

**SUSSEX-WANTAGE REGIONAL
SCHOOL DISTRICT**

**Sussex-Wantage Regional School District
Sussex, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

**Sussex-Wantage Regional School District
Board of Education**

Sussex, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

**Sussex-Wantage Regional School District
Board Office**

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025

INTRODUCTORY SECTION (Unaudited)

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

FINANCIAL SECTION

Independent Auditors' Report.....	9
Required Supplementary Information	13
Management's Discussion and Analysis.....	14
Basic Financial Statements (Sections A and B).....	21
A. District-Wide Financial Statements	22
A-1 Statement of Net Position.....	23
A-2 Statement of Activities	24
B. Fund Financial Statements	26
B-1 Balance Sheet – Governmental Funds.....	27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds	28
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
B-4 Statement of Net Position – Proprietary Funds	30
B-5 Statement of Revenue, Expenses and Changes in Net Position – Proprietary Funds.....	31
B-6 Statement of Cash Flows – Proprietary Funds	32
Notes to the Basic Financial Statements	33
Required Supplementary Information	73
L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits	
Other than Pensions	74
L-1 Schedule of District's Proportionate Share of the Net Pension Liability Public Employees – Retirement System	74
L-2 Schedule of District Contributions – Public Employees Retirement System.....	75
L-3 Schedule of State's Proportionate Share of the Net Pension Liability Attributable to the District – Teachers' Pension and Annuity Fund.....	76
L-4 Schedule of State Contributions – Teachers' Pension and Annuity Fund.....	77
L-5 Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios	78
Notes to Required Supplementary Information	79

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Required Supplementary Information (Cont'd)

C.	Budgetary Comparison Schedules	80
C-1	Budgetary Comparison Schedule – General Fund	81
C-2	Budgetary Comparison Schedule - Special Revenue Fund	92
C-3	Required Supplementary Information - Budgetary Comparison Schedule – Note to RSI	93

Other Supplementary Schedules (D.-I.)

D.	School Level Schedules (Not Applicable)	95
E.	Special Revenue Fund	96
E-1	Combining Schedule of Program Revenue and Expenditures-Special Revenue Fund – Budgetary Basis	97
E-2	Preschool Education Aid Schedule of Expenditures – Budgetary Basis	101
F.	Capital Projects Fund	102
F-1	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	103
F-1a	Schedule of Project Revenue, Expenditures, Project Balance and Project Status – Budgetary Basis – Solar Panel Project	104
F-1b	Schedule of Project Revenue, Expenditures, Project Balance and Project Status – Budgetary Basis – Sussex Middle School Window Replacement Project	105
G.	Proprietary Funds (Enterprise Fund)	106
G-1	Combining Statement of Net Position	107
G-2	Combining Statement of Revenue, Expenses and Changes in Net Position	108
G-3	Combining Statement of Cash Flows	109
H.	Fiduciary Activities (Not Applicable)	110
I.	Long-Term Liabilities (Not Applicable)	111

STATISTICAL SECTION

J.	Statistical Schedules (Unaudited)	112
J-1	Net Position by Component	113
J-2	Changes in Net Position	115
J-3	Fund Balances - Governmental Funds	121
J-4	Changes in Fund Balances - Governmental Funds	123
J-5	General Fund Other Local Revenue by Source	127
J-6	Assessed Value and Actual Value of Taxable Property	128
J-7	Direct and Overlapping Property Tax Rates	129
J-8	Principal Property Taxpayers, Current Year and Nine Years Ago	130
J-9	Property Tax Levies and Collections	131
J-10	Ratios of Outstanding Debt by Type	132
J-11	Ratios of Net General Bonded Debt Outstanding	133
J-12	Ratios of Overlapping Governmental Activities Debt	134
J-13	Legal Debt Margin Information	135
J-14	Demographic and Economic Statistics	136
J-15	Principal Employers, Current Year and Nine Years Ago	137
J-16	Full-time Equivalent District Employees by Function/Program	138

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

STATISTICAL SECTION (Cont'd)

J-17	Operating Statistics.....	139
J-18	School Building Information.....	140
J-19	Schedule of Required Maintenance.....	141
J-20	Insurance Schedule.....	142

K. SINGLE AUDIT SECTION 143

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 <i>Government Auditing Standards</i>	144
K-2	Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance Required by the Uniform Guidance and NJOMB 15-08	146
K-3	Schedule of Expenditures of Federal Awards	149
K-4	Schedule of Expenditures of State Awards.....	151
K-5	Notes to the Schedules of Expenditures of Federal and State Awards	153
K-6	Schedule of Findings and Questioned Costs	155
K-7	Summary Schedule of Prior Audit Findings	158

INTRODUCTORY SECTION
(UNAUDITED)

BOARD OF EDUCATION
SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

27 Bank Street
Sussex, NJ 07461
973-875-3175
FAX: (973) 875-7175

MICHAEL GALL
SUPERINTENDENT
E-mail: mgall@swregional.org

CHRISTINA M. RIKER
BUSINESS ADMINISTRATOR
E-mail: criker@swregional.org

DONNA PYCH
ADMINISTRATIVE ASSISTANT

NANCY SISTO
ADMINISTRATIVE ASSISTANT

November 14, 2025

The Honorable President and Members of
the Board of Education
Sussex-Wantage Regional School District
County of Sussex
Sussex, New Jersey

Dear Honorable President and Board Members:

The annual comprehensive financial report of the Sussex-Wantage Regional 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 Sussex-Wantage Regional School 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 of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, is included in the single audit section of this report.

(1) REPORTING ENTITY AND ITS SERVICES: The Sussex-Wantage Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in Codification Section 2100. All funds of the District are included in this report. The Sussex-Wantage Regional Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2024-2025 fiscal year with an average daily enrollment of 1,187 students, an increase of 99 students from the previous year's average daily enrollment.

(2) ECONOMIC CONDITION AND OUTLOOK: The economic condition of the municipalities comprising the District is influenced by the slow population growth. There was a net increase of ratables in Sussex Borough of 0.80%, while Wantage Township ratables increased 0.38%. Despite this, the percentage of commercial ratables to the total ratables is considerably less than in most areas in the State of New Jersey.

(3) MAJOR INITIATIVES: The total amount of State Aid for the 2024-2025 school year increased \$913,616 from the level of 2023-2024 funding. With this, the District was able to maintain class sizes at all grade levels.

To strengthen Tier I MTSS this school year, our district will continue to enhance high-quality, evidence-based instruction across all classrooms. We will use data-driven practices to monitor progress and provide timely support, while equipping teachers with targeted tools and professional development to differentiate instruction effectively. With the addition of our new Director of Curriculum, we will further strengthen instructional coherence and support throughout the district.

In ELA, we will prioritize research-based strategies-such as explicit vocabulary instruction, guided reading, and focused comprehension work-supported by formative assessments and ongoing professional learning aligned with state standards.

We will deepen our commitment to wellness by expanding SEL initiatives and integrating daily mindfulness practices that build emotional regulation, focus, and overall well-being for students and staff.

To support our PreK expansion goals, we will align curriculum and expectations between PreK and elementary grades, reinforce partnerships with families, and provide targeted professional development to ensure smooth transitions and strong early learning outcomes.

Additionally, we are expanding our chronic absenteeism initiatives to improve student engagement and attendance districtwide, and we are exploring potential grade-level realignments to better support student learning and development.

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

(5) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP.

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

(6) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2025.

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

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

The Board is a member of the School Alliance Insurance Fund ("SAIF"). The SAIF is a risk-sharing public entity risk management fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to their members. The School Alliance Insurance Fund oversees risk management for the District. A schedule of insurance coverage is found on Exhibit J-20.

The Honorable President and Members of
the Board of Education
Sussex-Wantage Regional School District
Page 4
November 14, 2025

(9) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and New Jersey’s OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.

The auditors’ report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The auditors’ reports related specifically to the single audit and Government Auditing Standards are included in the single audit section of this report.

(10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Sussex-Wantage Regional School District 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 the financial and accounting staff.

Respectfully submitted,

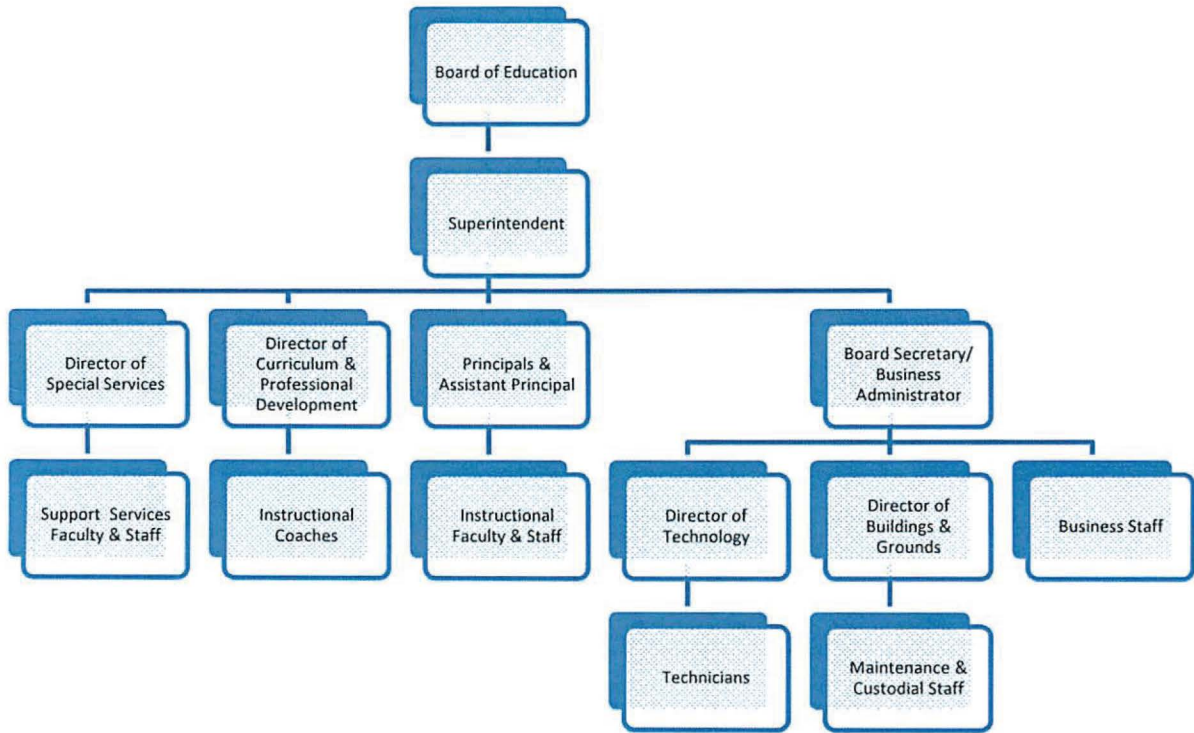


Michael Gall
Superintendent of Schools



Christina Riker
Business Administrator/Board Secretary

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
Organizational Chart
(Unit Control)



**SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
 ROSTER OF OFFICIALS
 JUNE 30, 2025**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Stephanie Tortorella, President	2025
Caitlin Space, Vice President	2026
Leah Marrocco	2027
Joseph Gaccione	2027
Stevie Vallone	2026
Brittney Simmons	2025
Taylor Dely	2025
Danielle Zill-Barry	2026
Alissa Cecchini	2027

Other Officers

Title

Michael Gall	Superintendent
Christina Riker	Business Administrator/Board Secretary
Grant W. Rome, Treasurer	Treasurer

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

Consultants and Advisors

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road Suite 300
Mount Arlington, NJ 07856-1320

and

Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860

and

1140 Route 22 East, Suite 203
Bridgewater, NJ 08807

Attorney

Cleary, Giacobbe, Alfieri, Jacobs, LLC
7 James Street
Florham Park, NJ 07932

Official Depository

Provident Bank
250 Oak Ridge Road
Oak Ridge, NJ 07438-8906

Architect

Parette Somjen Architects, LLC
439 Route 46 East
Rockaway, NJ 07866

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
County of Sussex, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Sussex-Wantage Regional School District (the “District”), in the County of Sussex, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the “Office”) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 18 to the financial statements, the District implemented GASB Statement No. 101, *Compensated Absences*, during the year ended June 30, 2025. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
Page 4

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

November 14, 2025
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb

Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

This section of the Sussex-Wantage Regional School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

Overview of the Financial Statements

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

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

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

**Figure A-1
Organization of the School District’s Financial Report**

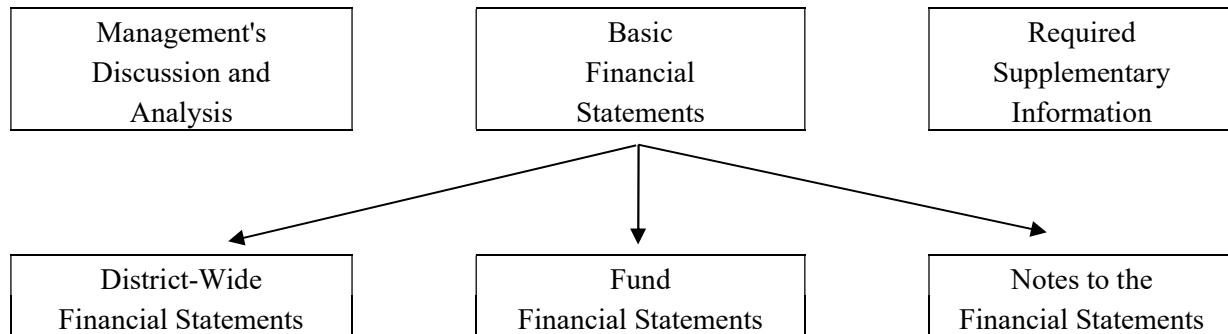


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services and the Care Program
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets, subscription assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The District currently does not maintain any internal service funds.

Notes to the Basic Financial Statements:

Provide additional information essential to a full understanding of the District-wide and fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The District’s combined net position increased by \$297,010. Net position from governmental activities increased by \$253,885 and net position from business-type activities increased by \$43,125. Net investment in capital assets decreased by \$302,734, restricted net position decreased by \$1,023,697, and unrestricted net position increased by \$1,623,441.

Figure A-3

	Condensed Statement of Net Position						Percentage Change
	Governmental Activities		Business-Type Activities		Total School District		
	2024/2025	2023/2024*	2024/2025	2023/2024	2024/2025	2023/2024*	
Assets:							
Current and Other Assets	\$ 8,387,574	\$ 8,359,335	\$ 542,962	\$ 495,810	\$ 8,930,536	\$ 8,855,145	
Capital Assets, Net	9,098,638	9,381,927	84,045	103,490	9,182,683	9,485,417	
Total Assets	17,486,212	17,741,262	627,007	599,300	18,113,219	18,340,562	-1.24%
Deferred Outflows of Resources	409,506	430,228			409,506	430,228	-4.82%
Liabilities:							
Other Liabilities	3,877,155	3,951,734	24,364	39,782	3,901,519	3,991,516	
Long-Term Liabilities	4,469,658	4,889,140			4,469,658	4,889,140	
Total Liabilities	8,346,813	8,840,874	24,364	39,782	8,371,177	8,880,656	-5.74%
Deferred Inflows of Resources	603,588	639,184			603,588	639,184	-5.57%
Net Position:							
Investment in Capital Assets	9,098,638	9,381,927	84,045	103,490	9,182,683	9,485,417	
Restricted	3,310,741	4,334,438			3,310,741	4,334,438	
Unrestricted/(Deficit)	(3,464,062)	(5,024,933)	518,598	456,028	(2,945,464)	(4,568,905)	
Total Net Position	\$ 8,945,317	\$ 8,691,432	\$ 602,643	\$ 559,518	\$ 9,547,960	\$ 9,250,950	3.21%

* - As Restated

Changes in Net Position. The District’s combined net position was \$9,547,960 on June 30, 2025, an increase of \$297,010 or 3.21% more than it was the year before (See Figure A-3). Net Investment in Capital Assets decreased by \$302,734 due to the \$583,576 of current year capital assets additions as well as the \$851,700 of depreciation expense and adjustments of (\$34,610). Restricted net position decreased by \$1,023,697 due to the decrease in excess surplus of \$1,071,372, the budgeted withdrawals from the Capital Reserve of \$500,000 and the budgeted withdrawal from Maintenance Reserve of \$250,000 as well as the \$500,000 Board resolution transfer to the Capital Reserve, the \$250,000 Board transfer to the Maintenance Reserve, the \$44,056 increase in the Unemployment Compensation restricted fund balance and the \$ 3,619 increase in the Student Activities restricted fund balance. The unrestricted net position increased by \$1,623,441 due primarily to the decrease in year-end encumbrances and the change in pension related deferred inflows and outflows, an excess in revenue and the unexpended budget appropriations as well as the decrease in the net pension liability.

Figure A-4

Changes in Net Position from Operating Results							
	Governmental Activities	Business- Type Activities	Governmental Activities	Business- Type Activities	Total School District	Total School District	Percentage Change
	<u>2024/2025</u>	<u>2024/2025</u>	<u>2023/2024</u>	<u>2023/2024</u>	<u>2024/2025</u>	<u>2023/2024</u>	<u>2024/2025</u>
Revenue:							
Program Revenue:							
Charges for Services	\$ 147,888	\$ 359,961	\$ 156,847	\$ 413,423	\$ 507,849	\$ 570,270	
Operating Grants and Contributions	9,075,510	313,349	7,072,218	286,845	9,388,859	7,359,063	
General Revenue:							
Property Taxes	18,499,937		17,717,204		18,499,937	17,717,204	
Unrestricted State and Federal Aid	4,613,316		4,010,627		4,613,316	4,010,627	
Other	200,480	9,637	291,817	10,181	210,117	301,998	
Total Revenue	<u>32,537,131</u>	<u>682,947</u>	<u>29,248,713</u>	<u>710,449</u>	<u>33,220,078</u>	<u>29,959,162</u>	10.88%
Expenses:							
Instruction	19,547,675		17,811,924		19,547,675	17,811,924	
Pupil and Instruction Services	4,474,093		4,375,087		4,474,093	4,375,087	
Administrative and Business	2,127,211		2,151,509		2,127,211	2,151,509	
Maintenance and Operations	2,458,544		1,437,299		2,458,544	1,437,299	
Transportation	1,877,181		1,740,262		1,877,181	1,740,262	
Other	1,798,542	639,822	1,695,325	652,963	2,438,364	2,348,288	
Total Expenses	<u>32,283,246</u>	<u>639,822</u>	<u>29,211,406</u>	<u>652,963</u>	<u>32,923,068</u>	<u>29,864,369</u>	10.24%
Increase/(Decrease) in Net Position	<u>\$ 253,885</u>	<u>\$ 43,125</u>	<u>\$ 37,307</u>	<u>\$ 57,486</u>	<u>\$ 297,010</u>	<u>\$ 94,793</u>	213.32%

Governmental Activities

The financial position of the District improved in the current year. However, maintaining existing programs for regular pupil enrollment and the provision of special programs and services for disabled pupils place great demands on the District's resources.

Careful management of expenses remains essential for the District to sustain its financial health.

It is crucial that the District examine its expenses carefully. Staff, parental and student demands for salary increases, new activities and programs must be evaluated thoroughly.

Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs).

The net cost shows the financial burden placed on the District’s taxpayers by each of the following functions:

Figure A-5

	Net Cost of Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2024/2025	2024/2025	2023/2024	2023/2024
Instruction	\$ 19,547,675	\$ 11,387,473	\$ 17,811,924	\$11,772,449
Pupil and Instruction Services	4,474,093	4,115,402	4,375,087	3,952,006
Administrative and Business	2,127,211	2,127,211	2,151,509	2,151,509
Maintenance and Operations	2,458,544	2,458,544	1,437,299	1,437,299
Transportation	1,877,181	1,172,676	1,740,262	973,753
Other	1,798,542	1,798,542	1,695,325	1,695,325
	<u>\$ 32,283,246</u>	<u>\$ 23,059,848</u>	<u>\$ 29,211,406</u>	<u>\$ 21,982,341</u>

Business-Type Activities

The District’s business-type activities increased by \$43,125. In the Food Service Fund, the increase of \$30,096 was due primarily to an increase in federal and state subsidy reimbursements. The increase of \$13,029 in the Care Program was due to an increase of program fees and a decrease in operating expenses.

Financial Analysis of the District’s Funds

The District’s financial position decreased in the General Fund in the current year primarily due to fund balance including the capital reserve funds utilized to support the budget offset by excess revenues and unexpended budget appropriations. As the number of low-income students rises, so do the expenditures related to meeting their additional needs.

All of these factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. The budget was amended for transfers to prevent over-expenditures of specific line item accounts.

Capital Assets

Figure A-6

Capital Assets (Net of Depreciation)

	Government Activities		Business-Type Activities		Total School District		Percentage
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	Change
Construction in Progress	\$ 35,595	\$ 842,114			\$ 35,595	\$ 842,114	
Buildings and Building Improvements	7,437,937	6,709,305			7,437,937	6,709,305	
Site Improvements	1,106,735	1,252,834			1,106,735	1,252,834	
Machinery and Equipment	518,371	577,674	\$ 84,045	\$103,490	602,416	681,164	
Total Capital Assets (Net of Depreciation)	<u>\$ 9,098,638</u>	<u>\$ 9,381,927</u>	<u>\$ 84,045</u>	<u>\$103,490</u>	<u>\$ 9,182,683</u>	<u>\$ 9,485,417</u>	-3.19%

During the current fiscal year, the District had capital additions of \$583,576, depreciated \$851,700 of its capital assets and there were \$34,610 of capital asset adjustments.

Long-term Liabilities

At year-end, the District had \$4,469,658 in long-term liabilities outstanding – a decrease of \$419,482 from last year – as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 8 to the financial statements.)

Figure A-7

Outstanding Long-Term Liabilities

	Total School District		Percentage
	2024/2025	2023/2024 *	Change
Net Pension Liability	\$ 3,568,099	\$ 3,977,958	
Compensated Absences Payable	901,559	911,182	
Total Long-Term Liabilities	<u>\$ 4,469,658</u>	<u>\$ 4,889,140</u>	-8.58%

* - As Restated

The District’s long-term liabilities decreased by \$419,482 or 8.58% due to the decrease in net pension liability of \$409,859 and the decrease in compensated absences payable of \$9,623.

Factors Bearing on the District’s Future

The Sussex-Wantage Regional School District remains financially stable even with continued uncertainty in State funding and the long-lasting effects of the COVID-19 pandemic that began in mid-March 2020. The District has and will continue to maintain programs and class size despite the uncertainty.

The District will continue to look at ways to contain and cut costs, in addition to, working to ensure the health, safety and well-being of our students and staff.

Contacting the District’s Financial Management

This financial report is designed to provide the District’s citizens, taxpayers, customers and creditors with a general overview of the School District’s finances and to reflect the School District’s accountability for the money it receives. Questions about this report or additional financial information needs should be directed to Christina Riker, School Business Administrator, Sussex-Wantage Regional Board of Education, 27 Bank Street, Sussex, New Jersey.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 4,604,107	\$ 610,612	\$ 5,214,719
Internal Balances	155,866	(155,866)	
Receivables from State Government	1,903,172	854	1,904,026
Receivables from Federal Government	159,717	19,083	178,800
Other Accounts Receivable	40,426	49,647	90,073
Inventories		18,632	18,632
Restricted Assets:			
Cash and Cash Equivalents	1,524,286		1,524,286
Capital Assets, Net:			
Construction in Progress	35,595		35,595
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	9,063,043	84,045	9,147,088
Total Assets	<u>17,486,212</u>	<u>627,007</u>	<u>18,113,219</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows Related to Pensions	409,506		409,506
Total Deferred Outflows of Resources	<u>409,506</u>		<u>409,506</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	1,860,540	1,654	1,862,194
Payable to State Government	30,436		30,436
Unearned Revenue	1,986,179	22,710	2,008,889
Noncurrent Liabilities:			
Due Within One Year	27,786		27,786
Due Beyond One Year	4,441,872		4,441,872
Total Liabilities	<u>8,346,813</u>	<u>24,364</u>	<u>8,371,177</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows Related to Pensions	603,588		603,588
Total Deferred Inflows of Resources	<u>603,588</u>		<u>603,588</u>
<u>NET POSITION</u>			
Investment in Capital Assets	9,098,638	84,045	9,182,683
Restricted for:			
Capital Projects	550,000		550,000
Maintenance	250,000		250,000
Excess Surplus	1,786,455		1,786,455
Unemployment Compensation	571,190		571,190
Student Activities	153,096		153,096
Unrestricted/(Deficit)	<u>(3,464,062)</u>	<u>518,598</u>	<u>(2,945,464)</u>
Total Net Position	<u>\$ 8,945,317</u>	<u>\$ 602,643</u>	<u>\$ 9,547,960</u>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 12,043,504	\$ 22,768	\$ 3,779,252	\$ (8,264,252)		\$ (8,264,252)
Special Education	6,469,110		4,208,805	(2,237,537)		(2,237,537)
Other Special Instruction	677,537		130,188	(547,349)		(547,349)
School Sponsored/Other Instruction	357,524		19,189	(338,335)		(338,335)
Support Services:						
Tuition	861,415		233,888	(627,527)		(627,527)
Student and Instruction Related Services	3,612,678	92,436	32,367	(3,487,875)		(3,487,875)
General Administrative Services	521,051			(521,051)		(521,051)
School Administrative Services	1,026,546			(1,026,546)		(1,026,546)
Central Services	374,671			(374,671)		(374,671)
Administrative Information Technology	204,943			(204,943)		(204,943)
Plant Operations and Maintenance	2,458,544			(2,458,544)		(2,458,544)
Pupil Transportation	1,877,181	32,684	671,821	(1,172,676)		(1,172,676)
Unallocated Depreciation	705,562			(705,562)		(705,562)
Transfer of Funds to Charter School	877,237			(877,237)		(877,237)
Capital Outlay	215,743			(215,743)		(215,743)
Total Governmental Activities	32,283,246	147,888	9,075,510	(23,059,848)		(23,059,848)
Business-Type Activities:						
Food Service	517,695	224,805	313,349		\$ 20,459	20,459
Care Program	122,127	135,156			13,029	13,029
Total Business-Type Activities	639,822	359,961	313,349		33,488	33,488
Total Primary Government	\$ 32,923,068	\$ 507,849	\$ 9,388,859	(23,059,848)	33,488	(23,026,360)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenue:			
Property Taxes, Levied for General Purposes	\$ 18,499,937		\$ 18,499,937
Federal and State Aid not Restricted	4,613,316		4,613,316
Interest Earnings		\$ 9,637	9,637
Miscellaneous Income	200,480		200,480
	23,313,733	9,637	23,323,370
Total General Revenues			
Change in Net Position	253,885	43,125	297,010
Net Position - Beginning (as Restated)	8,691,432	559,518	9,250,950
Net Position - Ending	8,945,317	\$ 602,643	\$ 9,547,960

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

FUND FINANCIAL STATEMENTS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 2,429,146	\$ 1,918,196	\$ 256,765	\$ 4,604,107
Interfund Receivable	155,866			155,866
Receivables From State Government	1,903,172			1,903,172
Receivables From Federal Government		159,717		159,717
Other Accounts Receivable	40,426			40,426
Restricted Cash and Cash Equivalents	1,371,190	153,096		1,524,286
Total Assets	\$ 5,899,800	\$ 2,231,009	\$ 256,765	\$ 8,387,574
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,223,294	\$ 303,649		\$ 1,526,943
Payable to State Government		30,436		30,436
Unearned Revenue	450	1,985,729		1,986,179
Total Liabilities	1,223,744	2,319,814		3,543,558
Fund Balances:				
Restricted:				
Excess Surplus - Restricted for 2026-2027	381,143			381,143
Excess Surplus - Restricted for 2025-2026	1,405,312			1,405,312
Capital Reserve Account	550,000			550,000
Maintenance Reserve Account	250,000			250,000
Unemployment Compensation	571,190			571,190
Student Activities		153,096		153,096
Committed			\$ 256,765	256,765
Assigned:				
Year-end Encumbrances	134,198			134,198
Designated for Subsequent Year's Expenditures	305,720			305,720
Unassigned/(Deficit)	1,078,493	(241,901)		836,592
Total Fund Balances/(Deficit)	4,676,056	(88,805)	256,765	4,844,016
Total Liabilities and Fund Balances	\$ 5,899,800	\$ 2,231,009	\$ 256,765	\$ 8,387,574
Amounts Reported for <i>Governmental Activities</i> in the Statement of Net Position (A-1) are Different Because:				
Fund Balance from Above				\$ 4,844,016
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.				9,098,638
Long-Term Liabilities, are not Due and Payable in the Current Period and Therefore are not Reported as Liabilities in the Funds.				(901,559)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.				(3,568,099)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:				
Deferred Outflows				75,909
Deferred Inflows				(603,588)
Net Position of Governmental Activities				\$ 8,945,317

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
Local Sources:				
Local Tax Levy	\$ 18,499,937			\$ 18,499,937
Tuition	22,768			22,768
Transportation Fees	32,684			32,684
Restricted Miscellaneous Revenue	44,056	\$ 92,436		136,492
Unrestricted Miscellaneous Revenue	156,424			156,424
Total - Local Sources	18,755,869	92,436		18,848,305
State Sources	14,105,561	1,963,772		16,069,333
Federal Sources	56,288	1,212,718		1,269,006
Total Revenues	32,917,718	3,268,926		36,186,644
EXPENDITURES:				
Current:				
Regular Instruction	6,127,084	2,920,386		9,047,470
Special Education Instruction	4,114,924	218,941		4,333,865
Other Special Instruction	592,814			592,814
School-Sponsored	92,048			92,048
Support Services and Undistributed Costs:				
Tuition	627,527	233,888		861,415
Student and Other Instruction Related Services	2,685,740	88,817		2,774,557
General Administrative Services	497,135			497,135
School Administrative Services	755,207			755,207
Central Services	351,710			351,710
Administrative Information Technology	197,213			197,213
Plant Operations and Maintenance	2,382,166			2,382,166
Student Transportation	1,814,315			1,814,315
Unallocated Benefits	10,773,504			10,773,504
Capital Outlay	509,050	220,064	\$ 35,595	764,709
Transfer of Funds to Charter School	877,237			877,237
Total Expenditures	32,397,674	3,682,096	35,595	36,115,365
Excess/(Deficit) of Revenue Over/(Under) Expenditures	520,044	(413,170)	(35,595)	71,279
Other Financing Sources/(Uses):				
Transfer In		405,444	264,723	670,167
Transfer Out	(670,167)			(670,167)
Total Other Financing Sources/(Uses)	(670,167)	405,444	264,723	
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(150,123)	(7,726)	229,128	71,279
Fund Balance/(Deficit) - July 1	4,826,179	(81,079)	27,637	4,772,737
Fund Balance/(Deficit) - June 30	\$ 4,676,056	\$ (88,805)	\$ 256,765	\$ 4,844,016

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 71,279

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays differ from depreciation and capital asset adjustments in the period.

Depreciation Expense	\$	(832,255)	
Capital Asset Adjustments		(34,610)	
Capital Outlays		583,576	
			(283,289)

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	409,859
Change in Deferred Outflows	10,817
Change in Deferred Inflows	35,596

In the statement of activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

9,623

Change in net position of governmental activities (A-2) \$ 253,885

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Non-Major</u>	<u>Total</u>
	<u>Food Service</u>	<u>Fund</u>	
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 403,918	\$ 206,694	\$ 610,612
Intergovernmental Accounts Receivable:			
State	854		854
Federal	19,083		19,083
Other Accounts Receivable	38,228	11,419	49,647
Inventories	18,632		18,632
Total Current Assets	<u>480,715</u>	<u>218,113</u>	<u>698,828</u>
Non-Current Assets:			
Capital Assets	371,593		371,593
Accumulated Depreciation	(287,548)		(287,548)
Total Non-Current Assets	<u>84,045</u>		<u>84,045</u>
Total Assets	<u>564,760</u>	<u>218,113</u>	<u>782,873</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	1,549	105	1,654
Interfund Payable	155,866		155,866
Unearned Revenue - Donated Commodities	6,034		6,034
Unearned Revenue - Prepaid Sales/Fees	4,773	11,903	16,676
Total Current Liabilities	<u>168,222</u>	<u>12,008</u>	<u>180,230</u>
NET POSITION:			
Investment in Capital Assets	84,045		84,045
Unrestricted	312,493	206,105	518,598
Total Net Position	<u>\$ 396,538</u>	<u>\$ 206,105</u>	<u>\$ 602,643</u>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major	Total
	Food Service	Fund	
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 170,327		\$ 170,327
Daily Sales - Non-Reimbursable Programs	54,478		54,478
Child Care Fees		\$ 135,156	135,156
Total Operating Revenue	<u>224,805</u>	<u>135,156</u>	<u>359,961</u>
Operating Expenses:			
Cost of Goods Sold - Reimbursable Programs	171,913		171,913
Cost of Goods Sold - Non-Reimbursable Programs	54,288		54,288
Salaries	179,881	115,985	295,866
Employee Benefits and Payroll Taxes	56,658		56,658
Purchased Services	16,870	3,925	20,795
Supplies and Materials	18,640	2,217	20,857
Depreciation	19,445		19,445
Total Operating Expenses	<u>517,695</u>	<u>122,127</u>	<u>639,822</u>
Operating Income/(Loss)	<u>(292,890)</u>	<u>13,029</u>	<u>(279,861)</u>
Non-Operating Revenue:			
State Sources:			
School Breakfast Program	844		844
State School Lunch Program	7,645		7,645
School Breakfast Program - NJEIE	565		565
State School Lunch Program - NJEIE	3,369		3,369
Federal Sources:			
School Breakfast Program	52,297		52,297
National School Lunch Program	202,554		202,554
Supply Chain Assistance	7,287		7,287
Local Food for Schools Cooperative Agreement Program	203		203
Summer EBT Reimbursement	643		643
Food Distribution Program	37,942		37,942
Local Sources:			
Interest Revenue	9,637		9,637
Total Non-Operating Revenue	<u>322,986</u>		<u>322,986</u>
Change in Net Position	30,096	13,029	43,125
Net Position - Beginning of Year	<u>366,442</u>	<u>193,076</u>	<u>559,518</u>
Net Position - End of Year	<u>\$ 396,538</u>	<u>\$ 206,105</u>	<u>\$ 602,643</u>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Non-Major</u>	<u>Total</u>
	<u>Food Service</u>	<u>Fund</u>	
Cash Flows for Operating Activities:			
Receipts from Customers	\$ 224,771	\$ 144,588	\$ 369,359
Payments for Salaries, Payroll Taxes and Benefits	(236,539)	(115,880)	(352,419)
Payments to Suppliers	(226,017)	(14,087)	(240,104)
Net Cash Provided by/(Used for) Operating Activities	(237,785)	14,621	(223,164)
Cash Flows from Noncapital Financing Activities:			
Federal and State Sources Received in Food Service Fund	288,138		288,138
Net Cash Provided by Noncapital Financing Activities	288,138		288,138
Cash Flows from Investing Activities:			
Interest on Investments	9,637		9,637
Net Cash Provided by Investing Activities	9,637		9,637
Net Increase in Cash and Cash Equivalents	59,990	14,621	74,611
Cash and Cash Equivalents, July 1	343,928	192,073	536,001
Cash and Cash Equivalents, June 30	\$ 403,918	\$ 206,694	\$ 610,612
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities			
Operating Income/(Loss)	\$ (292,890)	\$ 13,029	\$ (279,861)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	19,445		19,445
Food Distribution Program	37,942		37,942
Changes in Assets and Liabilities:			
(Increase)/Decrease in Inventory	2,370		2,370
(Increase)/Decrease in Other Accounts Receivable	(2,634)	7,704	5,070
Increase/(Decrease) in Accounts Payable	949	(7,840)	(6,891)
Increase/(Decrease) in Unearned Revenue:			
Donated Commodities	(2,933)		(2,933)
Prepaid Sales/Fees	(34)	1,728	1,694
Net Cash Provided by/(Used for) Operating Activities	\$ (237,785)	\$ 14,621	\$ (223,164)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$35,008 and utilized commodities valued at \$37,942 for the fiscal year ended June 30, 2025.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

B. Basis of Presentation (Cont'd)

program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expenses by board resolution.

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

B. Basis of Presentation (Cont'd)

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for fiscal year ending June 30, 2025 was submitted to the County office and was approved

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis except for student activities. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports. The general and special revenue funds budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements. In the capital projects fund, grant revenue is recognized on the budgetary revenue when the grant is awarded but is not recognized on the GAAP basis until the grant funds are submitted for reimbursement.

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 32,968,897	\$ 3,031,668
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis Does Not:		
Prior Year Encumbrances		272,143
Cancellation of Prior Year Encumbrances		(7,039)
Current Year Encumbrances		(16,501)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	616,963	230,556
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(668,142)	(241,901)
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 32,917,718	\$ 3,268,926

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

Uses/Outflows of Resources:

Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 32,397,674	\$ 3,433,493
Differences - Budgetary to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Prior Year Encumbrances		272,143
Cancellation of Prior Year Encumbrances		(7,039)
Current Year Encumbrances		(16,501)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 32,397,674	\$ 3,682,096

	Capital Projects Fund	
	Revenue	Fund Balance
Revenue and Other Financing Sources/Fund Balance Budgetary Basis	\$ 458,843	\$ 450,885
Reconciliation to Governmental Funds Statements (GAAP):		
Grants Revenue not Recognized on GAAP Basis	(194,120)	(194,120)
Revenue and Other Financing Sources/Fund Balance per Governmental Funds (GAAP)	\$ 264,723	\$ 256,765

E. Cash and Cash Equivalents and Investments

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

E. Cash and Cash Equivalents and Investments (Cont'd)

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Government Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year end.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2025.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	Estimated Useful Life
Buildings and Building Improvements	40 years
Site Improvements	20 years
Machinery and Equipment	10 to 12 years

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

L. Lease Assets

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

M. Subscription Assets

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

N. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond premiums and discounts are amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2025, the amount earned by these employees but not disbursed was \$735,336.

P. Compensated Absences

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

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

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

Q. Lease Payable

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

R. Subscription Payable

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

S. Unearned Revenue

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

T. Fund Balance Appropriated:

General Fund: Of the \$4,676,056 General Fund fund balance at June 30, 2025, \$550,000 is restricted in a capital reserve; \$250,000 is restricted in a maintenance reserve; \$1,405,312 is restricted as prior year excess surplus which has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2026; \$381,143 is restricted as current year excess surplus and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2027; \$134,198 is assigned for year-end encumbrances; \$305,720 is assigned for subsequent year's expenditures; \$571,190 is restricted for unemployment compensation. Additionally, there is \$1,078,493 of unassigned fund balance which is \$668,142 less than the actual year-end unassigned fund balance, on a GAAP Basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2026.

Special Revenue Fund: Of the (\$88,805) Special Revenue Fund fund balance at June 30, 2025, \$153,096 is restricted for student activities offset by a deficit of \$241,901 in unassigned fund balance. This deficit is due to the last two June state aid payments, which are not recognized until the fiscal year ended June 30, 2026 on a GAAP basis.

Capital Projects Fund: The entire \$256,765 fund balance at June 30, 2025 is committed which is \$194,120 less than the actual year-end committed fund balance, on a GAAP Basis, due to the recognition of grant revenue only when reimbursement requests have been made.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted 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 restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted above.

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

U. Net Position:

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

U. Net Position: (Cont'd)

The District had deferred inflows of resources at June 30, 2025 related to pensions.

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

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

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

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

V. Deficit Net Position / Fund Balance:

There is a deficit in unrestricted governmental activities net position of \$3,464,062 which is primarily a result of compensated absences payable, net pension liability and the related deferred inflows and outflows offset by assigned and unassigned General Fund, unassigned Special Revenue Fund and committed Capital Projects Fund fund balances. There is also a deficit in unassigned fund balance of \$241,901 in the Special Revenue Fund due to the two June state aid payments which are not recognized on a GAAP basis until the fiscal year ended June 30, 2026. These deficits do not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments and Assignments:

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

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

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

The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources at June 30, 2025 in the Capital Projects Fund.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources in the General Fund at June 30, 2025 for year-end encumbrances and an amount designated for subsequent year's expenditures.

X. Revenue - Exchange and Nonexchange Transactions:

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

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

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

Y. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and Care Program fees. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

Z. Management Estimates:

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

AA. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

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

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

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

Custodial Credit Risk – the District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

Deposits:

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

Deposits: (Cont'd)

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund establish pursuant to section 1 of P.L. 1977,C.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

Investments: (Cont'd)

not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the “Local Authorities Fiscal Control Law,” P.L. 1983, c. 313 (C.40A:5A-1 et seq.) ;

- (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district’s funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents			Student Activities	Total
		Capital Reserve	Maintenance Reserve	Unemployment Compensation		
Checking Accounts	\$ 5,214,719	\$ 550,000	\$ 250,000	\$ 571,190	\$ 153,096	\$ 6,739,005

The carrying amount of the Board's cash and cash equivalents at June 30, 2025, was \$6,739,005 and the bank balance was \$7,447,647.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account in the amount of \$400,000 was established by Board resolution on June 26, 2013 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2024	\$ 550,000
Add:	
Deposit - Board Resolution June 30, 2025	500,000
	1,050,000
Less:	
Budgeted Withdrawal	(500,000)
Ending Balance, June 30, 2025	\$ 550,000

The balance in the capital reserve at June 30, 2025 did not exceed the balance of local support costs of uncompleted capital projects in the District’s approved Long Range Facilities Plan. The withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District’s LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$250,000 was established by resolution on June 24, 2021. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building. Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end.

At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget.

The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance, July 1, 2024	\$ 250,000
Add:	
Deposit - Board Resolution June 30, 2025	250,000
	500,000
Less:	
Budgeted Withdrawal	(250,000)
Ending Balance, June 30, 2025	\$ 250,000

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Construction in Progress	\$ 842,114	\$ 35,595	\$ (842,114)	\$ 35,595
Total Capital Assets Not Being Depreciated	842,114	35,595	(842,114)	35,595
Capital Assets Being Depreciated:				
Buildings and Building Improvements	14,795,618	498,329	807,504	16,101,451
Site Improvements	2,200,133			2,200,133
Machinery and Equipment	2,354,393	49,652		2,404,045
Total Capital Assets Being Depreciated	19,350,144	547,981	807,504	20,705,629
Governmental Activities Capital Assets	20,192,258	583,576	(34,610)	20,741,224
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(8,086,313)	(577,201)		(8,663,514)
Site Improvements	(947,299)	(146,099)		(1,093,398)
Machinery and Equipment	(1,776,719)	(108,955)		(1,885,674)
	(10,810,331)	(832,255)		(11,642,586)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 9,381,927	\$ (248,679)	\$ (34,610)	\$ 9,098,638
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 371,593			\$ 371,593
Less Accumulated Depreciation	(268,103)	\$ (19,445)		(287,548)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 103,490	\$ (19,445)	\$ -0-	\$ 84,045

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 13,524
Student and Instruction Related Services	16,612
General Administrative Services	5,871
School Administrative Services	27,516
Central Services	1,046
Plant Operations and Maintenance	17,273
Pupil Transportation	44,851
Unallocated	705,562
	\$ 832,255

NOTE 7: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2025, the District made no transfers to the capital outlay accounts requiring county superintendent approval.

NOTE 8. LONG-TERM LIABILITIES

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

	(Restated) Balance 6/30/2024	Accrued	Retired	Balance 6/30/2025
Compensated Absences Payable	\$ 911,182	\$ 68,045	\$ 77,668	\$ 901,559
Net Pension Liability	3,977,958		409,859	3,568,099
	\$ 4,889,140	\$ 68,045	\$ 487,527	\$ 4,469,658

A. Bonds Authorized But Not Issued / Bonds Payable:

As of June 30, 2025, the District has no bonds authorized but not issued or bonded debt outstanding.

B. Financed Purchase and Leases Payable:

As of June 30, 2025, the District has no finance purchases or leases payable.

C. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is \$901,559. The liability for compensated absences of the governmental fund types is recorded in the long-term liabilities. The current portion is \$27,786 and \$873,773 is the long-term portion. The General Fund will be used to liquidate the Compensated Absences Payable.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

C. Compensated Absences Payable: (Cont'd)

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

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2025 is \$-0- and the long-term portion is \$3,568,099. See Note 9 for further information on the PERS.

NOTE 9. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS)

Benefits Provided (Cont'd)

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

Contributions

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

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries have determined the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and is adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$357,313 for fiscal year 2025. During the fiscal year ended June 30, 2024, the State of New Jersey contributed \$11,504 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

Under N.J.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 the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense as well as revenue associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2025, the District reported a liability of \$3,568,099 for its proportionate share of the net pension liability, which was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the District's proportion was 0.0263%, which was a decrease of 0.0012% from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the District recognized an actual pension benefit in the amount of \$98,958 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2024, the State recognized pension expense on behalf of the District in the amount of \$11,504 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2025 financial statements.

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2020	5.16		\$ 25,930
	2021	5.13	\$ 4,433	
	2022	5.04		14,667
			4,433	40,597
Changes in Proportion	2020	5.16		4,253
	2021	5.13		58,500
	2022	5.04		10,106
	2023	5.08		168,275
	2024	5.08		146,915
			388,049	
Net Difference Between Projected and Actual				
Investment Earnings on Pension Plan Investments	2021	5.00		244,927
	2022	5.00		(388,539)
	2023	5.00		100,755
	2024	5.00		208,300
			165,443	
Difference Between Expected and Actual Experience	2020	5.16	1,445	
	2021	5.13		3,525
	2022	5.04		5,974
	2023	5.08	18,354	
	2024	5.08	51,677	
			71,476	9,499
District Contribution Subsequent to the Measurement Date	2024	1.00	333,597	
			\$ 409,506	\$ 603,588

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding the District contribution subsequent to the measurement date and change in proportion) related to pensions will be recognized in the pension benefit as detailed in the table on the following page.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2025	\$ (151,492)
2026	117,221
2027	(67,440)
2028	(38,932)
2029	1,013
	\$ (139,630)

Actuarial Assumptions

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

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2024		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 4,741,126	\$ 3,568,099	\$ 2,569,859

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

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

Benefits Provided

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

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

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2025, the State of New Jersey contributed \$3,684,965 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required benefit of (\$162,456).

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2025, the District reported a liability of \$44,534,698 for its proportionate share of the net pension liability which was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the District's proportion was 0.0901%, which was an increase of .0057% from its proportion measured as of June 30, 2023.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	44,534,698
Total	\$ 44,534,698

For the fiscal year ended June 30, 2024, the State recognized a pension benefit on behalf of the District in the amount of \$162,456 and the District recognized pension benefit and revenue for that same amount in the fiscal year ended June 30, 2025 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions as detailed in the table on the following page.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension benefit excluding that attributable to employer-paid members contributions as detailed in the table on the following page.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

Actuarial Assumptions

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

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging 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%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

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

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

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

	June 30, 2024		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 52,935,793	\$ 44,534,698	\$ 37,459,388

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

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

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

For DCRP, the District recognized pension expense of \$51,784 for the fiscal year ended June 30, 2025. Employee contributions to DCRP amounted to \$94,939 for the fiscal year ended June 30, 2025.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits are provided through Horizon Blue Cross/Blue Shield of NJ.

Property and Liability Insurance

The Sussex-Wantage Regional School District is a member of the School Alliance Insurance Fund (the "Fund"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The Fund is a risk-sharing public entity risk management pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum.

Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of this Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

Selected, summarized financial information for the Fund as of June 30, 2025 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	<u>\$ 63,434,477</u>
Net Position	<u>\$ 20,906,962</u>
Total Revenue	<u>\$ 60,413,430</u>
Total Expenses	<u>\$ 58,915,231</u>
Change in Net Position	<u>\$ 1,498,199</u>
Member Dividends	<u>\$ -0-</u>

Financial statements for the Fund are available at the Fund’s Executive Director’s Office:

Public Entity Group Administrative Services
51 Everett Drive
Suite B-40
West Windsor, NJ 08550
(609) 275-1155

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current and previous two years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024-2025	\$ -0-	\$ 13,074	\$ 30,982 *	\$ -0-	\$ 571,190
2023-2024	-0-	750	48,834	45,139	527,134
2022-2023	-0-	727	74,810	53,921	522,689

- - The \$30,982 is a reimbursement from the State of New Jersey.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 11. ECONOMIC DEPENDENCY

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

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 155,866	
Food Service Fund		\$ 155,866
	\$ 155,866	\$ 155,866

The interfund payable in the Food Service Fund due to the General Fund is for equipment purchases and repairs paid by the General Fund on behalf of the Food Service Fund in the prior year and the current year, offset by current year subsidy claim reimbursements received in the General Fund and not turned over to the Food Service Fund.

NOTE 13. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. 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 403(b) plan administrators are as follows:

Variable Annuity Life (VALIC)	Lincoln Investment Planning
Equitable Life Insurance Company	Lincoln National Life
Metropolitan Life Insurance Company	Security Benefit Corp.

Equitable Life Insurance Company is the plan administrator for the District's Internal Revenue Code Section 457 plan.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 14. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the local school district on predetermined mutually agreed-upon schedules.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

Litigation

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

Encumbrances

At June 30, 2025, there were encumbrances as detailed below in the governmental funds:

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 134,198	\$ 16,501	\$ 332,105	\$ 482,804

On the District's Governmental Funds Balance Sheet as of June 30, 2025, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$16,501 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund. The \$332,105 of year end encumbrances in the Capital Projects Fund are included in the committed fund balance.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 16. ACCOUNTS PAYABLE

	<u>Governmental Funds</u>		<u>District</u>	<u>Total</u>	<u>Business-Type</u>
	<u>General</u>	<u>Special</u>	<u>Contribution</u>		<u>Activities</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Subsequent to</u>	<u>Governmental</u>	<u>Proprietary</u>
	<u>Fund</u>	<u>Fund</u>	<u>Measurement</u>	<u>Activities</u>	<u>Funds</u>
			<u>Date</u>		
Vendors	\$ 304,201	\$ 303,649		\$ 607,850	\$ 1,654
Payroll Deductions and Withholdings	183,757			183,757	
Accrued Salaries and Wages	735,336			735,336	
Due to State of New Jersey			\$ 333,597	333,597	
	<u>\$ 1,223,294</u>	<u>\$ 303,649</u>	<u>\$ 333,597</u>	<u>\$ 1,860,540</u>	<u>\$ 1,654</u>

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Plan Description and Benefits Provided (Cont'd)

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

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division's annual financial statements which can be found at <https://www.nj.gov/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

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

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

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Mortality Rates

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

Health Care Trend Assumptions

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

Discount Rate

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

Changes in the State’s Proportionate Share of the Total OPEB Liability Associated with the District

	Total OPEB Liability
Balance at June 30, 2023	\$ 61,103,010
Changes for Year:	
Service Cost	1,857,837
Interest on the Total OPEB Liability	2,291,469
Changes of Assumptions	5,207,918
Differences between Expected and Actual Experience	842,075
Gross Benefit Payments by the State	(1,750,032)
Contributions from Members	59,923
Net Changes	8,509,190
Balance at June 30, 2024	\$ 69,612,200

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

	June 30, 2024		
	At 1% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
Total OPEB Liability Attributable to the District	\$ 81,530,795	\$ 69,612,200	\$ 59,922,146

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

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

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 57,987,469	\$ 69,612,200	\$ 84,754,179

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

For the fiscal year ended June 30, 2025 the District recognized OPEB expense of \$1,287,995 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2024 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 1,334,998
	2018	9.51		1,629,814
	2019	9.29	\$ 257,140	
	2020	9.24	6,633,070	
	2021	9.24	39,180	
	2022	9.13		10,645,435
	2023	9.30	96,677	
	2024	9.33	4,649,728	
			<u>11,675,795</u>	<u>13,610,247</u>
Differences between Expected and Actual Experience	2018	9.51		1,540,682
	2019	9.29		3,026,550
	2020	9.24	6,182,281	
	2021	9.24		7,534,690
	2022	9.13	1,096,327	
	2023	9.30		898,100
	2024	9.33	165,597	
			<u>7,444,205</u>	<u>13,000,022</u>
Changes in Proportion	N/A	N/A	<u>1,961,016</u>	<u>2,439,747</u>
			<u>\$ 21,081,016</u>	<u>\$ 29,050,016</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2025	\$ (2,469,226)
2026	(2,070,460)
2027	(983,403)
2028	258,455
2029	(1,794,524)
Thereafter	(431,111)
	<u>\$ (7,490,269)</u>

NOTE 18. PRIOR PERIOD ADJUSTMENT

GASB Statement No. 101, *Compensated Absences*, was implemented during the year ended June 30, 2025. As required under the standard, the District made a restatement to the amount reported as compensated absences in the governmental activities.

	Balance 6/30/24 as Previously Reported	Adjustment for Change in Accounting Principle	Balance 6/30/24 as Restated
<u>Statement of Net Position:</u>			
<u>Governmental Activities:</u>			
Statement of Net Position:			
Liabilities:			
Noncurrent Liabilities:			
Due Beyond One Year	\$ 4,662,801	\$ 148,671	\$ 4,811,472
Total Long-Term Liabilities	4,740,469	148,671	4,889,140
Total Liabilities	8,692,203	148,671	8,840,874
Net Position:			
Unrestricted	(4,876,262)	(148,671)	(5,024,933)
Total Net Position	8,840,103	(148,671)	8,691,432

Statement of Revenue, Expenses and Changes in Net Position

Governmental Activities:

Net Position End of Year	8,840,103	(148,671)	8,691,432
--------------------------	-----------	-----------	-----------

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICTS PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension liability	0.0319647358%	0.0328190778%	0.0329008244%	0.0313916000%	0.0310869035%	0.0304780048%	0.0292602897%	0.0291290255%	0.0274637870%	0.0262591037%
District's proportionate share of the net pension liability	\$ 7,175,443	\$ 9,720,070	\$ 7,658,786	\$ 6,180,850	\$ 5,601,388	\$ 4,970,166	\$ 3,466,320	\$ 4,395,971	\$ 3,977,958	\$ 3,568,099
District's covered employee payroll	\$ 2,205,424	\$ 2,271,942	\$ 2,171,489	\$ 2,139,147	\$ 2,176,370	\$ 2,141,306	\$ 2,138,878	\$ 2,083,108	\$ 1,952,239	\$ 2,001,063
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	325.35%	427.83%	352.70%	288.94%	257.37%	232.11%	162.06%	211.03%	203.76%	178.31%
Plan fiduciary net position as a percentage of the total pension liability	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%	68.22%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 274,811	\$ 292,386	\$ 307,366	\$ 319,628	\$ 303,259	\$ 333,415	\$ 342,672	\$ 367,331	\$ 367,061	\$ 357,313
Contributions in relation to the contractually required contribution	(274,811)	(292,386)	(307,366)	(319,628)	(303,259)	(333,415)	(342,672)	(367,331)	(367,061)	(357,313)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 2,271,942	\$ 2,171,489	\$ 2,139,147	\$ 2,176,370	\$ 2,141,306	\$ 2,138,878	\$ 2,083,108	\$ 1,952,239	\$ 2,001,063	\$ 2,092,757
Contributions as a percentage of covered employee payroll	12.10%	13.46%	14.37%	14.69%	14.16%	15.59%	16.45%	18.82%	18.34%	17.07%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
State's proportion of the net pension liability attributable to the District	0.0990234474%	0.0967929031%	0.0982149259%	0.0982084846%	0.0955000726%	0.0949225677%	0.0960548329%	0.0876833440%	0.0844544120%	0.0901054159%
State's proportionate share of the net pension liability attributable to the District	\$ 62,587,047	\$ 76,143,460	\$ 66,220,045	\$ 62,478,128	\$ 58,609,296	\$ 62,505,369	\$ 46,178,542	\$ 45,239,709	\$ 43,097,315	\$ 44,534,698
District's covered employee payroll	\$ 9,630,467	\$ 10,159,774	\$ 10,058,856	\$ 9,863,448	\$ 10,456,315	\$ 9,858,265	\$ 9,693,836	\$ 10,488,668	\$ 10,756,281	\$ 11,029,294
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	649.89%	749.46%	658.33%	633.43%	560.52%	634.04%	476.37%	431.32%	400.67%	403.79%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%	37.99%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 3,821,503	\$ 5,721,122	\$ 4,587,389	\$ 3,642,256	\$ 3,456,933	\$ 3,886,850	\$ 1,086,601	\$ 1,217,527	\$ 1,058,776	\$ (162,456)
Contributions in relation to the contractually required contribution	(774,962)	(1,066,097)	(1,446,265)	(1,878,255)	(2,082,015)	(2,792,198)	(3,609,622)	(3,452,385)	(3,839,692)	(3,684,965)
Contribution deficiency/(excess)	\$ 3,046,541	\$ 4,655,025	\$ 3,141,124	\$ 1,764,001	\$ 1,374,918	\$ 1,094,652	\$ (2,523,021)	\$ (2,234,858)	\$ (2,780,916)	\$ (3,847,421)
District's covered employee payroll	9,630,467	10,159,774	10,058,856	9,863,448	9,858,265	9,693,836	10,488,668	10,756,281	11,029,294	11,474,525
Contributions as a percentage of covered employee payroll	8.05%	10.49%	14.38%	19.04%	21.12%	28.80%	34.41%	32.10%	34.81%	32.11%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY
 ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS
 LAST EIGHT FISCAL YEARS

	Fiscal Years Ending June 30,							
	2017	2018	2019	2020	2021	2022	2023	2024
Service Cost	\$ 2,341,403	\$ 1,948,967	\$ 1,629,896	\$ 1,639,158	\$ 2,895,086	\$ 2,363,876	\$ 1,785,922	\$ 1,857,837
Interest on the Total OPEB Liability	2,074,882	2,398,940	2,172,888	1,731,421	1,754,379	1,529,575	2,151,973	2,291,469
Changes of Benefit Terms					(71,983)			
Changes in Assumptions	(8,371,803)	(6,338,186)	722,906	14,282,975	66,722	(15,483,216)	123,158	5,207,918
Differences between Expected and Actual Experience		(7,118,728)	(9,829,462)	13,374,006	(13,869,547)	3,144,210	946,888	842,075
Contributions from Members	56,092	51,044	44,118	41,260	44,851	48,605	55,147	59,923
Gross Benefit Payments by the State	(1,523,308)	(1,476,893)	(1,488,325)	(1,361,257)	(1,381,960)	(1,515,090)	(1,677,498)	(1,750,032)
Net Change in Total OPEB Liability	(5,422,734)	(10,534,856)	(6,747,979)	29,707,563	(10,562,452)	(9,912,040)	3,385,590	8,509,190
Total OPEB Liability - Beginning	71,189,918	65,767,184	55,232,328	48,484,349	78,191,912	67,629,460	57,717,420	61,103,010
Total OPEB Liability - Ending	\$ 65,767,184	\$ 55,232,328	\$ 48,484,349	\$ 78,191,912	\$ 67,629,460	\$ 57,717,420	\$ 61,103,010	\$ 69,612,200
District's Covered Employee Payroll *	\$ 12,431,716	\$ 12,230,345	\$ 12,002,595	\$ 12,632,685	\$ 11,999,571	\$ 11,832,714	\$ 12,571,776	\$ 12,708,520
Total OPEB Liability as a Percentage of Covered Employee Payroll	529%	452%	404%	619%	564%	488%	486%	548%

* - Covered payroll for the fiscal years ending June 30, 2017 - 2024 are based on the payroll on the June 30, 2016 - 2023 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

BUDGETARY COMPARISON SCHEDULES

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 18,499,937		\$ 18,499,937	\$ 18,499,937	
Tuition From LEAs				22,768	\$ 22,768
Transportation Fees From Other LEAs	101,000		101,000	32,684	(68,316)
Unrestricted Miscellaneous Revenues	169,000		169,000	156,424	(12,576)
Other Restricted Miscellaneous Revenues				44,056	44,056
Total Revenues from Local Sources	<u>18,769,937</u>		<u>18,769,937</u>	<u>18,755,869</u>	<u>(14,068)</u>
Revenues from State Sources:					
School Choice Aid	12,952		12,952	12,952	
Categorical Transportation Aid	824,237		824,237	824,237	
Extraordinary Aid	625,000		625,000	1,823,126	1,198,126
Categorical Special Education Aid	1,273,826		1,273,826	1,273,826	
Equalization Aid	4,343,433		4,343,433	4,343,433	
Categorical Security Aid	236,794		236,794	236,794	
Nonpublic Transportation Aid	12,279		12,279		(12,279)
TPAF Post Retirement Contributions (Non-Budgeted)				1,090,087	1,090,087
TPAF Pension Contributions (Non-Budgeted)				3,684,965	3,684,965
TPAF Non-Contributory Insurance (Non-Budgeted)				45,647	45,647
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,672	1,672
Reimbursed TPAF Social Security Contributions				820,001	820,001
Total Revenues from State Sources	<u>7,328,521</u>		<u>7,328,521</u>	<u>14,156,740</u>	<u>6,828,219</u>
Revenues from Federal Sources:					
Medicaid Reimbursement	67,523		67,523	56,288	(11,235)
Total Revenues from Federal Sources	<u>67,523</u>		<u>67,523</u>	<u>56,288</u>	<u>(11,235)</u>
TOTAL REVENUE	<u>26,165,981</u>		<u>26,165,981</u>	<u>32,968,897</u>	<u>6,802,916</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 485,857	9,000	\$ 494,857	\$ 494,603	\$ 254
Grades 1-5 - Salaries of Teachers	3,022,376	\$ 67,809	3,090,185	3,090,185	
Grades 6-8 - Salaries of Teachers	2,043,708	(58,050)	1,985,658	1,985,048	610
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000		5,000		5,000
Purchased Professional-Educational Services	5,000	(5,000)			
Other Objects		5,000	5,000	716	4,284
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	145,110	22,241	167,351	149,176	18,175
Purchased Professional-Educational Services	126,035	(595)	125,440	124,593	847
Purchased Technical Services	4,800	595	5,395	5,395	
Other Purchased Services (400-500 series)	5,020		5,020	3,592	1,428
General Supplies	284,645	(147,095)	137,550	133,550	4,000
Textbooks	135,535	(24,110)	111,425	108,009	3,416
Other Objects	32,217		32,217	32,217	
Total Regular Programs - Instruction	6,295,303	(130,205)	6,165,098	6,127,084	38,014
Special Education - Instruction:					
Learning and/or Language Disabilities - Mild/Moderate:					
Salaries of Teachers	239,701	163,947	403,648	403,648	
Other Salaries for Instruction	282,091	(16,813)	265,278	265,087	191
General Supplies	5,900	(3,244)	2,656	2,656	
Textbooks	600		600		600
Total Learning and/or Language Disabilities - Mild/Moderate	528,292	143,890	672,182	671,391	791
Multiple Disabilities:					
Salaries of Teachers	434,112	(73,457)	360,655	344,090	16,565
Other Salaries for Instruction	561,144	(281,064)	280,080	248,890	31,190
General Supplies	11,950		11,950	7,317	4,633
Total Multiple Disabilities	1,007,206	(354,521)	652,685	600,297	52,388

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 1,709,133	\$ (165,000)	\$ 1,544,133	\$ 1,540,207	\$ 3,926
Other Salaries for Instruction	54,913	57,287	112,200	105,531	6,669
General Supplies	18,800	(2,100)	16,700	10,992	5,708
Total Resource Room/Resource Center	<u>1,782,846</u>	<u>(109,813)</u>	<u>1,673,033</u>	<u>1,656,730</u>	<u>16,303</u>
Autism:					
Salaries of Teachers	177,264	71,730	248,994	248,994	
Other Salaries for Instruction	189,266	372,129	561,395	556,639	4,756
General Supplies	2,400		2,400	2,225	175
Total Autism	<u>368,930</u>	<u>443,859</u>	<u>812,789</u>	<u>807,858</u>	<u>4,931</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	84,407	(812)	83,595	80,187	3,408
Other Salaries for Instruction	311,747	(36,091)	275,656	268,044	7,612
General Supplies	1,902	1,386	3,288	2,935	353
Total Preschool Disabilities - Part-Time	<u>398,056</u>	<u>(35,517)</u>	<u>362,539</u>	<u>351,166</u>	<u>11,373</u>
Home Instruction:					
Salaries of Teachers	32,000		32,000	27,482	4,518
Total Home Instruction	<u>32,000</u>		<u>32,000</u>	<u>27,482</u>	<u>4,518</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>4,117,330</u>	<u>87,898</u>	<u>4,205,228</u>	<u>4,114,924</u>	<u>90,304</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	260,570	25,790	286,360	269,565	16,795
General Supplies	6,600		6,600	3,155	3,445
Total Basic Skills/Remedial - Instruction	<u>267,170</u>	<u>25,790</u>	<u>292,960</u>	<u>272,720</u>	<u>20,240</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 41,294		\$ 41,294	\$ 34,544	\$ 6,750
General Supplies	1,000		1,000	12	988
Total Bilingual Education - Instruction	42,294		42,294	34,556	7,738
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	91,109		91,109	86,275	4,834
Purchased Services (300-500 series)	5,000		5,000	3,103	1,897
Supplies and Materials	5,000		5,000	2,670	2,330
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	101,109		101,109	92,048	9,061
Other Supplemental/At Risk Programs - Instruction:					
Salaries of Teachers	93,507	\$ (15,791)	77,716	72,244	5,472
Salaries of Reading Specialists	226,451	(97,996)	128,455	125,086	3,369
General Supplies	3,500		3,500	3,021	479
Total Other Suppl/at-risk Prog - Instruction	323,458	(113,787)	209,671	200,351	9,320
Total Other Supplemental/at-risk Programs	323,458	(113,787)	209,671	200,351	9,320
Other Alternative Ed Program - Instruction:					
Salaries of Teachers	83,883		83,883	83,882	1
General Supplies	2,600		2,600	1,305	1,295
Total Other Alternative Ed Prog - Instruction	86,483		86,483	85,187	1,296
Total Other Alternative Education Program	86,483		86,483	85,187	1,296
TOTAL INSTRUCTION	11,233,147	(130,304)	11,102,843	10,926,870	175,973
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	294,844	(25,000)	269,844	266,989	2,855
Tuition to Priv. Sch. for the Handicap. W/I State	433,878	(70,000)	363,878	360,538	3,340
Total Undistributed Expenditures - Instruction	728,722	(95,000)	633,722	627,527	6,195

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attend. & Social Work:					
Salaries of Drop-Out Prevention Officer/Coordinators	\$ 1,000	\$ (1,000)			
Other Purchased Services (400-500 series)	1,000	1,000	\$ 1,000		\$ 1,000
Total Undist. Expend. - Attendance and Social Work	1,000		1,000		1,000
Undistributed Expenditures - Health Services:					
Salaries	250,651	5,785	256,436	\$ 256,436	
Purchased Professional and Technical Services	2,500		2,500	825	1,675
Other Purchased Services (400-500 series)	10,000		10,000	10,000	
Supplies and Materials	20,525	(410)	20,115	14,186	5,929
Other Objects	7,050	(5,375)	1,675	1,675	
Total Undist. Expenditures - Health Services	290,726		290,726	283,122	7,604
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	382,275	(23,451)	358,824	317,707	41,117
Purchased Professional - Educational Services	195,425	166,683	362,108	336,931	25,177
Supplies and Materials	4,196	693	4,889	4,889	
Total Undist. Expend. - Speech, OT, PT, Related Svcs	581,896	143,925	725,821	659,527	66,294
Undist. Expend. - Guidance:					
Salaries of Other Professional Staff	294,418	(50,000)	244,418	240,392	4,026
Total Undist. Expend. - Guidance	294,418	(50,000)	244,418	240,392	4,026
Undist. Expend. - Child Study Team:					
Salaries of Other Professional Staff	938,579	(25,249)	913,330	909,741	3,589
Salaries of Secretarial and Clerical Assistants	142,865		142,865	139,709	3,156
Purchased Professional - Educational Services	14,700		14,700	10,906	3,794
Total Undist. Expend. - Child Study Team	1,096,144	(25,249)	1,070,895	1,060,356	10,539

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	\$ 261,721	\$ 3,750	\$ 265,471	\$ 265,471	
Salaries of Technology Coordinators	143,783	(3,750)	140,033	110,867	\$ 29,166
Supplies and Materials	24,400		24,400	17,438	6,962
Total Undist Expend-Edu. Media Serv./Sch. Library	429,904		429,904	393,776	36,128
Undist.Expend.-Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	25,697		25,697	24,567	1,130
Salaries of Secretarial and Clerical Assistants	25,431		25,431	24,000	1,431
Purchased Professional - Educational Service	48,298	(40,000)	8,298	8,298	
Supplies and Materials	4,500		4,500	4,500	
Other Objects	500		500	500	
Total Undist.Expend.-Instructional Staff Training Services	104,426	(40,000)	64,426	48,567	15,859
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	184,678	11,923	196,601	196,398	203
Legal Services	50,000		50,000	46,190	3,810
Audit Fees	74,000	1,500	75,500	38,500	37,000
Architectural/Engineering Services	5,000	(1,500)	3,500	3,500	
Other Purchased Professional Services	38,835		38,835	34,946	3,889
Communications / Telephone	80,020		80,020	75,624	4,396
Other Purch. Serv. (400-500 series other than 530 & 585)	82,837		82,837	79,005	3,832
General Supplies	5,328	500	5,828	4,606	1,222
BOE In-house training/ Meeting Supplies	500	(500)			
Miscellaneous Expenditures	14,545		14,545	11,452	3,093
BOE Membership Dues and Fees	10,414		10,414	10,414	
Total Undist. Expend.-Support Serv.-Gen. Admin.	546,157	11,923	558,080	497,135	60,945

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 455,054	\$ (12,157)	\$ 442,897	\$ 430,196	\$ 12,701
Salaries of Secretarial and Clerical Assistants	306,105	234	306,339	302,726	3,613
Supplies and Materials	26,412		26,412	5,728	20,684
Other Objects	47,631		47,631	16,557	31,074
Total Undist. Expend.-Support Serv.-School Adm.	835,202	(11,923)	823,279	755,207	68,072
Undist. Expend. - Central Services:					
Salaries	335,695		335,695	334,142	1,553
Purchased Professional Services	10,000	2,000	12,000	11,486	514
Supplies and Materials	5,816		5,816	4,756	1,060
Other Objects	3,700	(2,000)	1,700	1,326	374
Total Undist. Expend. - Central Services	355,211		355,211	351,710	3,501
Undist. Expend. - Admin. Info. Technology:					
Salaries	117,858		117,858	117,858	
Purchased Professional Services	130,651		130,651	72,687	57,964
Supplies and Materials	12,800		12,800	114	12,686
Other Objects	11,155		11,155	6,554	4,601
Total Undist. Expend. - Admin. Info. Technology	272,464		272,464	197,213	75,251
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	396,828		396,828	356,780	40,048
Cleaning, Repair, and Maintenance Services	129,525	20,000	149,525	110,312	39,213
General Supplies	96,664	(20,000)	76,664	61,282	15,382
Total Undist. Expend.- Required Maint. for School Facilities	623,017		623,017	528,374	94,643

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 498,725	\$ 62,678	\$ 561,403	\$ 554,379	\$ 7,024
Salaries of Non-Instructional Aides	62,678	(62,678)			
Cleaning, Repair, and Maintenance Services	208,852	(21,072)	187,780	145,615	42,165
Other Purchased Property Services	111,800		111,800	83,271	28,529
Insurance	322,934		322,934	308,544	14,390
Miscellaneous Purchased Services	127,000		127,000	116,248	10,752
General Supplies	84,421	(1)	84,420	18,132	66,288
Energy (Natural Gas)	150,000	1,430	151,430	151,430	
Energy (Electricity)	195,000	(1,430)	193,570	161,140	32,430
Other Objects	14,625		14,625	8,339	6,286
Total Undist. Expend.-Custodial Services	<u>1,776,035</u>	<u>(21,073)</u>	<u>1,754,962</u>	<u>1,547,098</u>	<u>207,864</u>
Security:					
Salaries	277,224	21,143	298,367	298,367	
Purchased Professional and Technical Services	6,090	(605)	5,485	5,295	190
General Supplies	1,500	(120)	1,380	282	1,098
Other Objects	2,100	654	2,754	2,750	4
Total Security	<u>286,914</u>	<u>21,072</u>	<u>307,986</u>	<u>306,694</u>	<u>1,292</u>
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	<u>2,685,966</u>	<u>(1)</u>	<u>2,685,965</u>	<u>2,382,166</u>	<u>303,799</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 33,985	\$ 244,447	\$ 278,432	\$ 274,680	\$ 3,752
Sal. for Pupil Trans. (Bet. Home and Sch.)-Reg.	235,828	(235,828)			
Other Purchased Professional and Technical Services	17,425		17,425	13,825	3,600
Cleaning, Repair, and Maint. Services	40,000	(8,619)	31,381	23,323	8,058
Rental Payments - School Buses	10,000		10,000	600	9,400
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	35,000	5,018	40,018	38,678	1,340
Contract. Serv.(Bet. Home & Sch.)-Vendors	1,072,923		1,072,923	1,072,699	224
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	144,876		144,876	105,787	39,089
Contract. Serv.(Bet. Home & Sch.)-Joint Agrmnts.	66,000	(200)	65,800	47,468	18,332
Contract. Serv.(Spl. Ed. Students)-Joint Agrmnts	271,000	(5,018)	265,982	184,336	81,646
Misc. Purchased Serv. - Transportation	150		150		150
Transportation Supplies	85,000		85,000	29,436	55,564
Other Objects	75,200		75,200	23,483	51,717
Total Undist. Expend.-Student Trans. Serv.	2,087,387	(200)	2,087,187	1,814,315	272,872
UNALLOCATED BENEFITS					
Social Security Contributions	400,000	26,721	426,721	426,721	
Other Retirement Contributions - PERS	365,136	(7,819)	357,317	357,317	
Other Retirement Contributions - Regular		57,260	57,260	57,260	
Workers Compensation	201,343		201,343	180,595	20,748
Health Benefits	4,349,818	(262,466)	4,087,352	3,988,355	98,997
Tuition Reimbursement	62,000	(9,859)	52,141	40,297	11,844
Other Employee Benefits	127,988	(47,401)	80,587	80,587	
TOTAL UNALLOCATED BENEFITS	5,506,285	(243,564)	5,262,721	5,131,132	131,589

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)			\$	1,090,087	\$ (1,090,087)
TPAF Pension Contributions (Non-Budgeted)				3,684,965	(3,684,965)
TPAF Non-Contributory Insurance (Non-Budgeted)				45,647	(45,647)
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,672	(1,672)
Reimbursed TPAF Social Security Contributions				820,001	(820,001)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				<u>5,642,372</u>	<u>(5,642,372)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 5,506,285	\$ (243,564)	\$ 5,262,721	10,773,504	(5,510,783)
TOTAL UNDISTRIBUTED EXPENDITURES	<u>15,815,908</u>	<u>(310,089)</u>	<u>15,505,819</u>	<u>20,084,517</u>	<u>(4,578,698)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>27,049,055</u>	<u>(440,393)</u>	<u>26,608,662</u>	<u>31,011,387</u>	<u>(4,402,725)</u>
CAPITAL OUTLAY					
Equipment	12,000	10,486	22,486	22,438	48
Grades 1-5		2,608	2,608	2,608	
Grades 6-8					
Undistributed:					
Undist. Expend. - Support Serv. - Students - Reg.	2,744	7,518	10,262	10,262	
Undistributed Expenditures - Admin. Info. Tech.	55,600		55,600	49,652	5,948
Undist. Expend. - Required Maint for School Fac.	3,000		3,000	3,000	3,000
Total Equipment	<u>73,344</u>	<u>20,612</u>	<u>93,956</u>	<u>84,960</u>	<u>8,996</u>
Facilities Acquisition and Construction Serv.:					
Architectural/Engineering Services	65,000	(65,000)			
Other Purchased Prof. and Tech. Services	9,601	(2,964)	6,637	6,637	
Construction Services	648,005	(196,759)	451,246	416,180	35,066
Assessment for Debt Service on SDA Funding	1,273		1,273	1,273	
Total Facilities Acquisition and Const. Serv.	<u>723,879</u>	<u>(264,723)</u>	<u>459,156</u>	<u>424,090</u>	<u>35,066</u>
TOTAL CAPITAL OUTLAY	<u>797,223</u>	<u>(244,111)</u>	<u>553,112</u>	<u>509,050</u>	<u>44,062</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Transfer of Funds to Charter Schools	\$ 901,974	\$ 14,337	\$ 916,311	\$ 877,237	\$ 39,074
Total Transfer of Funds to Charter Schools	<u>901,974</u>	<u>14,337</u>	<u>916,311</u>	<u>877,237</u>	<u>39,074</u>
TOTAL EXPENDITURES	<u>28,748,252</u>	<u>(670,167)</u>	<u>28,078,085</u>	<u>32,397,674</u>	<u>(4,319,589)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	<u>(2,582,271)</u>	<u>670,167</u>	<u>(1,912,104)</u>	<u>571,223</u>	<u>2,483,327</u>
Other Financing Uses:					
Transfer to Special Revenue Fund - Preschool Inclusion		(405,444)	(405,444)	(405,444)	
Capital Reserve - Transfer to Capital Projects Fund		(264,723)	(264,723)	(264,723)	
Total Other Financing Uses		<u>(670,167)</u>	<u>(670,167)</u>	<u>(670,167)</u>	
Excess/(Deficit) of Revenues Over/(Under) Expenditures and Other Financing Uses	<u>(2,582,271)</u>		<u>(2,582,271)</u>	<u>(98,944)</u>	<u>2,483,327</u>
Fund Balance, July 1	<u>5,443,142</u>		<u>5,443,142</u>	<u>5,443,142</u>	
Fund Balance, June 30	<u>\$ 2,860,871</u>	<u>\$ -0-</u>	<u>\$ 2,860,871</u>	<u>\$ 5,344,198</u>	<u>\$ 2,483,327</u>
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Excess Surplus - Restricted For 2026-2027				\$ 381,143	
Excess Surplus - Restricted For 2025-2026				1,405,312	
Capital Reserve				550,000	
Maintenance Reserve				250,000	
Unemployment Compensation				571,190	
Assigned Fund Balance:					
Year End Encumbrances				134,198	
Designated for Subsequent Year's Expenditures				305,720	
Unassigned Fund Balance				<u>1,746,635</u>	
				<u>5,344,198</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				<u>(668,142)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,676,056</u>	

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 92,436	\$ 92,436	\$ 92,436	
State Sources	\$ 3,486,655	(912,429)	2,574,226	1,991,249	\$ (582,977)
Federal Sources	680,312	795,916	1,476,228	947,983	(528,245)
Total Revenues	4,166,967	(24,077)	4,142,890	3,031,668	(1,111,222)
Other Financing Sources					
Transfer In - Board Contributions - General Fund		405,444	405,444	405,444	
Total Revenues and Other Financing Sources	4,166,967	381,367	4,548,334	3,437,112	(1,111,222)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	602,635	157,741	760,376	726,116	34,260
Other Salaries	208,649	52,811	261,460	205,503	55,957
Purchased Professional and Educational Services	9,885	5,187	15,072	5,866	9,206
Tuition	200,189	34,077	234,266	233,888	378
General Supplies	55,511	215,036	270,547	210,973	59,574
Textbooks	4,567	854	5,421	3,239	2,182
Other Objects	20,000	(15,000)	5,000	1,387	3,613
Total Instruction	1,101,436	450,706	1,552,142	1,386,972	165,170
Support Services:					
Salaries of Supervisors of Instruction	111,506	(58,540)	52,966		52,966
Salaries of Principal	19,273		19,273	18,522	751
Salaries of Other Professional Staff	241,471	66,105	307,576	268,142	39,434
Salaries of Secretaries and Clerical Assistants	44,920		44,920		44,920
Other Salaries	62,510		62,510	10,727	51,783
Salaries of Master Teachers	92,357		92,357	92,357	
Salaries of Community Parent Involvement Specialist	14,026		14,026		14,026
Personal Services - Employee Benefits	264,317	60,293	324,610	284,414	40,196
Purchased Professional and Technical Services	108,597	142,022	250,619	157,031	93,588
Purchased Professional and Educational Services	20,695	6,507	27,202	25,421	1,781
Other Purchased Professional Services	12,785	26,812	39,597	39,597	
Purchased Services - Contracted Pre-K	1,682,592	(575,661)	1,106,931	865,196	241,735
Purchased Services - Head Start	116,220	29,055	145,275	145,275	
Contractual Services - Transportation	140,000	(120,000)	20,000		20,000
Contractual Services - Transportation (Field Trips)	12,000		12,000		12,000
Cleaning, Repair and Maintenance Services	25,000		25,000		25,000
Travel	12,000		12,000	402	11,598
Supplies and Materials	27,449	5,818	33,267	25,556	7,711
Other Objects	5,000		5,000		5,000
Student Activities		92,436	92,436	88,817	3,619
Total Support Services	3,012,718	(325,153)	2,687,565	2,021,457	666,108
Facilities Acquisition and Construction Services:					
Instructional Equipment		251,380	251,380		251,380
Non-Instructional Equipment	52,813	4,434	57,247	25,064	32,183
Total Facilities Acquisition and Construction Services	52,813	255,814	308,627	25,064	283,563
Total Expenditures	\$ 4,166,967	\$ 381,367	\$ 4,548,334	\$ 3,433,493	\$ 1,114,841
Deficit of Revenue Under Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 3,619	\$ (3,619)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 32,968,897	\$ 3,031,668
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not:		
Prior Year Encumbrances		272,143
Cancellation of Prior Year Encumbrances		(7,039)
Current Year Encumbrances		(16,501)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	616,963	230,556
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(668,142)</u>	<u>(241,901)</u>
 Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	 <u><u>\$ 32,917,718</u></u>	 <u><u>\$ 3,268,926</u></u>
 Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 32,397,674	\$ 3,433,493
Differences - Budgetary to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Prior Year Encumbrances		272,143
Cancellation of Prior Year Encumbrances		(7,039)
Current Year Encumbrances		(16,501)
 Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u><u>\$ 32,397,674</u></u>	 <u><u>\$ 3,682,096</u></u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for the fiscal year ending June 30, 2025, was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	I.D.E.A. Part B		Elementary and Secondary Education Act			
	Basic	Preschool	Title IA	Title IA - SIA	Title II - Part A	Title IV
	FY25 & FY24		FY25 & FY24	FY25 & FY24	FY25 & FY24	
REVENUES:						
Local Sources						
State Sources						
Federal Sources	\$ 430,762	\$ 21,302	\$ 172,093	\$ 41,542	\$ 28,503	\$ 22,287
Total Revenues	430,762	21,302	172,093	41,542	28,503	22,287
Other Financing Sources						
Transfer In - Board Contributions - General Fund						
Total Revenues and Other Financing Sources	430,762	21,302	172,093	41,542	28,503	22,287
EXPENDITURES:						
Instruction:						
Salaries of Teachers	37,774		90,000	9,233		
Other Salaries						
Purchased Professional and Educational Services						
Tuition	233,888					
General Supplies	508		17,860	13,415	5,647	20,988
Textbooks						
Other Objects						
Total Instruction	272,170		107,860	22,648	5,647	20,988
Support Services:						
Salaries of Principal						
Salaries of Other Professional Staff	5,013	21,302	16,200			
Other Salaries						
Salaries of Master Teachers						
Personal Services - Employee Benefits			48,033			
Purchased Professional and Technical Services	126,725			14,460	14,547	1,299
Purchased Professional and Educational Services						
Other Purchased Professional Services	26,854			4,434	8,309	
Travel						
Purchased Services - Contracted Pre-K						
Purchased Services - Head Start						
Supplies and Materials						
Student Activities						
Total Support Services	158,592	21,302	64,233	18,894	22,856	1,299
Facilities Acquisition and Construction Services:						
Non-Instructional Equipment						
Total Facilities Acquisition and Construction Services						
Total Expenditures	\$ 430,762	\$ 21,302	\$ 172,093	\$ 41,542	\$ 28,503	\$ 22,287

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Local	ARP			
	Recreation Improvement Grant	ESSER III	Accelerated Learning	Summer Learning and Enrichment	Mental Health Support Staffing
REVENUES:					
Local Sources					
State Sources	\$ 19,949				
Federal Sources		\$ 85,279	\$ 73,841	\$ 40,000	\$ 32,374
Total Revenues	19,949	85,279	73,841	40,000	32,374
Other Financing Sources					
Transfer In - Board Contributions - General Fund					
Total Revenues and Other Financing Sources	19,949	85,279			32,374
EXPENDITURES:					
Instruction:					
Salaries of Teachers				40,000	17,212
Other Salaries					
Purchased Professional and Educational Services					445
Tuition					
General Supplies		74,940			
Textbooks					
Other Objects					
Total Instruction		74,940		40,000	17,657
Support Services:					
Salaries of Principal					
Salaries of Other Professional Staff			73,841		806
Other Salaries					
Salaries of Master Teachers					
Personal Services - Employee Benefits					9,328
Purchased Professional and Technical Services					
Purchased Professional and Educational Services					
Other Purchased Professional Services					
Travel					
Purchased Services - Contracted Pre-K					
Purchased Services - Head Start					
Supplies and Materials		10,339			4,583
Student Activities					
Total Support Services		10,339	73,841		14,717
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	19,949				
Total Facilities Acquisition and Construction Services	19,949				
Total Expenditures	\$ 19,949	\$ 85,279	\$ 73,841	\$ 40,000	\$ 32,374

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Preschool Expansion Aid	Chapter 192 Auxiliary Aid Compensatory Education	Chapter 193 Nonpublic Handicapped Aid		
			Examination and Classification	Supplementary Instruction	Corrective Speech
REVENUES:					
Local Sources					
State Sources	\$ 1,882,096	\$ 10,139	\$ 8,884	\$ 8,177	\$ 8,835
Federal Sources					
Total Revenues	<u>1,882,096</u>	<u>10,139</u>	<u>8,884</u>	<u>8,177</u>	<u>8,835</u>
Other Financing Sources					
Transfer In - Board Contributions - General Fund	405,444				
Total Revenues and Other Financing Sources	<u>2,287,540</u>	<u>10,139</u>	<u>8,884</u>	<u>8,177</u>	<u>8,835</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	504,039	10,139	8,884		8,835
Other Salaries	205,503				
Purchased Professional and Educational Services					
Tuition					
General Supplies	50,350				
Textbooks					
Other Objects	1,387				
Total Instruction	<u>761,279</u>	<u>10,139</u>	<u>8,884</u>		<u>8,835</u>
Support Services:					
Salaries of Principal	18,522				
Salaries of Other Professional Staff	150,980				
Other Salaries	10,727				
Salaries of Master Teachers	92,357				
Personal Services - Employee Benefits	227,053				
Purchased Professional and Technical Services					
Purchased Professional and Educational Services				8,177	
Other Purchased Professional Services					
Travel	402				
Purchased Services - Contracted Pre-K	865,196				
Purchased Services - Head Start	145,275				
Supplies and Materials	10,634				
Student Activities					
Total Support Services	<u>1,521,146</u>			<u>8,177</u>	
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	5,115				
Total Facilities Acquisition and Construction Services	<u>5,115</u>				
Total Expenditures	<u>\$ 2,287,540</u>	<u>\$ 10,139</u>	<u>\$ 8,884</u>	<u>\$ 8,177</u>	<u>\$ 8,835</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Nonpublic				Student Activities	Totals
	Technology Initiative	Nursing	Textbooks	Security		
REVENUES:						
Local Sources					\$ 92,436	\$ 92,436
State Sources	\$ 3,239	\$ 17,244	\$ 5,421	\$ 27,265		1,991,249
Federal Sources						947,983
Total Revenues	3,239	17,244	5,421	27,265	92,436	3,031,668
Other Financing Sources						
Transfer In - Board Contributions - General Fund						405,444
Total Revenues and Other Financing Sources	3,239	17,244	5,421	27,265	92,436	3,437,112
EXPENDITURES:						
Instruction:						
Salaries of Teachers						726,116
Other Salaries						205,503
Purchased Professional and Educational Services			5,421			5,866
Tuition						233,888
General Supplies				27,265		210,973
Textbooks	3,239					3,239
Other Objects						1,387
Total Instruction	3,239		5,421	27,265		1,386,972
Support Services:						
Salaries of Principal						18,522
Salaries of Other Professional Staff						268,142
Other Salaries						10,727
Salaries of Master Teachers						92,357
Personal Services - Employee Benefits						284,414
Purchased Professional and Technical Services						157,031
Purchased Professional and Educational Services		17,244				25,421
Other Purchased Professional Services						39,597
Travel						402
Purchased Services - Contracted Pre-K						865,196
Purchased Services - Head Start						145,275
Supplies and Materials						25,556
Student Activities					88,817	88,817
Total Support Services		17,244			88,817	2,021,457
Facilities Acquisition and Construction Services:						
Non-Instructional Equipment						25,064
Total Facilities Acquisition and Construction Services						25,064
Total Expenditures	\$ 3,239	\$ 17,244	\$ 5,421	\$ 27,265	\$ 88,817	\$ 3,433,493

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>District-Wide Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 507,862	\$ 504,039	\$ 3,823
Other Salaries	206,276	205,503	773
General Supplies	55,000	50,350	4,650
Other Objects	<u>5,000</u>	<u>1,387</u>	<u>3,613</u>
Total Instruction	<u>774,138</u>	<u>761,279</u>	<u>12,859</u>
Support Services:			
Salaries of Supervisors of Instruction	31,664		31,664
Salaries of Principal	19,273	18,522	751
Salaries of Other Professional Staff	158,044	150,980	7,064
Salaries of Secretaries and Clerical Assistants	44,920		44,920
Other Salaries	62,510	10,727	51,783
Salaries of Community Parent Involvement Specialist	14,026		14,026
Salaries of Master Teachers	92,357	92,357	
Personal Services – Employee Benefits	227,053	227,053	
Purchased Services - Contracted Pre-K	1,106,931	865,196	241,735
Purchased Education Services - Head Start	145,275	145,275	
Cleaning, Repair, and Maintenance Services	25,000		25,000
Contractual Services - Transportation	20,000		20,000
Contractual Services - Transportation (Field Trips)	12,000		12,000
Travel	12,000	402	11,598
Supplies and Materials	25,000	10,634	14,366
Other Objects	<u>5,000</u>		<u>5,000</u>
Total Support Services	<u>2,001,053</u>	<u>1,521,146</u>	<u>479,907</u>
Equipment:			
Noninstructional Equipment	<u>52,813</u>	<u>5,115</u>	<u>47,698</u>
Total Equipment	<u>52,813</u>	<u>5,115</u>	<u>47,698</u>
Total Expenditures	<u>\$ 2,828,004</u>	<u>\$ 2,287,540</u>	<u>\$ 540,464</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2024-2025 Preschool Education Aid Allocation	\$ 2,422,560
Actual Preschool Expansion Aid Carryover (June 30, 2024)	1,415,297
Add: Budgeted Transfer from General Fund 2024-2025	405,444
Add: Budgeted Tuition 2024-2025	<u>-0-</u>
Total Preschool Education Aid Funds Available for 2024-2025	4,243,301
Less: 2024-2025 Budgeted Preschool Education Expansion Aid Funds	<u>(2,828,004)</u>
Available & Unbudgeted Preschool Education Expansion Aid Funds as of June 30, 2025	1,415,297
Add: June 30, 2025 Unexpended Preschool Education Expansion Aid	540,464
Add: Cancellation of Prior Year Encumbrances	<u>-0-</u>
Less: 2024-2025 Commissioner Approved Transfer to the General Fund	<u>-0-</u>
2024-2025 Carryover - Preschool Education Expansion Aid	<u>\$ 1,955,761</u>
2024-2025 Carryover - Preschool Education Expansion Aid	
Budgeted for Preschool Programs in 2025-2026	<u>\$ 1,601,937</u>
State Funding Deduction of 25% of Carryover Funds	<u>\$ 353,824</u>

CAPITAL PROJECTS FUND

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Revenue and Other Financing Sources:	
State Sources: ROD Grant	\$ 194,120
Transfer from Capital Reserve	<u>264,723</u>
Total Revenue	<u>458,843</u>
Expenditures:	
Purchased Professional and Technical Services	<u>35,595</u>
Total Expenditures	<u>35,595</u>
Excess of Revenue and Other Financing Sources Over Expenditures	423,248
Fund Balance - Beginning	<u>\$ 27,637</u>
Fund Balance - Ending	<u><u>\$ 450,885</u></u>
<u>Recapitulation:</u>	
Committed - Encumbrances	\$ 332,105
Committed	<u>118,780</u>
	450,885
Reconciliation to Governmental Funds Statement (GAAP):	
Grants not Recognized on GAAP Basis	<u>(194,120)</u>
Fund Balance per Governmental Funds (Budgetary)	<u><u>\$ 256,765</u></u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
SOLAR PANEL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Contribution from Private Source	\$ 70,680		\$ 70,680	\$ 70,680
Total Revenue and Other Financing Sources	70,680		70,680	70,680
Expenditures:				
Purchased Professional and Technical Services	43,043		43,043	70,680
Total Expenditures	43,043		43,043	70,680
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ 27,637</u>	<u>\$ -0-</u>	<u>\$ 27,637</u>	<u>\$ -0-</u>
Additional Project Information:				
Project Number(s)	N/A			
Grant Date(s)	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 20,000			
Additional Funds	50,680			
Revised Authorized Cost	<u>\$ 70,680</u>			
Change Order Percentage	253.40%			
Percentage Completion	60.90%			
Original Target Completion Date	06/30/13			
Revised Target Completion Date	06/30/26			

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
SUSSEX MIDDLE SCHOOL WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:			
State Sources: ROD Grant	\$ 194,120	\$ 194,120	\$ 194,120
Transfer from Capital Reserve	264,723	264,723	291,180
 Total Revenue and Other Financing Sources	 458,843	 458,843	 485,300
 Expenditures:			
Purchased Professional and Technical Services	35,595	35,595	47,200
Construction Services	35,595	35,595	438,100
 Total Expenditures	 35,595	 35,595	 485,300
 Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	 \$ 423,248	 \$ 423,248	 \$ -0-
 Additional Project Information:			
Project Number(s)	5100-060-23-R501		
Grant Date(s)	01/05/24		
Bond Authorization Date	N/A		
Bonds Authorized	N/A		
Bonds Issued	N/A		
Original Authorized Cost	\$ 485,300		
Additional Funds	\$ -0-		
Revised Authorized Cost	\$ 485,300		
 Change Order Percentage	0.00%		
Percentage Completion	7.33%		
Original Target Completion Date	06/30/26		
Revised Target Completion Date	N/A		

PROPRIETARY FUNDS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Major Fund</u> <u>Food</u> <u>Service</u>	<u>Non-Major</u> <u>Fund</u> <u>Care Program</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 403,918	\$ 206,694	\$ 610,612
Intergovernmental Accounts Receivable:			
State	854		854
Federal	19,083		19,083
Other Accounts Receivable	38,228	11,419	49,647
Inventories	18,632		18,632
Total Current Assets	<u>480,715</u>	<u>218,113</u>	<u>698,828</u>
Non-Current Assets:			
Capital Assets	371,593		371,593
Accumulated Depreciation	(287,548)		(287,548)
Total Non-Current Assets	<u>84,045</u>		<u>84,045</u>
Total Assets	<u>564,760</u>	<u>218,113</u>	<u>782,873</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	1,549	105	1,654
Interfund Payable	155,866		155,866
Unearned Revenue - Donated Commodities	6,034		6,034
Unearned Revenue - Prepaid Sales/Fees	4,773	11,903	16,676
Total Current Liabilities	<u>168,222</u>	<u>12,008</u>	<u>180,230</u>
NET POSITION:			
Investment in Capital Assets	84,045		84,045
Unrestricted	312,493	206,105	518,598
Total Net Position	<u>\$ 396,538</u>	<u>\$ 206,105</u>	<u>\$ 602,643</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Major Fund</u> <u>Food</u> <u>Service</u>	<u>Non-Major</u> <u>Fund</u> <u>Care Program</u>	<u>Total</u>
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 170,327		\$ 170,327
Daily Sales - Non Reimbursable Programs	54,478		54,478
Child Care Fees		\$ 135,156	135,156
Total Operating Revenue	<u>224,805</u>	<u>135,156</u>	<u>359,961</u>
Operating Expenses:			
Cost of Goods Sold - Reimbursable Programs	171,913		171,913
Cost of Goods Sold - Non-Reimbursable Programs	54,288		54,288
Salaries	179,881	115,985	295,866
Employee Benefits and Payroll Taxes	56,658		56,658
Purchased Services	16,870	3,925	20,795
Supplies and Materials	18,640	2,217	20,857
Depreciation	19,445		19,445
Total Operating Expenses	<u>517,695</u>	<u>122,127</u>	<u>639,822</u>
Operating Income/(Loss)	<u>(292,890)</u>	<u>13,029</u>	<u>(279,861)</u>
Non-Operating Revenue:			
State Sources:			
School Breakfast Program	844		844
State School Lunch Program	7,645		7,645
School Breakfast Program - NJEIE	565		565
State School Lunch Program - NJEIE	3,369		3,369
Federal Sources:			
School Breakfast Program	52,297		52,297
National School Lunch Program	202,554		202,554
Supply Chain Assistance	7,287		7,287
Local Food for Schools Cooperative Agreement Program	203		203
Summer EBT Reimbursement	643		643
Food Distribution Program	37,942		37,942
Local Sources:			
Interest Revenue	9,637		9,637
Total Non-Operating Revenue	<u>322,986</u>		<u>322,986</u>
Change in Net Position	30,096	13,029	43,125
Net Position - Beginning of Year	<u>366,442</u>	<u>193,076</u>	<u>559,518</u>
Net Position - End of Year	<u>\$ 396,538</u>	<u>\$ 206,105</u>	<u>\$ 602,643</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Major Fund</u> <u>Food</u> <u>Service</u>	<u>Non-Major</u> <u>Fund</u> <u>Care Program</u>	<u>Total</u>
Cash Flows for Operating Activities:			
Receipts from Customers	\$ 224,771	\$ 144,588	\$ 369,359
Payments for Salaries, Payroll Taxes and Benefits	(236,539)	(115,880)	(352,419)
Payments to Suppliers	(226,017)	(14,087)	(240,104)
Net Cash Provided by/(Used for) Operating Activities	<u>(237,785)</u>	<u>14,621</u>	<u>(223,164)</u>
Cash Flows from Noncapital Financing Activities:			
Federal and State Sources Received in Food Service Fund	288,138		288,138
Net Cash Provided by Noncapital Financing Activities	<u>288,138</u>		<u>288,138</u>
Cash Flows from Investing Activities:			
Interest on Investments	9,637		9,637
Net Cash Provided by Investing Activities	<u>9,637</u>		<u>9,637</u>
Net Increase in Cash and Cash Equivalents	59,990	14,621	74,611
Cash and Cash Equivalents, July 1	343,928	192,073	536,001
Cash and Cash Equivalents, June 30	<u>\$ 403,918</u>	<u>\$ 206,694</u>	<u>\$ 610,612</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities			
Operating Income/(Loss)	\$ (292,890)	\$ 13,029	\$ (279,861)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for)			
Operating Activities:			
Depreciation	19,445		19,445
Food Distribution Program	37,942		37,942
Changes in Assets and Liabilities:			
(Increase)/Decrease in Inventory	2,370		2,370
(Increase)/Decrease in Other Accounts Receivable	(2,634)	7,704	5,070
Increase/(Decrease) in Accounts Payable	949	(7,840)	(6,891)
Increase/(Decrease) in Unearned Revenue:			
Donated Commodities	(2,933)		(2,933)
Prepaid Sales/Fees	(34)	1,728	1,694
Net Cash Provided by/(Used for) Operating Activities	<u>\$ (237,785)</u>	<u>\$ 14,621</u>	<u>\$ (223,164)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$35,008 and utilized commodities valued at \$37,942 for the fiscal year ended June 30, 2025.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES
(NOT APPLICABLE)

STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,				
	2016	2017	2018	2019	2020
Governmental Activities					
Net Investment in Capital Assets	\$ 5,360,753	\$ 5,881,645	\$ 5,981,976	\$ 6,247,652	\$ 6,709,860
Restricted	3,691,146	4,111,516	4,670,087	3,832,735	5,400,538
Unrestricted/(Deficit)	(7,024,574)	(7,596,477)	(7,581,360)	(7,200,125)	(6,851,016)
Total Governmental Activities Net Position	<u>\$ 2,027,325</u>	<u>\$ 2,396,684</u>	<u>\$ 3,070,703</u>	<u>\$ 2,880,262</u>	<u>\$ 5,259,382</u>
Business-type Activities					
Investment in Capital Assets	\$ 36,263	\$ 33,354	\$ 26,975	\$ 51,665	\$ 72,849
Unrestricted	350,610	336,727	314,392	248,931	181,876
Total Business-type Activities Net Position	<u>\$ 386,873</u>	<u>\$ 370,081</u>	<u>\$ 341,367</u>	<u>\$ 300,596</u>	<u>\$ 254,725</u>
District-wide					
Net Investment in Capital Assets	\$ 5,397,016	\$ 5,914,999	\$ 6,008,951	\$ 6,299,317	\$ 6,782,709
Restricted	3,691,146	4,111,516	4,670,087	3,832,735	5,400,538
Unrestricted/(Deficit)	(6,673,964)	(7,259,750)	(7,266,968)	(6,951,194)	(6,669,140)
Total District Net Position	<u>\$ 2,414,198</u>	<u>\$ 2,766,765</u>	<u>\$ 3,412,070</u>	<u>\$ 3,180,858</u>	<u>\$ 5,514,107</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)
(Continued)

	June 30,			(Restated) 2024	2025
	2021	2022	2023		
Governmental Activities					
Net Investment in Capital Assets	\$ 6,769,149	\$ 7,936,886	\$ 8,048,043	\$ 9,381,927	\$ 9,098,638
Restricted	6,494,569	6,311,677	5,426,640	4,334,438	3,310,741
Unrestricted/(Deficit)	(5,602,428)	(5,434,539)	(4,671,887)	(5,024,993)	(3,464,062)
Total Governmental Activities Net Position	\$ 7,661,290	\$ 8,814,024	\$ 8,802,796	\$ 8,691,372	\$ 8,945,317
Business-type Activities					
Investment in Capital Assets	\$ 63,538	\$ 48,268	\$ 58,560	\$ 103,490	\$ 84,045
Unrestricted	164,680	350,358	443,472	456,028	518,598
Total Business-type Activities Net Position	\$ 228,218	\$ 398,626	\$ 502,032	\$ 559,518	\$ 602,643
District-wide					
Net Investment in Capital Assets	\$ 6,832,687	\$ 7,985,154	\$ 8,106,603	\$ 9,485,417	\$ 9,182,683
Restricted	6,494,569	6,311,677	5,426,640	4,334,438	3,310,741
Unrestricted/(Deficit)	(5,437,748)	(5,084,181)	(4,228,415)	(4,568,905)	(2,945,464)
Total District Net Position	\$ 7,889,508	\$ 9,212,650	\$ 9,304,828	\$ 9,250,950	\$ 9,547,960

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
Expenses					
Governmental activities					
Instruction:					
Regular	\$ 10,110,172	\$ 10,899,507	\$ 11,078,743	\$ 10,255,051	\$ 8,805,516
Special Education	6,305,932	6,799,286	6,754,881	6,504,414	6,246,371
Other Special Instruction	359,275	459,473	655,672	644,500	591,227
School Sponsored/Other Instruction	213,454	225,918	350,737	292,546	248,506
Support Services:					
Tuition	730,477	703,092	419,181	510,811	447,102
Student & Instruction Related Services	4,049,811	4,517,681	5,003,519	4,608,302	3,915,729
General Administrative Services	583,752	594,740	663,506	651,284	618,748
School Administrative Services	1,119,758	1,267,044	1,354,059	1,170,361	920,969
Central Services	470,012	504,295	528,495	477,838	431,094
Administrative Information Technology	314,352	249,937	241,778	220,478	244,210
Plant Operations and Maintenance	2,153,881	2,202,076	2,338,916	2,323,621	2,011,461
Pupil Transportation	1,906,495	2,003,454	1,843,522	1,837,694	1,529,080
Transfer of Funds to Charter School	718,282	744,422	570,457	810,925	717,530
Unallocated Depreciation	331,462	368,667	406,714	411,506	481,399
Capital Outlay		1,273	48,174	105,405	17,335
Total Governmental Activities Expenses	<u>29,367,115</u>	<u>31,540,865</u>	<u>32,258,354</u>	<u>30,824,736</u>	<u>27,226,277</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
Business-type Activities:					
Food Service	\$ 348,186	\$ 343,679	\$ 323,024	\$ 342,788	\$ 288,190
Care Program	125,903	170,717	174,585	167,852	114,166
Total Business-type Activities Expense	474,089	514,396	497,609	510,640	402,356
Total District Expenses	<u>\$ 29,841,204</u>	<u>\$ 32,055,261</u>	<u>\$ 32,755,963</u>	<u>\$ 31,335,376</u>	<u>\$ 27,628,633</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction (Tuition)	\$ 43,179	\$ 128,426	\$ 77,523	\$ 46,647	\$ 51,489
Student and Instruction Related Services					
Transportation Fees	86,841	84,396	76,485	78,654	77,036
Operating Grants and Contributions	7,877,610	9,780,109	11,274,867	9,161,556	7,358,349
Capital Grants and Contributions					
Total Governmental Activities Program Revenues	<u>8,007,630</u>	<u>9,992,931</u>	<u>11,428,875</u>	<u>9,286,857</u>	<u>7,486,874</u>
Business-type Activities:					
Charges for Services:					
Food Service	173,167	162,973	153,065	161,161	99,457
Care Program	160,837	153,207	142,356	135,053	104,673
Operating Grants and Contributions	161,976	181,142	173,179	173,333	150,898
Total Business-type Activities Program Revenues	495,980	497,322	468,600	469,547	355,028
Total District Program Revenues	<u>\$ 8,503,610</u>	<u>\$ 10,490,253</u>	<u>\$ 11,897,475</u>	<u>\$ 9,756,404</u>	<u>\$ 7,841,902</u>
Net (Expense)/Revenue					
Governmental Activities	\$ (21,359,485)	\$ (21,547,934)	\$ (20,829,479)	\$ (21,537,879)	\$ (19,739,403)
Business-Type Activities	21,891	(17,074)	(29,009)	(41,093)	(47,328)
Total District-Wide Net Expense	<u>\$ (21,337,594)</u>	<u>\$ (21,565,008)</u>	<u>\$ (20,858,488)</u>	<u>\$ (21,578,972)</u>	<u>\$ (19,786,731)</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 15,617,020	\$ 15,546,520	\$ 15,130,100	\$ 15,232,726	\$ 15,800,221
Unrestricted Grants and Contributions	6,266,361	6,296,006	6,164,414	5,971,294	5,528,615
Miscellaneous Income	55,522	74,767	208,984	66,418	167,660
Other Item:					
Cancellation of Prior Year Accounts Payable					3,169
Total Governmental Activities	<u>21,938,903</u>	<u>21,917,293</u>	<u>21,503,498</u>	<u>21,347,438</u>	<u>21,499,665</u>
Business-type Activities:					
Interest Income	272	282	295	322	1,457
Total Business-Type Activities	<u>272</u>	<u>282</u>	<u>295</u>	<u>322</u>	<u>1,457</u>
Total District-Wide	<u>\$ 21,939,175</u>	<u>\$ 21,917,575</u>	<u>\$ 21,503,793</u>	<u>\$ 21,347,760</u>	<u>\$ 21,501,122</u>
Change in Net Position					
Governmental Activities	\$ 579,418	\$ 369,359	\$ 674,019	\$ (190,441)	\$ 1,760,262
Business-type Activities	22,163	(16,792)	(28,714)	(40,771)	(45,871)
Total District	<u>\$ 601,581</u>	<u>\$ 352,567</u>	<u>\$ 645,305</u>	<u>\$ (231,212)</u>	<u>\$ 1,714,391</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
Expenses					
Governmental activities					
Instruction:					
Regular	\$ 9,433,284	\$ 9,482,425	\$ 8,860,833	\$ 10,534,849	\$ 12,043,504
Special Education	5,918,125	5,916,280	5,253,713	6,180,101	6,469,110
Other Special Instruction	618,096	691,143	909,690	744,479	677,537
School Sponsored/Other Instruction	235,897	337,543	429,269	352,495	357,524
Support Services:					
Tuition	350,516	480,550	567,997	802,019	861,415
Student & Instruction Related Services	3,859,678	3,874,978	3,617,426	3,573,068	3,612,678
General Administrative Services	596,714	560,839	506,125	497,448	521,051
School Administrative Services	955,640	940,779	1,000,550	1,051,836	1,026,546
Central Services	431,464	386,038	356,853	368,648	374,671
Administrative Information Technology	254,652	206,857	195,980	233,577	204,943
Plant Operations and Maintenance	2,039,292	2,121,315	2,263,929	1,437,299	2,458,544
Pupil Transportation	1,491,213	1,641,600	1,648,513	1,740,262	1,877,181
Transfer of Funds to Charter School	801,400	845,790	1,034,019	987,297	877,237
Unallocated Depreciation	526,170	542,807	568,445	708,028	705,562
Capital Outlay	1,273				215,743
Total Governmental Activities Expenses	<u>27,513,414</u>	<u>28,028,944</u>	<u>27,213,342</u>	<u>29,211,406</u>	<u>32,283,246</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,			
	2021	2022	2023	2024
	2025			
Business-type Activities:				
Food Service	\$ 271,882	\$ 520,400	\$ 459,783	\$ 506,642
Care Program	40,450	119,745	109,978	146,321
Total Business-type Activities Expense	<u>312,332</u>	<u>640,145</u>	<u>569,761</u>	<u>652,963</u>
Total District Expenses	<u>\$ 27,825,746</u>	<u>\$ 28,669,089</u>	<u>\$ 27,783,103</u>	<u>\$ 29,864,369</u>
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Instruction (Tuition)	\$ 6,370	\$ 24,590	\$ 21,980	\$ 10,295
Student and Instruction Related Services	66,607	40,096	65,868	82,564
Transportation Fees	8,045,324	89,401	84,274	63,988
Operating Grants and Contributions	41,637	8,065,132	6,016,122	7,072,218
Capital Grants and Contributions				
Total Governmental Activities Program Revenues	<u>8,159,938</u>	<u>8,219,219</u>	<u>6,188,244</u>	<u>7,229,065</u>
Business-type Activities:				
Charges for Services:				
Food Service	25,388	23,217	251,760	249,867
Care Program	260,172	166,421	132,601	163,556
Operating Grants and Contributions	285,560	620,610	282,964	286,845
Total Business-type Activities Program Revenues	<u>8,445,498</u>	<u>810,248</u>	<u>667,325</u>	<u>700,268</u>
Total District Program Revenues	<u>\$ 9,029,467</u>	<u>\$ 6,855,569</u>	<u>\$ 7,929,333</u>	<u>\$ 9,896,708</u>
Net (Expense)/Revenue	<u>\$ (19,353,476)</u>	<u>\$ (19,809,725)</u>	<u>\$ (21,025,098)</u>	<u>\$ (21,982,341)</u>
Governmental Activities	<u>(26,772)</u>	<u>170,103</u>	<u>97,564</u>	<u>47,305</u>
Business-Type Activities	<u>\$ (19,380,248)</u>	<u>\$ (19,639,622)</u>	<u>\$ (20,927,534)</u>	<u>\$ (21,935,036)</u>
Total District-Wide Net Expense	<u>\$ (23,026,360)</u>	<u>\$ (23,026,360)</u>	<u>\$ (23,026,360)</u>	<u>\$ (23,026,360)</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 16,816,591	\$ 16,643,603	\$ 16,968,153	\$ 17,717,204	\$ 18,499,937
Unrestricted Grants and Contributions	4,898,614	4,217,744	3,898,277	4,010,627	4,613,316
Miscellaneous Income	40,179	101,112	147,440	291,817	200,480
Other Item:					
Cancellation of Prior Year Accounts Payable					
Total Governmental Activities	<u>21,755,384</u>	<u>20,962,459</u>	<u>21,013,870</u>	<u>22,019,648</u>	<u>23,313,733</u>
Business-type Activities:					
Interest Income	265	305	5,842	10,181	9,637
Total Business-Type Activities	<u>265</u>	<u>305</u>	<u>5,842</u>	<u>10,181</u>	<u>9,637</u>
Total District-Wide	<u>\$ 21,755,649</u>	<u>\$ 20,962,764</u>	<u>\$ 21,019,712</u>	<u>\$ 22,029,829</u>	<u>\$ 23,323,370</u>
Change in Net Position					
Governmental Activities	\$ 2,401,908	\$ 1,152,734	\$ (11,228)	\$ 37,307	\$ 253,885
Business-type Activities	(26,507)	170,408	103,406	57,486	43,125
Total District	<u>\$ 2,375,401</u>	<u>\$ 1,323,142</u>	<u>\$ 92,178</u>	<u>\$ 94,793</u>	<u>\$ 297,010</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	June 30,				
	2016	2017	2018	2019	2020
General Fund					
Restricted	\$ 3,691,146	\$ 4,111,516	\$ 4,670,087	\$ 3,832,735	\$ 5,260,645
Assigned	235,562	255,329	487,014	789,987	693,510
Unassigned				77,540	346,548
Total General Fund	<u>\$ 3,926,708</u>	<u>\$ 4,366,845</u>	<u>\$ 5,157,101</u>	<u>\$ 4,700,262</u>	<u>\$ 6,300,703</u>
All Other Governmental Funds					
Restricted					\$ 139,893
Committed	\$ 27,637	\$ 27,637	\$ 27,637	\$ 27,637	27,637
Unassigned/(Deficit)					
Total All Other Governmental Funds/(Deficit)	<u>\$ 27,637</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>	<u>\$ 27,637</u>	<u>\$ 167,530</u>
Total Governmental Funds	<u>\$ 3,954,345</u>	<u>\$ 4,394,482</u>	<u>\$ 5,184,738</u>	<u>\$ 4,727,899</u>	<u>\$ 6,468,233</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)
(Continued)

	June 30,				
	2021	2022	2023	2024	2025
General Fund					
Restricted	\$ 6,357,511	\$ 6,171,624	\$ 5,286,878	\$ 4,184,961	\$ 3,157,645
Assigned	1,437,673	656,780	1,153,074	379,756	439,918
Unassigned	561,228	661,603	45,971	261,462	1,078,493
Total General Fund	\$ 8,356,412	\$ 7,490,007	\$ 6,485,923	\$ 4,826,179	\$ 4,676,056
All Other Governmental Funds					
Restricted	\$ 137,058	\$ 140,053	\$ 139,762	\$ 149,477	\$ 153,096
Committed	27,637	27,637	27,637	27,637	256,765
Unassigned/(Deficit)				(230,556)	(241,901)
Total All Other Governmental Funds/(Deficit)	\$ 164,695	\$ 167,690	\$ 167,399	\$ (53,442)	\$ 167,960
Total Governmental Funds	\$ 8,521,107	\$ 7,657,697	\$ 6,653,322	\$ 4,772,737	\$ 4,844,016

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
Revenues					
Tax Levy	\$ 15,617,020	\$ 15,546,520	\$ 15,130,100	\$ 15,232,726	\$ 15,800,221
Tuition Charges	43,179	128,426	77,523	46,647	51,489
Transportation Fees	86,841	84,396	76,485	78,654	77,036
State Sources	10,452,114	10,786,380	10,953,244	11,551,522	11,377,371
Federal Sources	645,316	634,710	813,589	766,381	566,259
Miscellaneous	55,522	74,767	208,984	69,010	167,660
Total Revenue	26,899,992	27,255,199	27,259,925	27,744,940	28,040,036
Expenditures					
Instruction					
Regular Instruction	6,025,010	5,693,620	5,634,659	5,795,601	5,224,477
Special Education Instruction	3,651,112	3,795,004	3,352,583	3,570,348	3,631,785
Other Special Instruction	255,162	281,210	405,364	457,044	455,167
School-Sponsored/Other Instruction	84,772	87,757	101,339	93,180	76,406
Support Services:					
Tuition	730,477	703,092	419,181	510,811	447,102
Student & Other Instruction Related Services	2,595,077	2,631,997	2,810,817	2,828,637	2,556,997
General Administrative Services	471,737	438,449	499,121	511,463	506,792
School Administrative Services	674,856	711,550	720,636	695,954	575,206
Central Services	310,922	304,586	306,035	317,232	310,822
Administrative Information Technology	261,226	187,184	170,715	168,760	203,828
Plant Operations and Maintenance	1,694,577	1,696,499	1,707,667	1,857,287	1,652,670
Student Transportation	1,542,729	1,603,296	1,457,778	1,575,867	1,354,390

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
Expenditures					
Employee Benefits	\$ 6,644,444	\$ 6,911,193	\$ 7,662,161	\$ 8,242,289	\$ 8,140,627
Capital Outlay	1,184,223	1,025,203	651,156	843,381	1,067,930
Transfer of Funds to Charter School	718,282	744,422	570,457	810,925	717,530
Total Expenditures	<u>26,844,606</u>	<u>26,815,062</u>	<u>26,469,669</u>	<u>28,278,779</u>	<u>26,921,729</u>
Excess/(Deficit) of Revenues					
Over/(Under) Expenditures	55,386	440,137	790,256	(533,839)	1,118,307
Other Financing Sources/(Uses)					
Cancel Prior Year Interfund/Accounts Payable				77,000	3,169
Total Other Financing Sources/(Uses)				<u>77,000</u>	<u>3,169</u>
Net Change in Fund Balances	<u>\$ 55,386</u>	<u>\$ 440,137</u>	<u>\$ 790,256</u>	<u>\$ (456,839)</u>	<u>\$ 1,121,476</u>
Debt Service as a Percentage of					
Noncapital Expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS.

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
Revenues					
Tax Levy	\$ 16,816,591	\$ 16,643,603	\$ 16,968,153	\$ 17,717,204	\$ 18,499,937
Tuition Charges		24,590	21,980	10,295	22,768
Transportation Fees	66,607	89,401	84,274	63,988	32,684
State Sources	11,558,885	11,776,936	11,350,846	13,029,769	16,069,333
Federal Sources	869,068	958,974	1,278,124	1,392,671	1,269,006
Miscellaneous	46,549	141,208	213,308	374,381	292,916
Total Revenue	29,357,700	29,634,712	29,916,685	32,588,308	36,186,644
Expenditures					
Instruction					
Regular Instruction	5,523,867	5,953,021	6,152,961	7,552,914	9,047,470
Special Education Instruction	3,365,750	3,646,878	3,527,336	4,104,423	4,333,865
Other Special Instruction	445,117	556,889	830,476	642,925	592,814
School-Sponsored/Other Instruction	11,070	71,245	62,983	75,246	92,048
Support Services:					
Tuition	350,516	480,550	567,997	802,019	861,415
Student & Other Instruction Related Services	2,542,655	2,809,141	2,865,362	2,710,727	2,774,557
General Administrative Services	501,836	508,193	472,665	490,226	497,135
School Administrative Services	583,644	634,532	745,641	764,033	755,207
Central Services	322,062	329,089	337,719	347,667	351,710
Administrative Information Technology	217,425	188,277	189,849	226,794	197,213
Plant Operations and Maintenance	1,704,981	1,963,819	2,159,266	2,258,370	2,382,166
Student Transportation	1,325,518	1,533,265	1,582,976	1,674,740	1,814,315

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)
(Continued)

	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
Expenditures					
Employee Benefits	\$ 8,927,112	\$ 9,164,114	\$ 9,559,754	\$ 10,588,675	\$ 10,773,504
Capital Outlay	681,873	1,813,319	832,056	1,242,837	764,709
Transfer of Funds to Charter School	801,400	845,790	1,034,019	987,297	877,237
Total Expenditures	<u>27,304,826</u>	<u>30,498,122</u>	<u>30,921,060</u>	<u>34,468,893</u>	<u>36,115,365</u>
Excess/(Deficit) of Revenues					
Over/(Under) Expenditures	<u>2,052,874</u>	<u>(863,410)</u>	<u>(1,004,375)</u>	<u>(1,880,585)</u>	<u>71,279</u>
Other Financing Sources/(Uses)					
Cancel Prior Year Interfund/Accounts Payable					
Total Other Financing Sources/(Uses)					
Net Change in Fund Balances	<u>\$ 2,052,874</u>	<u>\$ (863,410)</u>	<u>\$ (1,004,375)</u>	<u>\$ (1,880,585)</u>	<u>\$ 71,279</u>
Debt Service as a Percentage of					
Noncapital Expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Transportation</u> <u>Revenue</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Miscellaneous</u>	<u>Total</u>
2016	\$ 9,372	\$ 43,179	\$ 86,841		\$ 46,150	\$ 185,542
2017	10,339	128,426	84,396		64,428	287,589
2018	11,865	77,523	76,485	\$ 60,053	137,066 *	362,992
2019	11,170	46,647	78,654	17,480	37,768	191,719
2020	59,525	51,489	77,036	40,386	67,749	296,185
2021	21,327		66,607	11,572	7,280	106,786
2022	17,554	24,590	89,401	3,243	80,315	215,103
2023	128,100	21,980	84,274	3,534	13,920	251,808
2024	156,732	10,295	63,988	49,413	85,672	366,100
2025	170,255	22,768	32,684	184	30,041	255,932

* Includes cancellation of prior year accounts payable of \$44,273.

Source: School District records

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY.
 LAST TEN YEARS
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Borough of Sussex</u>												
2015	\$ 1,838,400	\$ 80,688,700	\$ 640,100	\$ 21,500	\$ 24,735,400	\$ 787,300	\$ 16,190,200	\$ 124,901,600	\$ 1,107,571	\$ 126,009,171	\$ 1.76	\$ 125,959,230
2016	1,791,200	80,820,200	640,100	21,500	24,657,400	787,300	14,503,400	123,221,100	-0-	123,221,100	1.87	127,045,159
2017	1,791,200	80,740,000	640,100	21,500	26,734,600	787,300	14,484,100	125,198,800	-0-	125,198,800	1.84	130,280,646
2018	2,570,700	80,386,800	640,100	20,700	25,456,500	787,300	14,484,100	124,346,200	-0-	124,346,200	1.86	126,728,700
2019	2,250,900	80,462,800	640,100	22,100	25,350,100	787,300	14,484,100	123,997,400	-0-	123,997,400	1.83	127,638,746
2020	2,205,300	80,528,200	640,100	22,100	25,204,300	787,300	14,484,100	123,871,400	-0-	123,871,400	1.84	131,565,909
2021	2,203,800	80,808,900	640,100	20,800	25,188,500	787,300	14,484,100	124,133,500	-0-	124,133,500	1.93	133,284,831
2022	2,203,800	81,064,500	640,100	20,800	24,765,500	787,300	14,484,100	123,966,100	-0-	123,966,100	1.94	137,918,021
2023	2,198,200	82,231,800	640,100	21,400	24,500,200	787,300	14,484,100	124,863,100	-0-	124,863,100	2.01	154,415,128
2024	2,121,000	83,877,300		22,100	24,630,100	787,300	14,484,100	125,921,900	-0-	125,921,900	2.02	158,409,340
<u>Township of Wantage</u>												
2015	\$ 30,651,700	\$ 899,500,006	\$ 133,712,100	\$ 7,500,200	\$ 116,927,091	\$ 1,541,400	\$ 11,621,250	\$ 1,201,453,747	\$ 3,805,642	\$ 1,205,259,389	\$ 1.77	\$ 1,188,264,413
2016	29,938,700	898,143,806	134,981,300	7,172,500	116,639,030	1,541,400	11,621,200	1,200,037,936	-0-	1,200,037,936	1.83	1,167,238,533
2017	29,631,300	899,354,006	134,672,100	7,014,152	114,342,284	1,541,400	11,621,200	1,198,176,442	-0-	1,198,176,442	1.76	1,169,093,206
2018	31,423,050	898,028,906	134,724,100	6,944,872	112,741,984	1,541,400	13,521,200	1,198,925,512	-0-	1,198,925,512	1.73	1,273,420,618
2019	32,050,650	897,450,506	134,527,100	6,968,972	112,958,834	1,541,400	15,896,200	1,201,393,662	-0-	1,201,393,662	1.76	1,279,831,695
2020	33,246,950	899,020,606	134,458,700	6,768,600	113,279,234	1,541,400	21,121,200	1,209,436,690	-0-	1,209,436,690	1.85	1,265,208,954
2021	32,576,400	902,816,300	134,583,400	6,585,400	108,002,700	1,541,400	21,121,200	1,207,226,800	-0-	1,207,226,800	1.92	1,287,351,865
2022	33,695,100	906,538,100	134,586,700	6,576,400	107,169,200	1,541,400	21,121,200	1,211,228,100	-0-	1,211,228,100	1.94	1,343,552,600
2023	32,828,600	909,115,100	135,840,600	6,784,300	106,781,400	1,541,400	21,121,200	1,214,012,600	-0-	1,214,012,600	1.97	1,448,563,588
2024	32,567,800	911,460,400	138,263,700	6,929,700	107,626,000	1,541,400	21,121,200	1,219,510,200	-0-	1,219,510,200	2.02	1,573,982,357

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

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

^b Tax rates are per \$100 of Assessed Valuation

Source: Municipal Tax Assessor

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Year Ended December 31,	School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	Obligation Debt Service ^b	Total Direct Tax Rate	Municipality	Sussex County	
<u>Borough of Sussex</u>						
2015	\$ 1.755	\$ -0-	\$ 1.755	\$ 0.729	\$ 0.509	\$ 2.993
2016	1.865	-0-	1.865	0.752	0.558	3.175
2017	1.836	-0-	1.836	0.758	0.596	3.190
2018	1.857	-0-	1.857	0.782	0.626	3.265
2019	1.827	-0-	1.827	0.797	0.597	3.221
2020	1.836	-0-	1.836	0.801	0.621	3.258
2021	1.927	-0-	1.927	0.825	0.633	3.385
2022	1.942	-0-	1.942	0.847	0.626	3.415
2023	2.006	-0-	2.006	0.885	0.638	3.529
2024	2.015	-0-	2.015	0.888	0.592	3.495
<u>Township of Wantage</u>						
2015	\$ 1.774	\$ -0-	\$ 1.774	\$ 0.300	\$ 0.513	\$ 2.587
2016	1.827	-0-	1.827	0.300	0.546	2.673
2017	1.764	-0-	1.764	0.294	0.557	2.615
2018	1.730	-0-	1.730	0.299	0.575	2.604
2019	1.762	-0-	1.762	0.308	0.617	2.687
2020	1.847	-0-	1.847	0.308	0.612	2.767
2021	1.922	-0-	1.922	0.313	0.633	2.868
2022	1.939	-0-	1.939	0.315	0.623	2.877
2023	1.972	-0-	1.972	0.324	0.615	2.911
2024	2.019	-0-	2.019	0.326	0.607	2.952

* Revaluation was effective in this year.

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

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

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

Source: Municipal Tax Collector and School Business Administrator

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

		2024			2015		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
<u>Borough of Sussex</u>							
Alpine Village Apt LLC	\$ 7,807,400	1	6.20%	Alpine Village Apt LLC	\$ 9,192,800	1	7.30%
Jimkev Realty, LLC/JTS, Inc.	3,700,000	2	2.94%	Wilson Manor Associates	3,700,000	2	2.94%
MPT of Morris, LLC	2,100,000	3	1.67%	Franklin Sussex Realty, LLC	1,929,500	3	1.53%
Franklin Sussex Realty, LLC	1,929,500	4	1.53%	Individual Taxpayer #1	1,702,800	4	1.35%
Individual Taxpayer #1	1,746,000	5	1.39%	RBND, LLC	1,558,900	5	1.24%
Sussex Plaza Realty LLC	1,170,600	6	0.93%	Sussex Plaza Realty LLC	1,170,600	6	0.93%
Great Gorge Holdings, LLC	1,046,800	7	0.83%	United Telephone Co of NJ	1,107,571	7	0.88%
RBND, LLC	985,600	8	0.78%	Creamery Apartments LLC	1,046,800	8	0.83%
Munson Street Dev., LLC	894,200	9	0.71%	Individual Taxpayer #2	975,000	9	0.77%
Individual Taxpayer #2	859,600	10	0.68%	Munson Street Dev., LLC	894,200	10	0.71%
Total	\$ 22,239,700		17.66%	Total	\$ 23,278,171		18.47%
<u>Township of Wantage</u>							
Wantage 2002 LLC	\$ 12,041,500	1	0.99%	Mainland Sussex Co	11,449,000	1	0.95%
Mainland Sussex Co.	9,697,300	2	0.80%	Tenneco, Inc	11,213,700	2	0.93%
Tenneco, Inc	9,044,500	3	0.74%	Wantage 2002 LLC	11,200,500	3	0.93%
Regency Apartments, LLC	5,539,000	4	0.45%	Awbury Apartments LP	6,294,000	4	0.52%
Space Farms, LLC	4,676,600	5	0.38%	Ames Rubber Corp.	5,389,100	5	0.45%
PS, LLC	3,400,900	6	0.28%	Space Farms	4,376,900	6	0.36%
Ames Rubber Corp.	3,393,100	7	0.28%	Town Center at Wantage, LLC	4,245,400	7	0.35%
Sussex Rural Electric Corp	3,132,700	8	0.26%	United Telephone Co. of NJ	3,805,642	8	0.32%
United Telephone Co. of NJ	3,113,073	9	0.26%	Naisby, James HG, Inc.	3,112,300	9	0.26%
Rolling Wantage, Inc.	3,026,400	10	0.25%	PS, LLC	2,917,400	10	0.24%
Total	\$ 57,065,073		4.68%	Total	\$ 64,003,942		5.31%

Note - Individual taxpayers may be different in each year presented.

Source: Municipal Tax Assessors

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 15,617,020	\$ 15,617,020	100.00%	\$ -0-
2017	15,546,520	15,546,520	100.00%	-0-
2018	15,130,100	15,130,100	100.00%	-0-
2019	15,232,726	15,232,726	100.00%	-0-
2020	15,800,221	15,800,221	100.00%	-0-
2021	16,816,591	16,816,591	100.00%	-0-
2022	16,643,603	16,643,603	100.00%	-0-
2023	16,968,153	16,968,153	100.00%	-0-
2024	17,717,204	16,372,660	92.41%	1,344,544
2025	18,499,937	18,499,937	100.00%	-0-

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities				Bond		Business-Type Activities		Total District	Percentage of Personal Income ^a	Debt Per Capita ^a
	Loans	Certificates of Participation	Financed Purchase Agreements	Financed Purchase Agreements	Anticipation Notes (BANs)	Financed Purchase Agreements					
2016	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	-0-	-0-	\$ -0-	-0-	0.0000%	\$ -0-
2017	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2019	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2022	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2023	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2024	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-
2025	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation ^a Taxable	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ -0-	\$ -0-	\$ -0-	0.00%	\$ -0-
2017	-0-	-0-	-0-	0.00%	-0-
2018	-0-	-0-	-0-	0.00%	-0-
2019	-0-	-0-	-0-	0.00%	-0-
2020	-0-	-0-	-0-	0.00%	-0-
2021	-0-	-0-	-0-	0.00%	-0-
2022	-0-	-0-	-0-	0.00%	-0-
2023	-0-	-0-	-0-	0.00%	-0-
2024	-0-	-0-	-0-	0.00%	-0-
2025	-0-	-0-	-0-	0.00%	-0-

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

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

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

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2024
UNAUDITED

<u>Governmental Unit</u>	<u>Debt</u> <u>Outstanding</u>	<u>Estimated</u> <u>Percentage</u> <u>Applicable ^a</u>	<u>Estimated</u> <u>Share of</u> <u>Overlapping</u> <u>Debt</u>
Debt Repaid With Property Taxes			
Borough of Sussex	\$ 1,237,100	100.00%	\$ 1,237,100
Township of Wantage	4,337,221	100.00%	4,337,221
Sussex County General Obligation Debt (Borough Share)	79,054,107	0.67%	531,099
Sussex County General Obligation Debt (Township Share)	79,054,107	6.68%	5,277,094
Subtotal, Overlapping Debt			11,382,514
Sussex-Wantage Regional School District Direct Debt			-0-
Total Direct and Overlapping Debt			<u>\$ 11,382,514</u>

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

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

Sources: Assessed value data used to estimate applicable percentages provided by the Sussex County Board of Taxation; debt outstanding data provided by each governmental unit.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION,
LAST TEN FISCAL YEARS
UNAUDITED

Equalized Valuation Basis:

	Legal Debt Margin Calculation for Fiscal Year 2025		
	Sussex	Wantage	Total
	Borough	Township	
2024	\$ 175,207,875	\$ 1,657,393,585	\$ 1,832,601,460
2023	155,767,340	1,562,838,054	1,718,605,394
2022	152,086,983	1,441,423,420	1,593,510,403
	<u>\$ 483,062,198</u>	<u>\$ 4,661,655,059</u>	<u>\$ 5,144,717,257</u>
Average Equalized Valuation of Taxable Property			<u>\$ 1,714,905,752</u>
Debt Limit (3% of average equalization value ^a)			\$ 51,447,173
Net Bonded Debt as of June 30, 2025			-0-
Legal Debt Margin			<u>\$ 51,447,173</u>

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt Limit	\$ 39,206,389	\$ 39,183,210	\$ 39,162,619	\$ 40,186,408	\$ 41,077,406
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-
Legal Debt Margin	<u>\$ 39,604,062</u>	<u>\$ 39,206,389</u>	<u>\$ 39,183,210</u>	<u>\$ 39,162,619</u>	<u>\$ 40,186,408</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

	Fiscal Year				
	2021	2022	2023	2024	2025
Debt Limit	\$ 42,012,616	\$ 42,734,471	\$ 44,835,740	\$ 47,844,506	\$ 51,447,173
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-
Legal Debt Margin	<u>\$ 41,077,406</u>	<u>\$ 42,734,471</u>	<u>\$ 28,011,123</u>	<u>\$ 47,844,506</u>	<u>\$ 51,447,173</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

^a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable other districts.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	<u>Wantage Township</u>			
	Population ^a	Personal Income ^b	Sussex County Per Capita Personal Income ^c	Unemployment Rate ^d
2015	11,020	\$ 614,056,440	\$ 55,722	2.30%
2016	10,943	627,329,361	57,327	4.80%
2017	10,893	644,255,592	59,144	4.40%
2018	10,861	668,288,191	61,531	3.90%
2019	10,912	701,467,008	64,284	3.50%
2020	10,899	739,104,786	67,814	8.80%
2021	10,866	772,127,094	71,059	6.10%
2022	10,933	783,579,043	71,671	4.00%
2023	10,933	823,954,612	75,364	4.30%
2024	11,087	835,560,668 ***	75,364 *	4.40%
2025	11,087 **	835,560,668 ***	75,364 *	N/A

Year	<u>Sussex Borough</u>			
	Population ^a	Personal Income ^b	Sussex County Per Capita Personal Income ^c	Unemployment Rate ^d
2015	2,036	\$ 113,449,992	\$ 55,722	7.00%
2016	2,022	115,915,194	57,327	4.70%
2017	2,010	118,879,440	59,144	4.80%
2018	2,002	123,185,062	61,531	4.30%
2019	1,991	127,989,444	64,284	4.00%
2020	1,979	134,203,906	67,814	8.60%
2021	2,034	144,534,006	71,059	6.70%
2022	2,048	146,782,208	71,671	4.30%
2023	2,050	154,496,200	75,364	4.60%
2024	2,072	156,154,208 ***	75,364 *	5.60%
2025	2,072 **	156,154,208 ***	75,364 *	N/A

* - Latest Sussex County per capita personal income available (2023) was used for calculation purposes.

** - Latest population data available (2024) was used for calculation purposes.

*** - Latest available population data (2024) and latest available Sussex County per capita personal income (2023) was used for calculation purposes.

N/A - Information Not Available

Source:

^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 for Sussex County is estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	2024	
	Employees	Percentage of Total Employment
Selective Insurance Group Inc.	1,000-4,999	1.29%-6.44%
Crystal Springs Resort	1,000-4,999	1.29%-6.44%
Newton Medical Center	1,000-4,999	1.29%-6.44%
Thorlabs	1,000-4,999	1.29%-6.44%
County of Sussex	500-999	0.64%-1.29%
Mountain Creek Resort	500-999	0.64%-1.29%
Shop Rite	500-999	0.64%-1.29%
Sussex County Community College	250-499	0.64%-1.29%
United Methodist Community Bristol Glen	250-499	0.64%-1.29%
Franklin Mutual Insurance	100-249	0.13%-0.32%
	<u>6,100-23,740</u>	<u>7.86%-30.60%</u>
	<u>4,850-15,740</u>	<u>4.07%-12.91%</u>
Total Employment	<u>77,594</u>	

Employer	2015	
	Employees	Percentage of Total Employment
Newton Memorial Hospital	1,000-4,999	1.36%-6.79%
Selective Insurance Group Inc.	1,000-4,999	1.36%-6.79%
Mountain Creek Resort	500-999	0.68%-1.36%
Thor Labs	500-999	0.68%-1.36%
Sussex County Offices	500-999	0.68%-1.36%
Ames Rubber Corp	250-499	0.34%-0.68%
Raider Express	250-499	0.34%-0.68%
Sussex County Community College	250-499	0.34%-0.68%
Mountain Creek Waterpark	100-249	0.14%-0.34%
A&P Food Store	100-249	0.14%-0.34%
	<u>4,450-14,990</u>	<u>6.05%-20.36%</u>
Total Employment	<u>73,609</u>	

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM.
LAST TEN FISCAL YEARS
UNAUDITED

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	77.0	75.5	76.5	74.9	70.9	69.4	71.5	72.6	71.0	72.6
Special Education	34.0	37.0	33.0	30.5	31.5	30.0	33.0	33.5	32.5	32.5
Other Instruction	48.5	47.5	44.1	50.4	46.6	46.4	45.4	42.3	52.5	60.2
Support Services:										
Student & Instruction Related Services	27.0	26.0	31.0	30.0	30.0	27.5	26.9	27.5	30.3	30.5
General and Business Administrative Services	7.0	7.0	7.0	7.4	6.5	6.5	6.5	6.5	5.9	6.0
School Administrative Services	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.8	4.5	3.8
Other Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Administrative Information Technology	4.0	4.0	4.0	3.5	3.3	3.3	3.5	4.5	4.5	4.3
Transportation	15.5	15.5	15.5	15.5	13.5	11.3	12.0	10.2	9.3	7.3
Plant Operations and Maintenance	17.0	16.7	16.7	20.2	20.2	20.2	20.3	20.8	22.8	22.6
Total	240.0	239.2	237.8	242.4	231.5	223.6	228.1	227.7	239.3	245.8

Source: School District Personnel Records

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year End June 30,	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^b	Percentage Change	Teaching Staff ^c	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^d	Average Daily Attendance (ADA) ^d	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2016	1,110	\$ 25,660,383	\$ 23,117	12.79%	138	9.6:1	9.6:1	1,072	1,021	-7.19%	95.24%
2017	1,096	25,789,859	23,531	1.79%	139	9.3:1	9.3:1	1,059	1,008	-1.21%	95.18%
2018	1,033	25,818,513	24,994	6.22%	137.5	7.5:1	7.5:1	1,020	966	-3.68%	94.71%
2019	1,037	27,435,398	26,457	5.85%	133.4	8.2:1	7.6:1	1,037	984	1.67%	94.89%
2020	1,041	25,853,799	24,836	-6.13%	130	8.5:1	7.0:1	1,038	998	0.10%	96.15%
2021	1,052	26,622,953	25,307	1.90%	128	8.5:1	7.2:1	1,021	975	-1.64%	95.49%
2022	1,063	28,684,803	26,985	6.63%	141	7.5:1	7.5:1	1,041	940	1.96%	90.30%
2023	1,093	30,089,004	27,529	2.02%	134	7.9:1	8.1:1	1,049	966	0.77%	92.09%
2024	1,103	33,226,056	30,123	9.42%	133	8.3:1	8.0:1	1,088	1,006	3.72%	92.46%
2025	1,156	35,350,656	30,580	1.52%	141	8.2:1	8.1:1	1,187	1,096	9.10%	92.33%

Note:

- a Operating expenditures equal total expenditures less debt service and capital outlay
- b Cost per pupil represents operating expenditures divided by enrollment. This Cost Per Pupil may be different from other Cost Per Pupil calculations.
- c Teaching staff includes only full-time equivalents of certificated staff.
- d Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: School District records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

<u>District Building</u>	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Elementary</u>										
Clifton E. Lawrence Elementary School										
Square Feet	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	366	361	331	353	376	350	387	384	383	408
Wantage Elementary School										
Square Feet	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	357	345	341	356	338	326	302	336	354	393
<u>Middle School</u>										
Sussex Middle School										
Square Feet	65,489	65,489	65,489	65,489	65,489	65,489	65,489	65,489	64,589	64,589
Capacity (students)	612	612	612	612	612	612	612	612	612	612
Enrollment	387	390	361	328	327	376	374	373	366	355
<u>Other</u>										
Environmental Trails Center										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Schools										
Elementary = 2										
Middle School = 1										

N/A - Not Applicable

Source: School District records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
UNAUDITED

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

Fiscal Year Ended June 30,	Lawrence	Sussex	Wantage	Environmental Trail Center	Board Office	Total
2016	\$ 158,199	\$ 186,966	\$ 161,727	\$ 10,101	\$ 9,150	\$ 526,143
2017	153,370	175,923	132,841	919	14,607	477,660
2018	165,921	146,218	116,178	855	7,706	436,878
2019	177,685	184,622	120,237	804	10,006	493,354
2020	130,688	149,240	121,081	821	5,133	406,963
2021	145,885	146,520	126,035	833	7,868	427,141
2022	140,858	162,752	122,170	901	10,457	437,138
2023	176,437	202,944	125,537	945	5,871	511,734
2024	144,076	174,924	153,195	921	14,689	487,805
2025	175,052	196,373	155,177	253	1,519	528,374

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

Source: School District records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED

	Coverage		Deductible
<u>SCHOOL ALLIANCE INSURANCE FUND:</u>			
School Package Policy	\$ 500,000,000		
Building and Personal Property			\$ 2,500
Auto Physical Damage			1,000
General Liability including Auto, Employee Benefits			
Each Occurrence	10,000,000		
General Aggregate	46,000,000		
Product Completed Operations			
Personal Injury			
Fire Damage	2,500,000		
Medical Expenses	10,000		
(Excluding Students Taking Part in Athletics)			
Employee Benefits	50,000,000		1,000
Automobile Coverage	10,000,000	Occurrence	
Combined Single Limit			
Hired/Non Owned			
Cyber Liability			
First Party	750,000		Various
Third Party	2,000,000		Various
Environmental Impairment Liability	1,000,000/10,000,000	Fund Aggregate	50,000
Excludes mold/fungi/fungus/legionella			
Crime Coverage	50,000	Inside/Outside	1,000
Blanket Dishonesty Bond	500,000		1,000
Boiler and Machinery	100,000,000		2,500
Excess Liability (AL/GL)	5,000,000		
School Board Legal	5,000,000		10,000
Workers' Compensation	Statutory		
Employer's Liability	6,000,000		
Supplemental Indemnity	Statutory		
<u>SELECTIVE INSURANCE:</u>			
Business Administrator/Board Secretary Bond	50,000	Selective Insurance	
Treasurer of School Monies Bond	250,000	Selective Insurance	
<u>BOLLINGER</u>			
Student Accident Coverage			
Base Plan - Students including Sports Except Football	25,000		
Catastrophic Plan - Students including Sports Except Football	1,000,000		

Source: School District records.

SINGLE AUDIT SECTION

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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Sussex-Wantage Regional School District, in the County of Sussex (the "Board") as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during 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.

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
County of Sussex, New Jersey
Page 2

Report on Compliance and Other Matters

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

Purpose of this Report

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

November 14, 2025
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb

Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

Report on Compliance For Each Major Federal and State Program;
Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
County of Sussex, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
County of Sussex, New Jersey
Page 2

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as Finding 2025-001. Our opinion on each major federal and state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
County of Sussex, New Jersey
Page 3

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as Finding 2025-001 to be a significant deficiency.

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.

Governing Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

November 14, 2025
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb
Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2024		Cancellation of Prior Year Encumbrances	Cash Received	Budgetary Expendi- tures	Balance, June 30, 2025		Amounts Provided to Subrecipients
					Budgetary Accounts Receivable	Budgetary Unearned Revenue				Budgetary Unearned Revenue	Budgetary Accounts Receivable	
Education Stabilization Fund:												
COVID-19 - ARP - ESSER III	84.425U	S425U210027	3/13/20-9/30/24	\$ 1,184,788	\$ (423,800)	\$	6,170	\$ 502,909	\$ (85,279)			
COVID-19 - ARP - Accelerated Learning Coaching and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	95,655	(12,771)			86,612	(73,841)			
COVID-19 - ARP - Evidence-Based Summer Learning and Enrichment Activities	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)			40,000	(40,000)			
COVID-19 - ARP - Evidence-Based Comprehensive Beyond the School Day Activities	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)			40,000				
COVID-19 - ARP - NITSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(693)			33,067	(32,374)			
Total Education Stabilization Fund					(477,264)		6,170	702,588	(231,494)			
Total Special Revenue Fund and U.S. Department of Education					(540,158)		7,039	1,321,015	(947,983)		\$ (160,087)	
U.S. Department of Health and Human Services -												
General Fund												
Medicaid Cluster:	93.778	N/A	7/1/24-6/30/25	56,288				56,288	(56,288)			
Medicaid Assistance Program												
Total General Fund/Medicaid Cluster								56,288	(56,288)			
Total Federal Awards					(552,397)	\$ 16,255	7,039	\$ 1,661,164	\$ (1,305,197)	\$ 6,034	\$ (179,170)	\$ -0-

N/A - Not Applicable

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2024			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2025			MEMO Cumulative Total Expenditures
				Budgetary Accounts Receivable	Unearned Revenue	Due to Grantor				GAAP Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor	
General Fund State Aid:													
Special Education Categorical Aid	24-495-034-5120-089	7/1/23-6/30/24	\$ 1,036,363	\$ (110,667)		\$ 110,667							\$ 1,036,363
School Choice Aid	24-495-034-5120-068	7/1/23-6/30/24	36,978	(3,949)		3,949							36,978
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	3,763,770	(401,914)		401,914							3,763,770
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	155,733	(16,630)		16,630							155,733
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	784,782	(83,803)		83,803							784,782
Nonpublic Transportation Costs	24-495-034-5120-014	7/1/23-6/30/24	21,814	(21,814)		21,814							21,814
Extraordinary Special Education Costs Aid	24-495-034-5120-044	7/1/23-6/30/24	966,049	(966,049)		966,049							966,049
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	797,941	(41,736)		41,736							797,941
Special Education Categorical Aid	25-495-034-5120-089	7/1/24-6/30/25	1,273,826			1,146,631	\$ (1,273,826)			\$ (127,195)			1,273,826
School Choice Aid	25-495-034-5120-068	7/1/24-6/30/25	12,952			11,659	(12,952)			(1,293)			12,952
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	4,343,433			3,909,727	(4,343,433)			(433,706)			4,343,433
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	236,794			213,149	(236,794)			(23,645)			236,794
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	824,237			741,934	(824,237)			(82,303)			824,237
Extraordinary Special Education Costs Aid	25-495-034-5120-044	7/1/24-6/30/25	1,823,126				(1,823,126)			(1,823,126)			1,823,126
Reimbursed TPAF Social Security Contributions	25-495-034-5094-003	7/1/24-6/30/25	820,001			776,680	(820,001)			(43,321)			820,001
On-Behalf TPAF Post Medical Retirement Contributions	25-495-034-5094-001	7/1/24-6/30/25	1,090,087			1,090,087	(1,090,087)						1,090,087
On-Behalf Long Term Disability Insurance Contributions	25-495-034-5094-004	7/1/24-6/30/25	1,672			1,672	(1,672)						1,672
On-Behalf TPAF Pension Contributions	25-495-034-5094-002	7/1/24-6/30/25	3,684,965			3,684,965	(3,684,965)						3,684,965
On-Behalf TPAF Non-Contributory Insurance	25-495-034-5094-004	7/1/24-6/30/25	45,647			45,647	(45,647)						45,647
Subtotal - General Fund													
				(1,646,562)		13,268,713	(14,156,740)			(2,534,589)			21,720,170
Special Revenue Fund Aid:													
Nonpublic Auxiliary Services: Compensatory Education	25-100-034-5120-067	7/1/24-6/30/25	26,009			26,009	(10,139)			\$ 15,870			10,139
Nonpublic Handicapped Services: Supplementary Instruction	25-100-034-5120-066	7/1/24-6/30/25	9,912			9,912	(8,177)			1,735			8,177
Corrective Speech	25-100-034-5120-066	7/1/24-6/30/25	8,835			8,835	(8,835)						8,835
Examination and Classification	25-100-034-5120-066	7/1/24-6/30/25	19,714			19,714	(8,884)			10,830			8,884
N.J. Nonpublic Textbook Aid	25-100-034-5120-070	7/1/24-6/30/25	5,421			5,421	(5,421)						5,421
N.J. Nonpublic Nursing Aid	25-100-034-5120-070	7/1/24-6/30/25	17,290			17,290	(17,244)			46			17,244
N.J. Nonpublic Technology Initiative	25-100-034-5120-373	7/1/24-6/30/25	5,194			5,194	(3,239)			1,955			3,239
N.J. Nonpublic Security Aid	25-100-034-5120-509	7/1/24-6/30/25	27,265			27,265	(27,265)						27,265
Nonpublic Auxiliary Services: Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	125,871					\$ (108,698)					17,173
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	30,215					(30,215)					
Nonpublic Handicapped Services: Supplementary Instruction	24-100-034-5120-066	7/1/23-6/30/24	55,342			49,395	(49,395)						5,947
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	80,050			74,656	(74,656)						5,394
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	21,192			7,203	(7,203)						13,989
N.J. Nonpublic Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	4,567			471	(471)						4,096
N.J. Nonpublic Nursing Aid	24-100-034-5120-070	7/1/23-6/30/24	12,600			160	(160)						12,440
N.J. Nonpublic Technology Initiative	24-100-034-5120-373	7/1/23-6/30/24	3,871			7	(7)						3,864
N.J. Nonpublic Security Aid	24-100-034-5120-509	7/1/23-6/30/24	21,525			4	(4)						21,521
Preschool Education Aid	23-100-034-5120-373	7/1/22-6/30/23	2,730			22	(22)						2,708
Preschool Education Aid	25-495-034-5120-086	7/1/24-6/30/25	2,422,560			2,180,659	(1,882,096)			(241,901)			1,882,096
Preschool Education Aid	24-495-034-5120-086	7/1/23-6/30/24	2,159,064			230,556	(230,556)			\$ 540,464			743,767
Subtotal - Special Revenue Fund - Department of Education													
				(230,556)		1,415,297	(1,415,297)			1,955,761			2,802,199
Total State Department of Education													
				(1,877,118)		15,799,568	(16,128,040)			(2,776,490)			24,522,369

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2024			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2025			MEMO
				Budgetary Accounts Receivable	Unearned Revenue	Due to Grantor				GAAP Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor	
State Department of Children and Families: Tuition Reimbursement for State-Responsible Homeless Children and Youth	N/A N/A	7/1/23-6/30/24 7/1/22-6/30/23	\$ 13,910 36,725	\$ (13,910) (36,725)		\$ 13,910				\$ (36,725) (36,725)		\$ (36,725) (36,725)	\$ 13,910 36,725 50,635
State Department of Community Affairs: Local Recreation Improvement Grant	N/A	7/1/24-6/30/26	72,000				\$ (19,949)			(19,949)		(19,949)	19,949
State Department of Agriculture: Enterprise Fund: State School Lunch Program State School Lunch Program State School Lunch Program - NJEIE State School Lunch Program - NJEIE State School Breakfast Program State School Breakfast Program State School Breakfast Program - NJEIE State School Breakfast Program - NJEIE	25-100-010-3350-023 24-100-010-3350-023 25-100-010-3350-023 24-100-010-3350-023 25-100-010-3350-023 24-100-010-3350-023 25-100-010-3350-023 24-100-010-3350-023	7/1/24-6/30/25 7/1/23-6/30/24 7/1/24-6/30/25 7/1/23-6/30/24 7/1/24-6/30/25 7/1/23-6/30/24 7/1/24-6/30/25 7/1/23-6/30/24	7,645 7,888 3,369 2,283 844 1,023 565 421	(491) (134) (67) (52) (744)	7,081 491 3,184 134 775 67 529 52	7,081 491 3,184 134 775 67 529 52	(7,645) (3,369) (844) (565) (12,423)		(564) (185) (69) (36) (854)		(564) (185) (69) (36) (854)	7,645 7,888 3,369 2,283 844 1,023 565 421	
Subtotal - Enterprise Fund/State Department of Agriculture			\$ (1,928,497)	\$ 1,415,297	\$ 270,831	\$ 15,825,791	\$ (16,160,412)	\$ (270,831)	\$ (1,923,975)	\$ 1,955,761	\$ 30,436	\$ (2,834,018)	\$ 24,616,991
Less: On-Behalf TPAF Pension System Contributions:													
On-Behalf TPAF Post Medical Retirement Contributions	25-495-034-5094-001	7/1/24-6/30/25	(1,090,087)				\$ 1,090,087						
On-Behalf Long Term Disability Insurance Contributions	25-495-034-5094-004	7/1/24-6/30/25	(1,672)				1,672						
On-Behalf TPAF Pension Contributions	25-495-034-5094-002	7/1/24-6/30/25	(3,684,965)				3,684,965						
On-Behalf TPAF Non-Contributory Insurance	25-495-034-5094-004	7/1/24-6/30/25	(45,647)				45,647						
Subtotal - On-Behalf TPAF Pension System Contributions							4,822,371						
Total State Awards - for Major Program Determination							\$ (11,338,041)						

N/A - Not Available

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District’s basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$51,179) for the general fund and \$237,258 for the special revenue fund. There is \$194,120 for the capital projects fund for a SDA grant that has not been drawn down or expended in the current fiscal year and is not part of the reconciliation to the Schedules of Expenditures of Federal and State Awards. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and the special revenue funds.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
 (Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

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

	Federal	State	Total
General Fund	\$ 56,288	\$ 14,105,561	\$14,161,849
Special Revenue Fund	1,212,718	1,963,772	3,176,490
Food Service Fund	300,926	12,423	313,349
Total Awards	\$ 1,569,932	\$ 16,081,756	\$17,651,688

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers’ share of social security contributions for TPAF members for the fiscal year ended June 30, 2025.

NOTE 7. NJ SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

The District has one active grant awarded in the amount of \$194,120 from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2025, the grant funds have not been expended or drawn down or received. The District realizes grant revenues in the Capital Projects Fund on the GAAP basis as it is expended and submitted for reimbursement.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:

- | | | | | |
|-------------------------------------------------------------|-------|-----|---------------|---------------|
| 1.) Material weakness identified? | _____ | Yes | _____ X _____ | No |
| 2.) Significant deficiencies identified? | _____ | Yes | _____ X _____ | None reported |
| Noncompliance material to basic financial statements noted? | _____ | Yes | _____ X _____ | No |

Federal Awards

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

Unmodified

Internal control over major programs:

- | | | | | |
|----------------------------------------------------------------------------------------------------|-------|-----|---------------|---------------|
| 1.) Material weakness identified? | _____ | Yes | _____ X _____ | No |
| 2.) Significant deficiencies identified? | _____ | Yes | _____ X _____ | None reported |
| Noncompliance material to basic financial statements noted? | _____ | Yes | _____ X _____ | No |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | _____ | Yes | _____ X _____ | No |

Identification of major programs:

Program Name or Cluster	Assistance Listing No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
Special Education Cluster (IDEA):					
I.D.E.A. Part B, Basic	84.027A	7/1/24	9/30/25	\$ 504,886	\$ 365,443
I.D.E.A. Part B, Basic	84.027A	7/1/23	9/30/24	465,286	65,319
I.D.E.A. Preschool	84.173A	7/1/24	9/30/25	21,302	21,302
Dollar threshold used to distinguish between Type A and B programs				<u>\$ 750,000</u>	
Auditee qualified as low-risk auditee?		_____ X _____	Yes		_____ No

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(Continued)

State Awards

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

Internal control over major programs:

1.) Material weakness identified? Yes X No

2.) Significant deficiencies identified? X Yes

Noncompliance material to basic financial statements noted? Yes X No

Any audit findings disclosed that are required to be reported in accordance with New Jersey's OMB Circular 15-08?
 X Yes No

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
Preschool Education Aid	25-495-034-5120-086	7/1/24	6/30/25	\$ 2,422,560	\$ 1,882,096
Reimbursed TPAF Social Security Contributions	25-495-034-5094-003	7/1/24	6/30/25	820,001	820,001
Dollar threshold used to distinguish between Type A and B programs				<u>\$ 750,000</u>	
Auditee qualified as low-risk auditee?		<u> </u> X	Yes	<u> </u>	No

Section II - Financial Statement Findings - N/A

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025
 (Continued)

Section III - State Financial Assistance Findings and Questioned Costs

Finding 2025-001: N.J. Department of Education - Transportation Aid - Eligibility and Significant Deficiency

Program Title	State Project Number	Grant Period	Award Amount	Budgetary Expenditures
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	\$ 824,237	\$ 824,237

Criteria:

The District must complete the District Report of Transported Students (DRTRS) utilizing the data collection software annually as of October 15. The District should report all students that are eligible to be reported as transported on the DRTRS for regular - public schools, regular - special education, transported - non public, AIL - nonpublic, special needs - public and special needs - private.

Condition and Context:

Based on our review of the DRTRS summary as of October 15, 2024, we noted that there were no students reported as transported - nonpublic, AIL - nonpublic or special needs - private while in the prior year, students were reported in these categories. We also noted that the number of students reported as regular - public schools, regular - special education and special needs - public were significantly less than reported in the prior year. Finally, we noted that the District did not receive any Nonpublic Transportation Aid for the 2024-2025 school year unlike the prior year and we noted that there was a significant reduction in the amount of Transportation Aid awarded for the 2025-2026 school year which is based on the students reported on the DRTRS for the prior year.

Effect:

The number of students reported on the DRTRS as being transported as of October 15, 2024 was significantly less than the prior year which resulted in no Nonpublic Transportation Aid being awarded for the 2024-2025 school year and a significant reduction in the Transportation Aid awarded for the 2025-2026 school year.

Cause:

Procedures were not in place to ensure that the number of students reported on the DRTRS were accurate.

Recommendation:

It is recommended that procedures are implemented to ensure that the number of students reported on the DRTRS is accurate.

Management's Response:

The District will implement procedures to ensure that the number of students reported on the DRTRS is accurate.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Status of Prior Year Findings:

The District had no prior year audit findings.