-	-	295,919
Total General Fund					(78,071)	-	2,955,432	3,079,699	-	(105,508)	-	-	96,830	3,424,665
State Department of Education														
Special Revenue Fund														
SDA Emergent and Capital Maintenance Needs	24-100-034-5120-519	7,831	07/01/24	06/30/25	5,683	-	-	5,683	-	-	-	-	-	5,683
Climate Change	24-WB01-G02	6,660	07/01/24	06/30/25	334	-	-	-	-	-	334	-	-	6,660
Preschool expansion aid	24-495-034-5120-086	520,170	07/01/24	06/30/25	63,978	-	-	-	-	-	63,978	-	-	456,192
Preschool expansion aid	25-495-034-5120-086	833,425	07/01/24	06/30/25	-	-	750,082	826,297	-	-	7,128	-	83,343	826,297
Total Special Revenue Fund					69,995	-	750,082	831,980	-	-	71,440	-	83,343	1,294,832
State Department of Agriculture														
Enterprise Fund														
State School Lunch Program	24-100-010-3350-023	2,329	07/01/23	06/30/24	(160)	-	160	-	-	-	-	-	-	2,329
State School Lunch Program	25-100-010-3350-023	4,170	07/01/24	06/30/25	-	-	3,413	4,170	-	(757)	-	-	-	4,170
Total Enterprise Fund					(160)	-	3,573	4,170	-	(757)	-	-	-	6,499
Total State Financial Assistance					\$ (8,236)	\$ -	\$3,709,087	3,915,849	\$ -	\$ (106,265)	\$ 71,440	\$ -	\$ 180,173	\$4,725,996
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	25-495-034-5094-002	1,318,544	7/1/2024	6/30/2025				1,318,544						
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	25-495-034-5094-004	16,333	7/1/2024	6/30/2025				16,333						
On-Behalf TPAF Pension Contribution - Postretirement Medical	25-495-034-5094-001	390,052	7/1/2024	6/30/2025				390,052						
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	25-495-034-5094-004	289	7/1/2024	6/30/2025				289						
Total for State Financial Assistance - Major Program Determination								\$2,190,631						

See independent auditors' reports.

EAST AMWELL 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 East Amwell 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. These bases of accounting are 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 \$3,588 for the general fund, (\$32,318) for the special revenue fund, and \$0 for the capital projects 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.

EAST AMWELL 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	\$ -	\$ 3,083,287	\$ 3,083,287
Special revenue fund	210,332	800,246	1,010,578
Debt service	-	24,961	24,961
Food service fund	66,468	4,170	70,638
Total awards and financial assistance	\$ 276,800	\$ 3,912,664	\$ 4,189,464

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 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**

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

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued Unmodified

Internal Control Over Financial Reporting:

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

Noncompliance material to Basic
Financial Statements noted?

Yes No

Federal Awards

Not Applicable

Internal Control Over Major Programs:

1. Were material weakness(es) identified? Yes No
2. Were significant deficiencies identified? Yes 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
<u>Not Applicable</u>	<u>Not Applicable</u>	<u>Not Applicable</u>

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

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

Section I - Summary of Auditors' 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? Yes No

Internal Control Over Major Programs:

1. Were material weakness(es) identified? Yes No

2. Were there significant deficiencies identified that are not considered to be material weaknesses? Yes 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 No

Identification of Major Programs:

State Grant/Project Numbers	Name of State Program
	<i>State Aid Public Cluster:</i>
<i>25-495-034-5120-089</i>	<i>Special Education Categorical Aid</i>
<i>25-495-034-5120-084</i>	<i>Security Aid</i>
<i>25-495-034-5120-068</i>	<i>School Choice Aid</i>
<i>25-495-034-5120-086</i>	<i>Preschool Expansion Aid</i>

EAST AMWELL 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 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.

**EAST AMWELL 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.