Upper Pittsgrove Township Board of Education

For The Year Ended June 30, 2025

Upper Pittsgrove Township Board of Education
Monroeville, New Jersey

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

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Introductory Section

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UPPER PITTSGROVE SCHOOL DISTRICT

235 Pine Tavern Road, Monroeville, New Jersey 08343
Phone: (856) 358-8116 – Fax (856) 358-1024

November 4, 2025

Honorable President and
Members of the Board of Education
Upper Pittsgrove Township School District
County of Salem, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Upper Pittsgrove Township School District for the fiscal year ended June 30, 2025 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. 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 School District. All disclosures necessary to enable the reader to gain an understanding of the School 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 School District's organizational chart and a list of principal officials. The Financial Section includes the basic financial statements and schedules, as well as the auditor's report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The School District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the Title 2 U.S. Code *of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit Section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

Upper Pittsgrove Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the School District are included in this report. The Upper Pittsgrove Township Board of Education and all its schools constitute the School District's reporting entity. The School District provides a full range of educational services appropriate to grade levels PreK through 8. These include regular, vocational, as well as special education for handicapped children. The School District completed the 2024-2025 fiscal year with an enrollment of 476, including high school students, which is 18 students more than the previous year's enrollment. The following details the changes in the student enrollment of the School District over the last five years:

Year	Student Enrollment	Percent Change
2024-2025	476	-4.00%
2023-2024	458	-2.76%
2022-2023	471	4.43%
2021-2022	451	-0.88%
2020-2021	455	2.25%

Year	Student Enrollment	Percent Change
2023-2024	458	-2.76%
2022-2023	471	4.43%
2021-2022	451	-0.88%
2020-2021	455	2.25%
2019-2020	445	-0.22%

Includes High School Students

2. ECONOMIC CONDITION AND OUTLOOK:

Business remains minimal in Upper Pittsgrove Township. It is unlikely that an influx of industry will occur in this predominantly rural agriculture community.

3. MAJOR INITIATIVES:

The Upper Pittsgrove School District continues to build an environment of achievement and success by maintaining and enriching the programmatic services of a comprehensive middle and elementary school for our students. While celebrating our rich history and farming heritage, we continue to seek new opportunities to reach our 21st century learners through a variety of wide-ranging professional development programs and a variety of learning opportunities for students throughout all ability ranges. The following is a sample of current district initiatives.

- Replaced staff laptops.
- Continued use of i-Ready in both ELA and Math.
- Updated several classrooms with new flooring.
- Completed several HVAC projects in the building.
- Upgrade upper wing student bathrooms.
- Increased playground equipment options for all students.
- Provided instructional coaching for English Language Arts.
- Continue to increase mental health services to students.
- Continue providing after school tutoring in a one-to-one setting
- Added a school security officer

4. INTERNAL ACCOUNTING CONTROLS:

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

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

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

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

5. BUDGETARY CONTROLS:

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

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

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. DEBT ADMINISTRATION:

At June 30, 2025, the District's outstanding debt consists of $3,085,000 in general obligation bonds. This balance consists of $3,085,000 from bonds issued on January 26, 2021, for improvements and renovations including roof restoration.

8. CASH MANAGEMENT:

The investment policy of the School District is guided in a large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The School 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.

9. RISK MANAGEMENT:

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

10. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related Uniform Guidance and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Upper Pittsgrove Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of

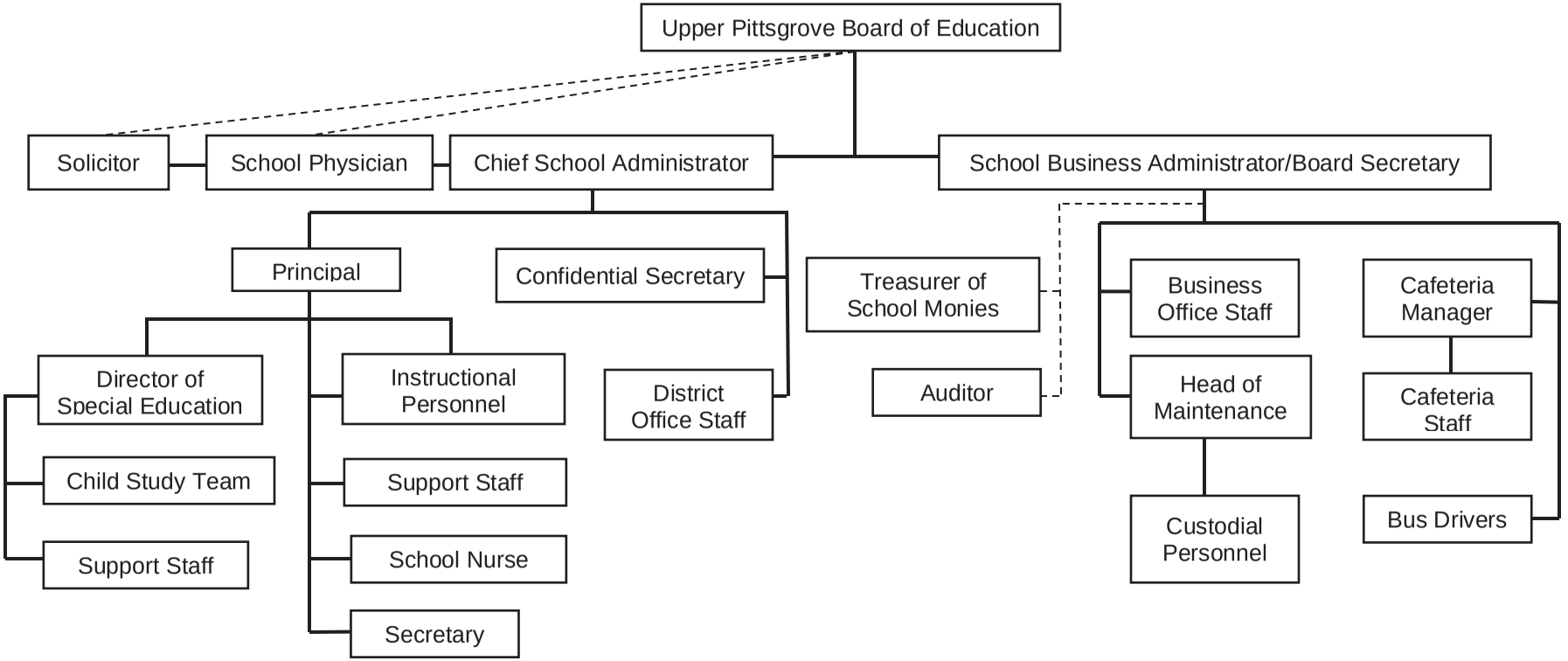
this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

Kristin Williams
Kristin Williams
Chief School Administrator

Jessica Pate
Jessica Pate
Board Secretary/Business Administrator

UPPER PITTSGROVE SCHOOL DISTRICT ORGANIZATION CHART



Revised: June 2020

UPPER PITTSGROVE TOWNSHIP BOARD OF EDUCATION
MONROEVILLE, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2025

Members of the Board of Education	**Term Expires**
Jessica Bishop, President	2025
James Parks, Vice-President	2026
Polly Deal	2027
Laura DiSilvestro	2027
Vacant	*2025*
Nicole Meredith	2025
Burroughs Timberman	2027
Brian Wasilewski	2026
Russel Wright III	2026

Other Officials

Kristin Williams, Chief School Administrator

Jessica Pate, Business Administrator/Board Secretary

UPPER PITTSGROVE TOWNSHIP BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

Ford, Scott & Associates, L.L.C.
1535 Haven Avenue
Ocean City, New Jersey

ATTORNEY

Mark A. Tabakin, Esq.
Weiner Law Group LLP
629 Parsippany Road
Parsippany, New Jersey 07054

OFFICIAL DEPOSITORIES

First National Bank of Elmer
10 South Main Street
Elmer, New Jersey 08318

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Financial Section

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FORD-SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226
PHONE 609.399.6333 • FAX 609.399.3710
www.ford-scott.com

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Upper Pittsgrove Township School District
County of Salem, New Jersey

Report on the Audit of 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 Upper Pittsgrove Township School District, in the County of Salem, New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Upper Pittsgrove Township School 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 Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Upper Pittsgrove Township School 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.

Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Upper Pittsgrove Township School 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 of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an 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 judgement made by a reasonable user based on the financial statements.

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

- exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the 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 entity's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of 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 Upper Pittsgrove Township School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is 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 Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2025 on our consideration of the Upper Pittsgrove Township School 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 entity'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 the Upper Pittsgrove Township School District's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 4, 2025

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REQUIRED SUPPLEMENTARY INFORMATION
PART 1

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UPPER PITTSGROVE TOWNHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

UNAUDITED

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

Financial Highlights

Key financial highlights for 2025 are as follows:

- In total, net position increased $12,515, which represents an increase of approximately .13% over the prior year.
- General revenues accounted for $9,650,803. in revenue or 95.5% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $448,172 or 4.5% of total revenues of $10,098,975.
- Total assets decreased $102,580 as cash and cash equivalents increased by $334,467, receivables decreased by $232,755, and net capital assets decreased by $207,616.
- The School District had $10,086,460 in expenses; $448,172 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $9,650,803 were adequate to provide for these programs.
- Among governmental funds, the General Fund had $9,471,012 in revenues and $9,397,977 in expenditures. The General Fund's fund balance increased $27,642 from the prior year.

Using this Annual Comprehensive Financial Report (ACFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the school district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the school district's most significant funds with all other non-major funds presented in total in one column. In the case of Upper Pittsgrove Township School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

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

- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service and Latchkey enterprise funds are reported as business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

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

Reporting the School District's Most Significant Funds (Continued)

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net Position may serve over time as a useful indicator of a government's financial position.

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

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Table 1 provides a summary of the School District's net position for 2025 and 2024.

Table 1
Net Position

	2025	2024
Assets		
Current and Other Assets	$ 3,177,032	3,071,996
Capital Assets	5,401,520	5,609,136
Total Assets	8,578,552	8,681,132
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	291,815	281,490
Liabilities		
Long-Term Liabilities	4,220,810	4,307,798
Other Liabilities	462,119	369,325
Total Liabilities	4,682,929	4,677,123
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	121,182	231,758
Total Liabilities	121,182	231,758
Net Position		
Net Investment in Capital Assets	2,309,874	2,342,746
Restricted	2,453,734	2,429,393
Unrestricted	(697,352)	(718,398)
Total Net Position	$ 4,066,256	$ 4,053,741

The overall increase in net position is the result of the operations in the current year. The variance in the restricted and unrestricted net position is primarily due to the classification of committed balances reflected as restricted in the prior year.

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Table 2 shows changes in net position for fiscal year 2025 and 2024

Table 2 - Changes in Net Position

	2025	2024
Revenues		
Program Revenues:		
Charges for Services	$ 93,005	115,391
Operating Grants and Contributions	355,167	592,227
General Revenues:		
Property Taxes	5,017,553	4,929,416
Grants and Entitlements	4,444,460	4,408,738
Other	188,790	93,985
Total Revenues	10,098,975	10,139,757
Program Expenses		
Instruction	2,418,012	2,411,056
Support Servces:		
Tuition	1,896,131	1,750,675
Pupils and Instructional Staff	1,297,593	1,232,494
General and School Administration, Business	404,694	356,796
Operations and Maintenance of Facilities	583,661	611,829
Pupil Transportation	597,288	587,012
Unallocated Benefits	2,547,631	2,637,702
Charter Schools	137,879	95,100
Interest on Debt	62,600	64,912
Food Service	140,971	126,254
Total Expenses	10,086,460	9,873,830
Increase in Net Position	$ 12,515	265,927

Governmental Activities

Property taxes made up 50% of revenues for governmental activities for the Upper Pittsgrove Township School District for the fiscal year 2025. The School District's total governmental revenues were $10,098,975 for the year ended June 30, 2025. Charges for services represent 4% of revenue and federal, state, and local grants accounted for another 46% of revenue.

The total cost of all programs and services was $10,086,460. Instruction comprises 24% of the District's expenses.

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- Revenues exceeded expenses by $22,182.
- Charges for services represent $63,432of revenue. This represents amounts paid by patrons for daily food service.

- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was $80,614.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the School District's taxpayers by each of these functions.

Table 3

	Total Cost of Services 2025	Net Cost of Services 2025	Total Cost of Services 2024	Net Cost of Services 2024
Instruction	$ 3,811,403	4,104,011	3,797,727	3,962,021
Support Services:				
Tuition	1,896,131	1,896,131	1,750,675	1,750,675
Student and Instructional Staff	1,820,474	1,324,303	1,804,598	913,882
General Administration, School Admin & Business Services	567,771	557,389	522,416	659,929
Operation of Plant	811,259	736,401	852,654	346,376
Pupil Transportation	837,972	822,649	859,494	1,014,652
Interest and Finance Charges	62,600	62,600	64,912	64,912
Charter School	137,879	137,879	95,100	95,100
Food Service	140,971	3,075	126,254	(53,632)
Total Expenses	$ 10,086,460	9,644,438	9,873,830	8,753,915

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

Tuition is predominately made up of charges for private schools for disabled students.

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

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

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

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

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

None of the variances are unusual or unexpected.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $10,914,387 and expenditures were $10,908,436. The net decrease in fund balance of operations for the year was $5,951.

As demonstrated by the various statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2025, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue		Amount	Percent of Total	Increase (Decrease) from 2024	Percent of Increase (Decrease)
Local Sources	$	5,266,100	48.2%	31,762	0.6%
State Sources		5,227,050	47.9%	(2,248)	0.0%
Federal Sources		421,237	3.9%	17,810	4.4%
Total	$	10,914,387	100.0%	47,324	0.4%

The increase in State funding is due to increased on-behalf Contributions. The increase in local sources is mostly due to an increase in tax levy.

The following schedule represents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2025, and the percentage of increases and decreases in relation to prior year amounts.

Expenditures		Amount	Percent of Total	Increase (Decrease) from 2024	Percent of Increase (Decrease)
Current expense:					
Instruction	$	3,276,609	30.0%	230,216	7.6%
Undistributed expenditures		7,158,000	65.6%	21,221	0.3%
Capital Outlay		117,669	1.1%	(343,714)	-74.5%
Special Schools & Charter Schools		137,879	1.3%	42,779	45.0%
Debt Service:					
Principal		155,000	1.4%	5,000	3.3%
Interest		63,279	0.6%	(2,289)	-3.5%
Total	$	10,908,436	100.0%	(46,787)	-0.4%

Changes in expenditures were the results of varying factors. The significant change in Capital Outlay is partly due to no current construction projects going on within District.

General Fund Budgeting Highlights

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

Over the course of the year, the School District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line-item accounts.

- On-behalf TPAF Pension contributions appear as both a revenue and an expense in the School District's financial statements. The State of New Jersey made on behalf TPAF Pension Contributions of $1,010,439 for FY 2025 and also made on-behalf TPAF post-retirements contributions of $295,251 and long-term disability insurance for the School District in the amount of $397.

- The State of New Jersey reimbursed the District for TPAF Social Security contributions made during the school year. The amount of $225,710.

Capital Assets

At the end of the fiscal year 2025, the School District had $5,401,520 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2025 balances compared to 2024.

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

		2025	2024
Land	$	781,429	781,429
Construction in Progress			103,271
Site Improvements		64,668	223,668
Buildings		4,026,020	3,961,246
Land Improvements		195,064	162,353
Machinery and Equipment		309,823	333,369
Lease Assets		6,429	25,713
Vehicles		18,087	18,087
Total	$	5,401,520	5,609,136

Debt Administration

At June 30, 2025, the School District had $4,220,810 of outstanding long term liabilities. Of this amount, $198,916 is for compensated absences, $3,085,000 of serial bonds net of unamortized premiums on bonds issued, net pension liability of $930,248 and a lease agreement of $6,646.

Table 5
Bonded Outstanding Debt as of June 30,

		2025	**2024**
2021 General Obligation Bonds	$	3,085,000	3,240,000
Lease Agreement		6,646	26,390
Pension liability		930,248	901,806
Compensated Absences		198,916	139,602
Total	$	4,220,810	4,307,798

As of June 30, 2025, the School District was within its overall legal debt margin.

For the Future

The Upper Pittsgrove Township School District is in good financial condition presently.

In conclusion, the Upper Pittsgrove Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue to identify operational efficiencies which will allow it to meet the challenges of declining or stable state aid.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Business Administration/Board Secretary at Upper Pittsgrove Board of Education, 253 Pine Tavern Road, Monroeville, NJ 08343. Please visit our website at https://upsnj.org.

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BASIC FINANCIAL STATEMENTS

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DISTRICT-WIDE FINANCIAL STATEMENTS

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UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 2,827,188	87,498	2,914,686
Receivables, Net	251,134	5,176	256,310
Internal Balances	-	-	-
Inventory		6,036	6,036
Capital Assets			
Assets not depreciated	884,700		884,700
Capital Assets being Depreciated, net	4,468,716	48,104	4,516,820
Total Assets	8,431,738	146,814	8,578,552
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	291,815		291,815
LIABILITIES			
Accounts Payable	6,233	-	6,233
Payroll Taxes Payable	1,000		1,000
Unearned Revenue	437,472	2,060	439,532
Accrued Interest	15,354		15,354
Noncurrent Liabilities			
Due Within One Year	188,646		188,646
Due Beyond One Year	3,101,916		3,101,916
Net Pension Liability	930,248		930,248
Total Liabilities	4,680,869	2,060	4,682,929
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	121,182		121,182
Total Deferred Outflows of Resources	121,182	-	121,182
NET POSITION			
Net Investment in Capital Assets	2,261,770	48,104	2,309,874
Restricted for:			
Capital Projects	1,187,509		1,187,509
Debt Service	-		-
Other Purposes	1,204,722		1,204,722
Scholarships	13,314		13,314
Student Activities	48,189		48,189
Unrestricted (Deficit)	(794,002)	96,650	(697,352)
Total Net Position (Deficit)	$ 3,921,502	144,754	4,066,256

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

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

Function/Programs	Expenses	Indirect Costs Allocation	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	1,457,489	844,368	29,573	(632,049)	(2,904,333)	-	(2,904,333)
Special Education	889,643	508,509		340,195	(1,057,957)		(1,057,957)
Other Special Instruction	70,880	40,514		(30,327)	(141,721)		(141,721)
Support Services:							
Tuition	1,896,131	-			(1,896,131)		(1,896,131)
Student & Instruction Related Services	1,297,593	522,881		496,171	(1,324,303)		(1,324,303)
General Administration and Business Services	180,719	72,823		4,636	(248,906)		(248,906)
School Administrative Services	37,670	15,180		966	(51,884)		(51,884)
Plant Operation and Maintenance	583,661	227,598		74,858	(736,401)		(736,401)
Pupil Transportation	597,288	240,684		15,323	(822,649)		(822,649)
Central Services	186,305	75,074		4,780	(256,599)		(256,599)
Unallocated Benefits	2,547,631	(2,547,631)			-		-
Charter Schools	137,879				(137,879)		(137,879)
Interest on Long-Term Debt	62,600				(62,600)		(62,600)
Total Governmental Activities	9,945,489	-	29,573	274,553	(9,641,363)	-	(9,641,363)
Business-Type Activities:							
Food Service	140,971	-	63,432	80,614		3,075	3,075
Total Business-Type Activities	140,971	-	63,432	80,614	-	3,075	3,075
Total Primary Government	10,086,460	-	93,005	355,167	(9,641,363)	3,075	(9,638,288)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					4,889,261		4,889,261
Taxes Levied for Debt Service					128,292		128,292
Federal and State Aid not Restricted					4,444,460		4,444,460
Investment Earnings					108,096	93	108,189
Miscellaneous Income					70,616		70,616
Special Items:							
Prior year receivables canceled					-		-
Fixed Asets Adjustment					(9,029)	19,014	9,985
Total General Revenues, Special Items, Extraordinary Items and Transfers					9,631,696	19,107	9,650,803
Change in Net Position					(9,667)	22,182	12,515
Net Position (Deficit) - Beginning					3,931,169	122,572	4,053,741
Net Position (Deficit) - Ending					3,921,502	144,754	4,066,256

The accompanying Notes to Financial Statements are an integral part of this Statement

FUND FINANCIAL STATEMENTS

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UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 1,921,744	$ 271,557	633,887		$ 2,827,188
Due from Other Funds					-
Intergovernmental Accounts Receivable					
Federal		82,384			82,384
State	102,947	64,988			167,935
Other Receivables	815				815
Total Assets	2,025,506	418,929	633,887	-	3,078,322
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	32	6,201			6,233
Due to Other Funds					-
Payroll Taxes Payable	1,000				1,000
Unearned Revenue		437,472			437,472
Total Liabilities	1,032	443,673	-	-	444,705
Fund Balances:					
Restricted for:					
Excess Surplus - Current Year	473,090				473,090
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	356,222				356,222
Capital Projects Fund			633,887		633,887
Debt Service					
Capital Reserve	553,622				553,622
Maintenance Reserve	361,657				361,657
Tuition Reserve	100,000				100,000
Student Activities		48,189			48,189
Scholarships		13,314			13,314
Assigned to:					
Designated for Subsequent Year's Expenditures	109,734				109,734
Other Purposes	-				
Unassigned					
General Fund	70,149				70,149
Special Revenue Fund		(86,247)			(86,247)
	2,024,474	(24,744)	633,887	-	2,633,617
Total Liabilities and Fund Balances	$ 2,025,506	$ 418,929	$ 633,887	$ -	

Amounts reported for governmental activities in the statement of Net Position (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $12,618,395 and the accumulated depreciation is $7,264,979.	5,353,416
Interest on long-term debt in the statement of activities is accrued, regardless of when due.	(15,354)
Pension Liabilities Net of Deferred Outflows & Inflows	(759,615)
Long-term liabilities, including bonds and capital lease payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(3,290,562)
Net Position of governmental activities	3,921,502

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

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	$ 4,889,261	-		128,292	5,017,553
Tuition Charges	29,573				29,573
Interest Earned on Investments	108,096				108,096
Miscellaneous	70,616	40,262			110,878
Total Local Sources	5,097,546	40,262	-	128,292	5,266,100
State Sources	4,373,466	782,590		70,994	5,227,050
Federal Sources		421,237			421,237
Total Revenues	9,471,012	1,244,089	-	199,286	10,914,387
EXPENDITURES					
Current:					
Regular Instruction	1,985,560				1,985,560
Special Education Instruction	474,939	720,839			1,195,778
Other Special Instruction	95,271				95,271
Support Services:					
Tuition	1,896,131				1,896,131
Student & Instruction Related Serv.	709,127	520,447			1,229,574
General Administrative Services	171,246				171,246
School Administrative Services	35,696				35,696
Plant Operation and Maintenance	535,205				535,205
Pupil Transportation	565,978				565,978
Central Services	176,539				176,539
Unallocated Employee Benefits	2,547,631				2,547,631
Transfer to Charter School	137,879				137,879
Debt Service:					
Principal				155,000	155,000
Interest and Other Charges	9,474			53,805	63,279
Capital Outlay	57,301	60,368	-		117,669
Total Expenditures	9,397,977	1,301,654	-	208,805	10,908,436
Excess (Deficiency) of Revenues Over Expenditures	73,035	(57,565)	-	(9,519)	5,951
OTHER FINANCING SOURCES (USES)					
Transfer in	-	45,393	-	-	45,393
Transfer out	(45,393)		-		(45,393)
Total Other Financing Sources and Uses	(45,393)	45,393	-	-	-
Net Changes in Fund Balance	27,642	(12,172)	-	(9,519)	5,951
Fund Balance - July 1	1,996,832	(12,572)	633,887	9,519	2,627,666
Fund Balance - June 30	$ 2,024,474	(24,744)	633,887	-	2,633,617

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

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

Total Net Change in Fund Balance - Governmental Funds (from B-2)		5,951
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.		
Depreciation expense	(294,693)	
Amortization expense	(19,285)	
Loss on Disposal of Capital Assets	(9,029)	
Capital Outlay	98,821	
		(224,186)
Repayment of bond principal and capital leases are expenditures in the governmental funds, but the repayment reduces long - term liabilities in the statement of Net Position and is not reported in the statement of activities.		
Principal Repayments:		
Bonds Payable		155,000
Capital Financing Agreement		19,744
Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.		
District pension contributions - PERS	(697)	
Cost of benefits earned net of employee contributions	93,156	
		92,459
Tuition due and payable from sending disctricts related to a prior year that was paid in the current year.		
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.		(59,314)
In the statement of activities, interest on long - term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation.		679
Change in Net Position of Governmental Activities		(9,667)

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

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

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals
ASSETS		
Current Assets:		
Cash and Cash Equivalents	87,498	87,498
Interfund Accounts Receivable		-
Intergovernmental Accounts Receivable		
Federal	3,683	3,683
State	183	183
Other	1,310	1,310
Inventories	6,036	6,036
Total Current Assets	98,710	98,710
Noncurrent Assets:		
Furniture, Machinery & Equipment	159,341	159,341
Less: Accumulated Depreciation	(111,237)	(111,237)
Total Noncurrent Assets	48,104	48,104
Total Assets	146,814	146,814
LIABILITIES		
Current Liabilities:		
Unearned Revenue	2,060	2,060
Total Current Liabilities	2,060	2,060
NET POSITION		
Net Investment in Capital Assets Related Debt	48,104	48,104
Unrestricted	96,650	96,650
Total Net Position	144,754	144,754

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

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

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
Operating Revenues:		
Charges for Services:		
Reimbursable Program Daily Sales	$ 33,607	33,607
Non-Reimbursable Program Daily Sales	17,985	17,985
Special Functions	516	516
Miscellaneous	11,324	11,324
		-
Total Operating Revenue	63,432	63,432
Operating Expenses:		
Cost of Sales-Reimburseable	50,387	50,387
Cost of Sales- Non Reimburseable	12,334	12,334
Salaries and Wages	46,024	46,024
Fringe Benefits	13,483	13,483
Management Fee	7,522	7,522
Other Purchased Services	1,314	1,314
Supplies and Materials	5,660	5,660
Depreciation	2,444	2,444
Miscellaneous	1,803	1,803
Total Operating Expenses	140,971	140,971
Operating (Loss)	(77,539)	(77,539)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	2,539	2,539
State School Breakfast Program	704	704
Federal Sources:		
National School Lunch Program	47,484	47,484
School Breakfast Program	15,414	15,414
Food Distribution Program	12,151	12,151
P-EBT Administrative Summer	643	643
Local Food for Schools	1,679	1,679
Interest and Investment Income	93	93
Total Nonoperating Revenues (Expenses)	80,707	80,707
Income (Loss) before Contributions & Transfers	3,168	3,168
Capital Asset Contribution	19,014	19,014
Transfers In (Out)	-	-
Changes in Net Position	22,182	22,182
Total Net Position - Beginning	122,572	122,572
Total Net Position - Ending	$ 144,754	144,754

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

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

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Other Income	$ 62,341	$ 62,341
Payments for Food and Supplies	(102,643)	(102,643)
Payments for Employees and Benefits	(59,507)	(59,507)
Net Cash Provided by Operating Activities	(99,809)	(99,809)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	3,140	3,140
Federal Sources	64,013	64,013
Net Cash Provided by Noncapital Financing Activities	93,169	93,169
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and Dividends	93	93
Purchase of Equipment		-
Net Cash Provided by Investing Activities	93	93
Net Increase in Cash and Cash Equivalents	(6,547)	(6,547)
Balance - Beginning of Year	94,045	94,045
Balance - End of Year	$ 87,498	$ 87,498
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income	(77,539)	(77,539)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Net Amortization	2,444	2,444
Food Distribution Program	12,151	12,151
(Increase) Decrease in Inventories	(3,324)	(3,324)
(Increase) Decrease in Accounts Receivable	(827)	(827)
Increase (Decrease) in Accounts Payable	(32,450)	(32,450)
Increase (Decrease) in Unearned Revenue	(264)	(264)
Total Adjustments	(22,270)	(22,270)
Net Cash Provided by (Used for) Operating Activities	$ (99,809)	$ (99,809)

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

REQUIRED SUPPLEMENTARY INFORMATION
PART II

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Upper Pittsgrove School District 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 School District. A chief school administrator is appointed by the Board and is responsible for the administrative control of the School District.

The financial statements of the Board of Education (Board) of the Upper Pittsgrove Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the School District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the School District are discussed below.

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 Teacher's Pension and Annuity Fund (TPAF) and Public Employee Retirement System (PERS) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the TPAF and PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A. REPORTING ENTITY

The Upper Pittsgrove Township School District is a Type II district located in the County of Salem, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The members are elected during the general election held in November each year. The purpose of the district is to educate students in grades PreK-8.

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

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

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

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The School District's basic financial statements include both government-wide (reporting the School District as a whole) and fund financial statements (reporting the School District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The School District's general and special revenue activities are classified as governmental activities. The School District's food service program and latchkey program is classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual,

economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The School District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the School District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

a. The School District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the School District as an entity and the change in the School District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the School District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB standards set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the School District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the School District

a. **General fund** is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund.
b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the School District.

c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. 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.
d. **Debt service** funds are used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

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

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

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

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

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

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the School District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

2. Proprietary Funds:

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

a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The School District operates a food service fund to provide a child nutrition program for the students of the district. The School District also has a latchkey program related to before and after school program services.

All fund internal activity is eliminated when carried to the Government-wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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

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

Additionally, the 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.

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

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the School District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2025, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	$	5,053
Supplies		983
	$	6,036

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2025 is $0.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of $2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The School District includes all infrastructure assets as depreciable assets in the financial statements.

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses, and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated Absences:

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

8. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the School District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Unallocated Benefits - Employee Benefits		
Other Employee Benefits	$	78,806

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

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

10. Tuition Receivable:

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. The final cost is based on an agreement with various Boards of Education with a negotiated amount up to the final cost as determined by State of New Jersey.

11. Tuition Payable:

Tuition charges for the fiscal years 2024/25 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

12. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs:

In the government-wide statement of activities, the School District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

F. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2025:

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal years beginning after December 31, 2023, and all reporting periods, thereafter.
This standard did not have a significant effect on the School District's financial statements for the year ended June 30, 2025.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods, thereafter. This standard did not have a significant effect on the School District's financial statements for the year ended June 30, 2025.

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, "Certain Risk Disclosures". This statement, which is effective for fiscal years beginning after June 15, 2024, and all reporting periods, thereafter. This standard did not have a significant effect on the School District's financial statements for the year ended June 30, 2025.

G. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, "Financial Reporting Model Improvements". This statement, which is effective for fiscal years beginning after June 15, 2025, and all reporting periods, thereafter, will not have any significant effect on the School District's financial reporting.

In September 2024, the Governmental Accounting Standards Board (GASB) issued Statement No, 104, "Disclosure of Certain Capital Assets". This statement, which is effective for fiscal years beginning after June 15, 2025, and all reporting periods, thereafter, will not have any significant effect on the School District's financial reporting.

NOTE 2 – CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2025, $112,303 of the School District's bank balance of $3,308,210 was exposed to custodial credit risk.

NOTE 3 - INVESTMENTS

As of June 30, 2025, the School District had no investments:

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

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

Concentration of Credit Risk. The district places no limit on the amount the district may invest in any one issuer.

NOTE 4 – INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2025, no interfunds on the various balance sheets.

NOTE 5 – RECEIVABLES

Receivables at June 30, 2025, consisted of accounts (extraordinary services), interfund, intergovernmental, and other revenues. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Business-Type Activities Financial Statements	Government Wide Financial Statements
State Aid	$ 167,935	$ 183	$ 168,118
Federal Aid	82,384	3,683	86,067
Other	815	1,310	2,125
Gross Receivables	251,134	5,176	256,310
Less: Allowance for Uncollectibles			
Total Receivables, Net	$ 251,134	$ 5,176	$ 256,310

NOTE 6 – CAPITAL ASSETS

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

	Balance 7/1/2024	Additions	Reclassify/ Disposals	Balance 6/30/2025
Governmental activities:				
Capital assets,not being depreciated:				
Land	$ 781,429	$	$	$ 781,429
Construction in Progress	103,271		(103,271)	-
Total capital assets not being depreciated	884,700	-	(103,271)	781,429
Capital assets being depreciated:				
Site Improvements	276,597		(154,722)	121,875
Buildings	10,022,588	28,331	265,262	10,316,181
Land Improvements	246,335	23,089	21,172	290,596
Machinery and Equipment	821,088	47,401	(37,471)	831,018
Right to Use Assets - Equipment	96,424			96,424
Vehicles	180,872			180,872
Total capital assets being depreciated at historical cost	11,643,904	98,821	94,241	11,836,966
Less accumulated depreciation for:				
Site Improvements	(52,929)	(4,278)		(57,207)
Buildings	(6,061,342)	(228,819)		(6,290,161)
Land Improvements	(83,982)	(11,550)		(95,532)
Machinery and Equipment	(519,253)	(50,046)		(569,299)
Right to Use Assets - Equipment	(70,711)	(19,284)		(89,995)
Vehicles	(162,785)			(162,785)
Total capital assets being depreciated, net of accumulated depreciation	(6,951,002)	(313,977)	-	(7,264,979)
Governmental activity capital assets, net	$ 5,577,602	$ (215,156)	$ (9,030)	$ 5,353,416
Business-type activities:				
Capital assets being depreciated:				
Equipment	$ 140,327	$ 19,014		$ 159,341
Less accumulated depreciation	(108,793)	(2,444)		(111,237)
Enterprise Fund capital assets, net	31,534	16,570	-	48,104
Grand Total	$ 5,609,136	$ (198,586)	$ (9,030)	$ 5,401,520

Depreciation expense was charged to governmental functions:

Regular Instruction	$ 104,062
Special Education Instruction	62,670
Other Special Instruction	4,993
Student and Instruction Related Services	64,441
General and Business Administrative Services	8,975
School Administrative Services	1,871
Plant Operations and Maintenance	28,050
Pupil Transportation	9,252
Central Services	29,663
	$ 313,977

No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was $53,805, for the entity wide statements this was modified by the change in accrued interest of ($679); and the state charge back to the School District for debt service aid of $9,474 for a total charge of $62,600.

NOTE 7 – LONG-TERM OBLIGATIONS

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

	Balance July 1, 2024	Issues or Additions	Payments or Expenditures	Balance June 30, 2025	Amounts Due Within One Year
Compensated Absences	$ 139,602	$ 59,314	$	$ 198,916	$ 27,000
Bonds Payable	3,240,000		155,000	3,085,000	155,000
Lease Liability	26,390		19,744	6,646	6,646
Net Pension Liability	901,806	28,442		930,248	
	$ 4,307,798	$ 87,756	$ 174,744	$ 4,220,810	$ 188,646

Compensated absences and Net Pension Liability have been liquidated in the General Fund.

Bonds Payable

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

At June 30, 2025 bonds payable consisted of the following issues:

$3,543,000 School Bonds dated January 26, 2021, due in annual installments through September 15, 2040, bearing interest at rates ranging from 1.50% to 1.875%. The balance remaining as of June 30, 2025, is $3,085,000.

Debt service requirements on serial bonds payable at June 30, 2024 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	$ 155,000	51,481	$ 206,481
2027	160,000	49,119	209,119
2028	165,000	46,681	211,681
2029	170,000	44,169	214,169
2030	175,000	41,363	216,363
2031-2035	950,000	158,469	1,108,469
2036-2040	1,085,000	69,525	1,154,525
2041	225,000	2,109	227,109
	$ 3,085,000	$ 462,916	$ 3,547,916

Lease Liability

The School District entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at present value of the future minimum lease payments as of the date of their inception. The district has determined the accumulated amortization to be immaterial to the government-wide financial statements and has elected to record the remaining payments in full.

The agreements were executed on November 1, 2020 to lease copy machines. The lease terms are 60 months, and the final payments will mature November 1, 2025. The monthly copier payments are $1,667.

The following are minimum lease payments due on an annual basis.

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	$ 6,646	$ 22	$ 6,668

NOTE 8 – UNEARNED REVENUE

The District has unearned revenue reflected on the Statement of Net Position in the District-Wide Financial Statements of $439,532. This consists of unearned revenue of $437,472 in the special revenue fund which is made up of grant proceeds on hand where the grant period overlaps the district's fiscal year and $2,060 in the food service fund for student meals prepaid.

NOTE 9 – PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

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

Public Employees' Retirement System (PERS)

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

Defined Contribution Retirement Program (DCRP)

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has employees enrolled in the Defined Contribution Retirement Program (DCRP) for the fiscal year ended June 30, 2025.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2025, 2024 and 2023 were $1,306,087, $1,378,503and $1,261,529respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2025, 2024 and 2023 were $93,157, $83,213and $54,003 respectively, equal to the required contributions for each year.

The Board's total payroll for the year ended June 30, 2025, was $4,058,048. The TPAF covered payroll for the years ending June 30, 2025, 2024 and 2023 were $3,113,641, $2,875,504and $2,897,935. and the PERS covered payroll was $508.771, $519,088 and $510,744.

During the fiscal years ended June 30, 2025, 2024 and 2023, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board $225,710, $222,134, and $227,415, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB standards.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006, report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an $8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 10 – PENSION LIABILITIES – PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the School District's pension liabilities. The following information describes the School District's proportionate share of the statewide pension system's liabilities and expenses.

The following represents the School District's pension liabilities as June 30, 2024:

Public Employees' Retirement System

The School District has a liability of $930,248 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 that was rolled forward to June 30, 2024. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the District's proportion is 0.0068460791%, which is an increase of 9.96% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized pension expense of $697. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 18,635	$ (2,477)
Changes of assumptions	1,156	(10,584)
Net difference between projected and actual earnings on pension plan investments	-	(43,133)
Changes in proportion	272,024	(64,988)
Total	$ 291,815	$ (121,182)

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2026	$ 185,129
2027	(143,247)
2028	82,413
2029	47,576
2030	(1,238)
Total	$ 170,633

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 assumptions, applied to all periods in the measurement:

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 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 disable 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 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.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	$ 1,131,736	$ 930,248	$ 758,940

Pension plan fiduciary net position.

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

NOTE 11 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF)

At June 30, 2024, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

The employer contributions for local participating employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, 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 non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The amount recognized by the School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School District were as follows:

District's proportionate share of the net pension liability	$ -
State's proportionate share of the net position liability associated with the District	12,422,967
Total	12,422,967

The net pension liability was measured as of June 30, 2024 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The School 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 school districts and the State, actuarially determined. At June 30, 2024, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized pension expense of ($45,317) and revenue of ($45,317) for support provided by the State.

Actuarial assumptions. The total pension liability in the June 30, 2024, actuarial valuation 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 assumptions, applied to all period included 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-Medan Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

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

Discount rate.

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the School 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 (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	$ -	$ -	$ -
State's proportionate share of the net position liability associated with the District	$ 14,766,454.96	$ 12,422,967.00	$ 10,449,307.13

Pension plan fiduciary net position.

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

Additional Information

Collective balances of the local group at June 30, 2024 are as follows:

Deferred outflows of resources	$ 1,108,112,477
Deferred inflows of resources	(10,545,101,790)
Net pension liability	49,492,072,325

Collective pension expense for the plan for the measurement period ended June 30, 2024 is $(180,539,491).

NOTE 12 – OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2024 the State funded the various defined benefit pension systems at 104 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2023, which is required to be reported on the financial statements, is $79.4 billion.

The Fiscal Year 2025 projected aggregate State contribution to the pension plans of $7.2 billion represents 104 percent of the actuarially determined contribution.

The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2024, the State paid PRM benefits for 161,238 State and local retirees.

In accordance with the provisions of GASBE Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2024 State OPEB liability to provide these benefits is $76.9 billion, an increase of $2.0 billion, or 2.6 percent, from the $74.9 billion liability recorded in Fiscal Year 2023. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

Total OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: NJ OMB - Financial Publications

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2024, actuarial valuation reported by the State in the State's most recently issued ACFR was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in.

This actuarial valuation used the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases

TPAF/ABP	PERS	PFRS
2.75% to 5.65% based on service years	2.75% to 6.55% based on service years	3.25% to 16.25% based on service years

Mortality Rates

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2020 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.5% and decreases to a 4.5% 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 4.5% in fiscal year 2034. For HMO the trend is increasing to 22.88% in fiscal year 2027, and decreases to 4.5% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.5% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

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

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

Balance at 6/30/24 (Based on 6/30/2023 measurement date)	$ 52,361,668,239.00
Changes for the year:	
Service cost	2,152,062,729.00
Interest	1,963,557,443.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	158,934,425.00
Changes in assumptions or other inputs	4,462,660,491.00
Contributions: Member	51,347,810.00
Benefit payments	(1,499,600,607.00)
Net changes	7,288,962,291.00
Balance at 6/30/25 (Based on 6/30/2024 measurement date)	$ 59,650,630,530.00

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

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

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 69,863,663,542.00	59,650,630,530.00	51,437,232,141.00

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

The following presents the total OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liabilit3 would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	$ 49,689,409,509.00	59,650,630,530.00	72,625,778,279.00

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

For the year ended June 30, 2024, the board of education recognized OPEB expense of $457,446 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,378,932,312.00	(11,139,706,892.00)
Changes in assumptions	10,004,978,073.00	(11,662,607,882.00)
	$ 16,383,910,385.00	(22,802,314,774.00)

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

Year Ended June 30,	
2025	$ (2,115,877,507.00)
2026	(1,774,175,666.00)
2027	(842,677,045.00)
2028	221,470,185.00
2029	(1,537,725,697.00)
Thereafter	(369,418,659.00)
	$ (6,418,404,389.00)

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

NOTE 13 – COMPENSATED ABSENCES

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable fund's total liabilities and therefore is not shown separately from the long-term liability of compensated absences.

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, the liability for compensated absences was $198,916 and the Food Service Enterprise Fund was $0.

NOTE 14 – DEFERRED COMPENSATION

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

Lincoln Investment Planning, Inc. Oppenheimer Funds

NOTE 15 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the inclusion of $1.00 on October 11, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). 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. 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-2.13(g) 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 account for the July 1, 2023 to June 30, 2025 fiscal year is as follows:

Beginning balance, July 1, 2024		$ 538,621
Deposits		
Interest earned	$ 1	
Board Resolution - June	15,000	
		15,001
Withdrawals:		
Withdrawal by Budget		
Ending balance, June 30, 2025		$ 553,622

NOTE 16 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Board of Education for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. 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		$ 413,716
Deposits		
Interest earned	$ 25	
Board Resolution - June	-	
		25
Withdrawals:		
Withdrawal by Budget		(52,084)
Ending balance, June 30, 2025		$ 361,657

NOTE 17 – TUITION RESERVE ACCOUNT

A tuition reserve account was established by the Board of Education in accordance with N.J.A.C. 6A:23-3.1(f)(8). This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated tuition cost of the respective year. The tuition reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2024	$	200,000
Deposits		
Board Resolution - June		
Withdrawals:		
Withdrawal by Budget		(100,000)
Ending balance, June 30, 2025	$	100,000

Of the balance of $200,000 in the reserve; $100,000 is appropriated for tuition adjustments in the FY 2026 district budget for tuition adjustments.

NOTE 18 – COMMITMENTS

The District did not have an encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund or Committed Fund Balance in the Capital Projects Fund. Encumbrances in the Special Revenue Fund are reflected as unearned revenue. The encumbrances payable as of June 30th are as follows;

Fund	Amount
General Fund Encumbered Orders	$ -

Of the general fund encumbrances, $0 is for capital outlay.

NOTE 19 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability and surety bonds.

The School District is a member of the New Jersey Schools Insurance Group.

NOTE 20 – CONTINGENT LIABILITIES

Federal and State Grants

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

NOTE 21 – FUND BALANCE APPROPRIATED

General Fund – Of the $2,024,474 General Fund - Fund balance, at June 30, 2025, $0 is reserved for encumbrances; $829,312 is reserved as excess surplus in accordance with NJSA 18A:7F-7 ($356,222 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2026), $553,622 has been reserved in the Capital Reserve Account; $361,657 has been

reserved in a Maintenance Reserve Account; $100,000 has been reserved in a Tuition Reserve Account; and $106,891 is classified as Unassigned.

NOTE 22 – CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund -fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 is $829,312, of which $356,222 has been included in the 2026 fiscal year budget.

NOTE 23 – LITIGATION

As of the date of this report, the Upper Pittsgrove Board of Education is not currently involved in any litigation.

NOTE 24 – ECONOMIC DEPENDENCY

The School District receives support from the federal and state governments. A significant reduction in the level of support, if this were to occur, would have an effect on the School District's programs and activities.

NOTE 25 – SUBSEQUENT EVENT

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2025 through November 4, 2025, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

Budgetary Comparison Schedules

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 4,889,261		$ 4,889,261	$ 4,889,261	
Tuition Individuals				2,100	2,100
Tuition Other LEA's	62,000		62,000	27,473	(34,527)
Interest Earned on Investments	200,026		200,026	108,096	(91,930)
Unrestricted Miscellaneous			-	70,616	70,616
Total Local Sources	5,151,287	-	5,151,287	5,097,546	-53,741
State Sources:					
Categorical Special Education Aid	393,435		393,435	393,435	
School Choice Aid	281,580		281,580	281,580	
Security Aid	55,469		55,469	55,469	
Transportation Aid	271,073		271,073	271,073	
Equalization Aid	1,767,120		1,767,120	1,767,120	
Extraordinary Aid				82,258	82,258
Nonpublic Transportation				9,340	9,340
TPAF Pension (On-Behalf - Non-Budgeted)				1,010,439	1,010,439
TPAF Post-retirement (On-Behalf - Non-Budgeted)				295,251	295,251
TPAF Long Term Disability Insurance				397	397
TPAF Social Security (Reimbursed-Non-Budgeted)				225,710	225,710
Total State Sources	2,768,677	-	2,768,677	4,392,072	1,623,395
Total Revenues	7,919,964	-	7,919,964	9,489,618	1,569,654
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Kindergarten - Salaries of Teachers	195,000	10,000	205,000	175,902	29,098
Grades 1 - 5 Salaries of Teachers	1,057,000	(29,000)	1,028,000	1,019,473	8,527
Grades 6 - 8 Salaries of Teachers	690,000	15,000	705,000	682,205	22,795
Regular Programs - Home Instruction					
Salaries of Teachers	7,500		7,500	4,118	3,382
Purchased Professional - Educational Services	10,000		10,000	7,501	2,499
Regular Programs - Undistributed Instruction					
Purchased Technical Services	26,000	20,500	46,500	42,710	3,790
Other Purchased Services (400-500 series)	22,000	15,050	37,050	31,883	5,167
General Supplies	40,000	(7,090)	32,910	21,701	11,209
Textbooks	10,000	(9,300)	700		700
Other Objects		2,450	2,450	67	2,383
TOTAL REGULAR PROGRAMS - INSTRUCTION	2,057,500	17,610	2,075,110	1,985,560	89,550
SPECIAL EDUCATION - INSTRUCTION					
Multiple Disabilities					
Salaries of Teachers	71,250	(2,000)	69,250	67,644	1,606
Other Salaries for Instruction	27,500	(2,600)	24,900	5,084	19,816
General Supplies			-		-
Total Multiple Disabilities	98,750	(4,600)	94,150	72,728	21,422
Resource Room/Resource Center					
Salaries of Teachers	325,000	6,828	331,828	331,787	41
Other Salaries for Instruction	54,500	16,772	71,272	70,424	848
Total Resource Room/Resource Center	379,500	23,600	403,100	402,211	889
TOTAL SPECIAL EDUCATION - INSTRUCTION	478,250	19,000	497,250	474,939	22,311

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Basic Skills/Remedial - Instruction					
Salaries of Teachers	69,000	(10,474)	58,526	58,526	
Total Basic Skills/Remedial - Instruction	69,000	(10,474)	58,526	58,526	
School-Spon. Cocurricular Activities - Instruction					
Salaries	30,000	(23,700)	6,300		6,300
Total School-Spon. Cocurricular Activities - Inst.	30,000	(23,700)	6,300	-	6,300
School-Spon. Cocurricular Athletics - Instruction					
Salaries	5,000	8,200	13,200	13,116	84
Other Purchased Services (400-500 series)	1,000	(1,000)	-		
Total School-Spon. Cocurricular Athletics - Inst.	6,000	7,200	13,200	13,116	84
Other Instructional Programs - Summer School					
Salaries		20,300	20,300	20,269	31
Other Salaries for Instruction		1,300	1,300	1,260	40
Other Purchased Services (300-500 series)		2,100	2,100	2,100	-
Total Other Instructional Programs - Instruction	-	23,700	23,700	23,629	71
TOTAL INSTRUCTION	2,640,750	33,336	2,674,086	2,555,770	118,316
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	1,517,056	1	1,517,057	1,517,056	1
Tuition to Other LEAs Within the State-Special	153,636	(22,100)	131,536	125,527	6,009
Tuition to County Voc. School Dist. - Regular	124,064	1	124,065	124,065	
Tuition to CSSD & Regional Day Schools	103,340	(48,933)	54,407	44,710	9,697
Tuition to Private Schools for the Disabled - Within State	116,299	(20,833)	95,466	84,773	10,693
Total Undistributed Expenditures - Instruction	2,014,395	(91,864)	1,922,531	1,896,131	26,400
Undistributed Expend. - Attend. & Social Work Services					
Salaries	30,000	(6,850)	23,150	23,126	24
Total Undist. Expend. - Attend. & Social Work Services	30,000	(6,850)	23,150	23,126	24
Undistributed Expend. - Health Services					
Salaries	50,000	(1,580)	48,420	47,767	653
Purchased Professional and Technical Services	8,500	10,940	19,440	12,513	6,927
Supplies & Materials	300	5,150	5,450	5,407	43
Other Objects		60	60	53	7
Total Undistributed Expend. - Health Services	58,800	14,570	73,370	65,740	7,630
Undist. Expend. - Speech, PT, OT & Related Services					
Salaries	80,000	(2,100)	77,900	77,582	318
Purchased Professionals - Educational Services	38,000	(600)	37,400	37,300	100
Supplies & Materials	500		500		500
Total Undist. Expend.-Speech, PT, OT & Rel. Svces	118,500	(2,700)	115,800	114,882	918
Undist. Expend. - Other Support Serv. Students - Extraordinary Services					
Salaries	90,000	(36,100)	53,900	53,322	578
Purchased Professional-Educational Services	153,000	10,700	163,700	162,671	1,029
Total Undist. Expend. - Other Support Services Students - Extraordinary Services	243,000	(25,400)	217,600	215,993	1,607
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	32,000	(2,220)	29,780	28,237	1,543
Supplies & Materials	300		300		300
Total Undistributed Expend. - Guidance	32,300	(2,220)	30,080	28,237	1,843
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	150,000	25,600	175,600	141,911	33,689
Salaries of Secretarial and Clerical Assistants	16,000	(1,800)	14,200	14,010	190
Purchased Professional - Education Services	10,000	9,000	19,000	18,770	230
Other Purchased Services (400-500 series)	300		300		300
Supplies & Materials	2,000	(700)	1,300	1,198	102
Total Undist. Expend. - Child Study Teams	178,300	32,100	210,400	175,889	34,511

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	56,000	800	56,800	56,682	118
Purchased Professional - Education Services	2,500	(800)	1,700	243	1,457
Total Undist. Expend. - Improvement of Inst. Serv.	58,500	-	58,500	56,925	1,575
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	40,000	(4,000)	36,000	140	35,860
Purchased Professional and Technical Services	4,000		4,000		4,000
Supplies & Materials	1,250		1,250		1,250
Total Undistributed Expenditures - Educational Media Services - School Library	45,250	(4,000)	41,250	140	41,110
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors Inst.	20,000	475	20,475	20,427	48
Salaries of Other Professional Staff	6,000	(500)	5,500	1,592	3,908
Salaries of Secretarial and Clerical Assistants	18,000	(12,000)	6,000		6,000
Purchased Professional - Educational Services	5,000	2,000	7,000	5,441	1,559
Purchased Professional and Technical Services	3,000		3,000	710	2,290
Other Purchased Services (400-500 series)	3,250	10,000	13,250		13,250
Other Objects		25	25	25	
Total Undistributed Expenditures - Instructional Staff Training Services	55,250	-	55,250	28,195	27,055
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	77,000	(6,000)	71,000	66,226	4,774
Legal Services	20,000		20,000	8,191	11,809
Audit Fees	25,000		25,000	24,000	1,000
Architectural/Engineering Services	10,000	(10,000)	-		
Other Purchased Professional Services	6,000	(2,200)	3,800	1,888	1,912
Purchased Technical Services	3,000	6,000	9,000	8,603	397
Communications/Telephone	30,000	6,200	36,200	36,095	105
Misc. Purch Serv (400-500) [Other than 530 ∧ 585]	25,200		25,200	18,738	6,462
General Supplies	6,000		6,000	2,832	3,168
Miscellaneous Expenditures	4,000		4,000	650	3,350
BOE Membership Dues/Fees	5,000		5,000	4,023	977
Total Undistr. Expend. - Support Svs - Gen.Admin.	211,200	(6,000)	205,200	171,246	33,954
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Asst.	25,000	(400)	24,600	20,427	4,173
Salaries of Secretarial Asst.	10,000	400	10,400	4,424	5,976
Purchased Professional and Technical Services	23,500	(600)	22,900	9,255	13,645
Supplies and Materials	3,000	(900)	2,100	700	1,400
Other Objects		900	900	890	10
Total Undistributed Expenditures - Support Services - School Administration	61,500	(600)	60,900	35,696	25,204
Undist. Expend. - Central Services					
Salaries	92,700	15,400	108,100	108,056	44
Purchased Professional Services	7,500	650	8,150	8,117	33
Purchased Technical Services	13,000	(2,375)	10,625	10,625	
Miscellaneous Purchased Services (400-500 series)	2,000	(232)	1,768	1,684	84
Supplies and Materials	3,000	(266)	2,734	2,660	74
Miscellaneous Expenditures	2,000	2,930	4,930	4,925	5
Total Undistributed Expenditures - Central Services	120,200	16,107	136,307	136,067	240
Undist. Expend. - Admin Info Tech.					
Salaries	24,500	(2,550)	21,950	20,427	1,523
Purchased Technical Services	16,000	4,500	20,500	20,045	455
Total Undistributed Expenditures - Admin Info. Tech.	40,500	1,950	42,450	40,472	1,978

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Required Maint. School Fac.					
Salaries	68,000	(7,000)	61,000	48,404	12,596
Cleaning, Repair and Maintenance Services	60,000	13,434	73,434	72,664	770
General Supplies	18,000	8,500	26,500	25,716	784
Other Objects	500	200	700	700	-
Total Undistributed Expenditures - Required Maintenance for School Facilities	146,500	15,134	161,634	147,484	14,150
Custodial ServicesOther Oper. & Maint.of Plant					
Salaries	130,000	12,720	142,720	140,486	2,234
Purchased Professional and Technical Services	5,500	(4,400)	1,100	1,100	
Cleaning, Repair and Maintenance Services	30,000	(3,833)	26,167	25,115	1,052
Insurance	38,000	7,600	45,600	45,592	8
Miscellaneous Purchased Services	2,000	600	2,600	2,579	21
General Supplies	40,000	(3,900)	36,100	27,653	8,447
Energy		830	830	828	2
Energy (Natural Gas)	2,500		2,500	599	1,901
Energy (Electricity)	105,000	15,000	120,000	119,612	388
Total Undistributed Expenditures - Custodial Services	353,000	24,617	377,617	363,564	14,053
Undist. Expend. - Security					
Salaries	28,000		28,000	24,157	3,843
Purchased Professional and Technical Services	3,000	(1,667)	1,333		1,333
General Supplies	3,000	(1,500)	1,500		1,500
Total Security	34,000	(3,167)	30,833	24,157	6,676
Total Undistributed Expenditures Operations and Maintenance of Plant	533,500	36,584	570,084	535,205	34,879
Undist. Expend. - Student Transportation Serv.					
Salaries - Non-instructional aides	7,000	(250)	6,750	5,345	1,405
Salaries - (Between Home & Sch) - Regular	23,500	(5,500)	18,000	16,781	1,219
Salaries - (Between Home & Sch) - Special	36,000	(10,806)	25,194	22,625	2,569
Purchased Professional and Technical Services	15,000		15,000	12,307	2,693
Cleaning, Repair and Maintenance Services	10,000	3,000	13,000	11,667	1,333
Contr. Serv. - Aid in Lieu Payments - NonPub Sch	25,000		25,000	24,798	202
Contr. Serv. - Aid in Lieu Payments - Choice		10,000	10,000	8,828	1,172
Contr. Serv. - (Btn Home & School) - Vendors	365,000	(20,494)	344,506	331,987	12,519
Contr. Serv. - (Btn Home & School) - Joint Agrmt	60,000	(20,000)	40,000	36,590	3,410
Special Education students - Joint Agreement	140,000	(25,950)	114,050	94,454	19,596
Miscellaneous Purchased Services	8,000		8,000	550	7,450
Transportation Supplies	10,000	50	10,050	46	10,004
Total Undistributed Expenditures - Student Transportation Services	699,500	(69,950)	629,550	565,978	63,572
Unallocated Benefits - Employee Benefits					
Social Security Contribution	90,000	(14,600)	75,400	66,935	8,465
Other Retirement Contributions - PERS	70,000	25,000	95,000	94,864	136
Unemployment	20,000		20,000	15,953	4,047
Workmen's Compensation	40,000		40,000	37,870	2,130
Health Benefits	800,000	(62,775)	737,225	690,732	46,493
Tuition Reimbursement	17,000		17,000	9,352	7,648
Other Employee Benefits	29,976	78,806	108,782	89,753	19,029
Unused Sick Payment to Staff - Normal Retirement		10,375	10,375	10,375	-
Total Unallocated Benefits	1,066,976	36,806	1,103,782	1,015,834	87,948
On-Behalf Contributions					
On-Behalf TPAF Pension Contribution (non-bud)			-	1,010,439	(1,010,439)
On-Behalf TPAF Post-retir. Contribution (non-bud)	-		-	295,251	(295,251)
On-Behalf TPAF Long Term Disability Insurance			-	397	(397)
Reimbursed TPAF Social Security Cont.(non-bud)			-	225,710	(225,710)
Total On-Behalf Contributions	-	-	-	1,531,797	(1,531,797)
Total Personal Services - Employee Benefits	1,066,976	36,806	1,103,782	2,547,631	(1,443,849)
TOTAL UNDISTRIBUTED EXPENDITURES	5,567,671	(71,467)	5,496,204	6,637,553	(1,141,349)
TOTAL GENERAL CURRENT EXPENSE	8,208,421	(38,131)	8,170,290	9,193,323	(1,023,033)

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction					
Undistributed Exp. - Central Service		12,041	12,041	12,041	
Undistributed Exp. - Required Maintenance		29,380	29,380	29,380	
Undistributed Exp. - Custodial	52,083		52,083		52,083
Undistributed Exp. - Care and Upkeep of Grounds			-		
Total Equipment	52,083	41,421	93,504	41,421	52,083
Facilities Acquisition and Construction Services					
Construction Services		15,880	15,880	15,880	-
Assessment for Debt Service on SDA Funding	9,474		9,474	9,474	
Total Facilities Acquisition and Construction Services	9,474	15,880	25,354	25,354	-
TOTAL CAPITAL OUTLAY	61,557	57,301	118,858	66,775	52,083
Transfer of Funds to Charter Schools	98,946	38,933	137,879	137,879	-
TOTAL EXPENDITURES	8,368,924	58,103	8,427,027	9,397,977	(970,950)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(448,960)	(58,103)	(507,063)	91,641	598,704
Other Financing Sources/(Uses):					
Operating Transfers:					
Capital Financing Agreement Proceeds (Non-Budget)			-	-	-
Transfer to Special Revenue Fund	(45,393)		(45,393)	(45,393)	-
Prior year receivables canceled					-
Total Other Financing Sources/(Uses):	(45,393)	-	(45,393)	(45,393)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(494,353)	(58,103)	(552,456)	46,248	598,704
Fund Balance July 1	2,249,675		2,249,675	2,249,675	-
Fund Balance June 30	$ 1,755,322	$ (58,103)	$ 1,697,219	$ 2,295,923	$ 598,704

Recapitulation:	
Restricted Fund Balance:	
Excess Surplus - Designated for Subsequent Year's Expenditures	$ 356,222
Excess Surplus - Current Year	473,090
Capital Reserve	553,622
Maintenance Reserve	361,657
Tuition Reserve Year 2	100,000
Assigned Fund Balance:	
Year-End Encumbrances	
Designated for Subsequent Year's Expenditures	109,734
Unassigned Fund Balance	
General Fund	341,598
	2,295,923
Reconciliation to Governmental Funds Statements (GAAP):	
Last Two State Aid Payments not recognized on GAAP Basis	(271,449)
	$ 2,024,474

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources	$ 73,500		$ 73,500	$ 85,655	$ 12,155
State Sources	909,462		909,462	902,560	(6,902)
Federal Sources	615,883	32,582	648,465	350,538	(297,927)
Total Revenues	1,598,845	32,582	1,631,427	1,338,753	(292,674)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	411,592	(41,000)	370,592	328,079	42,513
Other Salaries for Instruction	100,335	41,000	141,335	124,814	16,521
Purchased Professional - Educational Services	33,000		33,000	3,690	29,310
Purchased Professional and Technical	17,400		17,400	29,225	(11,825)
Other Purchased Services (400-500 series)	107,106		107,106	99,177	7,929
General Supplies	119,947		119,947	88,244	31,703
Total Instruction	789,380	-	789,380	673,229	116,151
Support Services:					
Other Salaries	256,699	(460)	256,239	239,815	16,424
Personal Services - Employee Benefits	93,031	460	93,491	160,763	(67,272)
Purchased Professional - Educational Services	55,000	3,500	58,500	-	58,500
Purchased Professional Technical Services	59,215	(5,000)	54,215	13,274	40,941
Other Purchased Services (400-500 series)	82,365	1,500	83,865	43,000	40,865
General Supplies	29,825		29,825	11,186	18,639
Other Objects	10,300		10,300	9,572	728
Scholarships Awarded				250	(250)
Student Activities				42,587	(42,587)
Total Support Services	586,435	-	586,435	520,447	65,988
Facilities Acquisition & Construction Services:					
Building	59,320	32,582	91,902	29,813	62,089
Instructional Equipment	91,000		91,000	119,839	(28,839)
Non-Instructional Equipment	72,710		72,710	-	72,710
	223,030	32,582	255,612	149,652	105,960
Total Expenditures	$ 1,598,845	$ 32,582	$ 1,631,427	$ 1,343,328	$ 288,099
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ (4,575)	$ (4,575)
Fund Balance, July 1				66,078	
Fund Balance, June 30				61,503	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION PART II

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UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2025

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

	General Fund	Special Revenue Fund
Sources / inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	$ 9,489,618	1,338,753
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		70,699
Current Year		(112,373)
The Final State Aid payment for the Year Ended June 30, 2023 that was delayed until July 2023 was recorded as budgetary revenue for the Year Ended June 30, 2023 but is not recognized under GAAP until the Year Ended June 30, 2024.	252,843	78,650
The Final State Aid payment for the Year Ended June 30, 2024 that was delayed until July 2024 was recorded as budgetary revenue for the Year Ended June 30, 2024 but is not recognized under GAAP until the Year Ended June 30, 2025.	(271,449)	(86,247)
	9,471,012	1,289,482
Uses / outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	9,397,977	1,343,328
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for GAAP financial reporting purposes.		
Prior Year		70,699
Current Year		(112,373)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	$ 9,397,977	1,301,654

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REQUIRED SUPPLEMENTARY INFORMATION
PART III

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Exhibit L-1

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.0068460791%	0.0062260608%	0.0042823904%	0.0044768400%	0.0052975020%	0.0068148072%	0.0060971557%	0.0070945037%	0.0079704118%	0.0085461535%
District's proportionate of the net pension liability (asset)	$ 930,248	$ 901,806	$ 646,272	$ 530,349	$ 863,884	$ 1,227,924	$ 1,200,500	1,651,487	2,360,607	1,918,440
District's covered payroll	$ 508,771	$ 519,088	$ 510,744	$ 347,932	$ 447,900	$ 484,748	$ 471,468	537,568	607,384	645,396
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	182.84%	173.73%	126.54%	152.43%	192.87%	253.31%	254.63%	307.21%	388.65%	297.25%
Plan fiduciary net position as a percentage of the total pension liability	68.22%	65.23%	62.91%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

Source: GASB 68 report on Public Employees' Retirement System; District records

Exhibit L-2

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	93,156	83,213	54,003	52,429	57,952	66,288	60,647	65,723	70,808	73,474
Contributions in relation to the contractually required contribution	93,156	83,213	54,003	52,429	57,952	66,288	60,647	65,723	70,808	73,474
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered-employee payroll	508,771	519,088	510,744	347,932	447,900	484,748	471,468	537,568	607,384	645,396
Contributions as a percentage of covered-employee payroll	18.31%	16.03%	10.57%	15.07%	12.94%	13.67%	12.86%	12.23%	11.66%	11.38%

Source: GASB 68 report on Public Employees' Retirement System; District records

Exhibit L-3

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	-
State's proportionate share of the net pension liability (asset) associated with the District	12,422,967	12,297,939	11,408,927	11,401,495	160,890,187	14,254,333	14,903,389	15,297,179	18,068,023	13,677,666
Total	$ 12,422,967	$ 12,297,939	$ 11,408,927	$ 11,401,495	$ 160,890,187	$ 14,254,333	$ 14,903,389	15,297,179	18,068,023	13,677,666
District's covered payroll	3,113,641	2,875,504	2,897,935	2,979,692	3,119,404	3,145,312	2,936,520	2,907,712	2,779,788	2,774,780
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

Source: GASB 68 report on Teacher's Pension and Annuity Fund; District records

Exhibit M-1

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Eight Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
State's proportionate share of the net OPEB liability (asset) associated with the District	$ 16,850,390	$ 14,957,559	$ 14,048,633	$ 16,678,450	$ 18,518,195	$ 11,914,289	$ 13,336,932	$ 15,873,006
Total	$ 16,850,390	$ 14,957,559	$ 14,048,633	$ 16,678,450	$ 18,518,195	$ 11,914,289	$ 13,336,932	$ 15,873,006
District's covered payroll	$ 3,622,412	$ 3,394,592	$ 3,408,679	$ 3,327,624	$ 3,567,304	$ 3,630,060	$ 3,407,988	$ 3,445,280
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:								
Service Cost	588,090	515,103	628,033	757,417	442,903	410,153	485,017	581,616
Interest Cost	554,672	526,783	372,302	432,654	427,078	525,210	579,508	500,821
Change in Benefit Terms				(17,652)				
Differences between Expected & Actual	(101,450)	234,028	495,438	(2,698,869)	2,663,902	(2,180,757)	(1,725,820)	
Changes in Assumptopns	1,260,626	30,148	(3,768,645)	16,454	3,382,638	177,643	(1,530,480)	(2,022,188)
Member Contributions	14,505	13,500	11,831	11,061	9,772	10,841	12,326	13,538
Benefit Payments	(423,612)	(410,636)	(368,776)	(340,810)	(322,387)	(365,733)	(356,625)	(367,653)
Change in Total OPEB Liability	1,892,831	908,926	(2,629,817)	(1,839,745)	6,603,906	(1,422,643)	(2,536,074)	(1,293,866)
State's proportionate share of the net OPEB liability (asset) associated with the District -								
Beginning Balance	14,957,559	14,048,633	16,678,450	18,518,195	11,914,289	13,336,932	15,873,006	17,166,872
Ending Balance	16,850,390	14,957,559	14,048,633	16,678,450	18,518,195	11,914,289	$ 13,336,932	$ 15,873,006
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	465.17%	440.63%	412.14%	501.21%	519.11%	328.21%	391.34%	460.72%

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period.
However, information is only currently available for eight years.
Additional years will be presented as they become available.

OTHER SUPPLEMENTARY INFORMATION

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Exhibit E-1a

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

	NJSIG Safety	Scholarship Funds	Student Activity	Local Recreation Improvement	SDA Emergent Needs
REVENUES:					
Local Sources	$ 2,000	$ 44	$ 38,218	$	
State Sources				64,988	23,540
Federal Sources					
Total Revenues	2,000	44	38,218	64,988	23,540
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Other Salaries for Instruction					
Purchased Professional - Educational Services					
Purchased Technical Services					
Other Purchased Services (400-500 series)					
General Supplies					
Total Instruction	-	-	-	-	-
Support Services:					
Salaries of Other Professional Staff					
Personal Services - Employee Benefits					
Purchased Professional & Technical Services	2,000				
Other Purchased Services (400-500 series)					23,540
General Supplies					
Other Objects					
Scholarships Awarded		250			
Student Activities			42,587		
Total Support Services	2,000	250	42,587	-	23,540
Capital Outlay:					
Building					
Instructional Equipment				64,988	
Total Capital Outlay	-	-	-	64,988	-
Total Expenditures	2,000	250	42,587	64,988	23,540
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	$ (206)	$ (4,369)	$ -	-
Fund Balance, July 1		13,520	52,558		
Fund Balance, June 30	$	$ 13,314	$ 48,189	-	

Exhibit E-1b

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

	ARP ESSER	ARP ESSER NJTSS	ARP ESSER Summer	High Impact Tutoring Competitive	Rural Education Achievement Program FY 2024	Rural Education Achievement Program FY 2025
REVENUES:						
Local Sources	$					
State Sources						
Federal Sources	89,860	5,980	27,289	3,972	4,475	18,003
Total Revenues	89,860	5,980	27,289	3,972	4,475	18,003
EXPENDITURES:						
Instruction:						
Salaries of Teachers			25,171			
Other Salaries for Instruction						
Purchased Professional - Educational Services				3,690		
Purchased Technical Services						
Other Purchased Services (400-500 series)						
General Supplies	43,250				4,475	18,003
Total Instruction	43,250	-	25,171	3,690	4,475	18,003
Support Services:						
Salaries of Other Professional Staff	14,712					
Personal Services - Employee Benefits	1,212		2,118	282		
Purchased Professional & Technical Services		5,980				
Other Purchased Services (400-500 series)	873					
General Supplies						
Other Objects						
Scholarships Awarded						
Student Activities						
Total Support Services	16,797	5,980	2,118	282	-	-
Capital Outlay:						
Building	29,813					
Instructional Equipment						
-	29,813	-	-	-	-	-
Total Expenditures	89,860	5,980	27,289	3,972	4,475	18,003
Excess (Deficiency) of Revenues Over (Under)						
$ Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	-	-	-
Fund Balance, July 1						
Fund Balance, June 30	$	$	$			

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

	Preschool Education	Title IIA	Title IV	Title I Part A	IDEA Part B	Totals 2025
REVENUES:						
Local Sources	$ 45,393		$		$	$ 85,655
State Sources	814,032					902,560
Federal Sources		8,096	15,742	77,944	99,177	350,538
Total Revenues	859,425	8,096	15,742	77,944	99,177	1,338,753
EXPENDITURES:						
Instruction:						
Salaries of Teachers	292,325			10,583		328,079
Other Salaries for Instruction	124,814					124,814
Salaries of Other Professional Staff						3,690
Purchased Technical Services		8,096		21,129		29,225
Other Purchased Services (400-500 series)					99,177	99,177
General Supplies	12,088			10,428		88,244
Total Instruction	429,227	8,096	-	42,140	99,177	673,229
Support Services:						
Salaries of Other Professional Staff	209,361		15,742			239,815
Personal Services - Employee Benefits	151,586			5,565		160,763
Purchased Professional & Technical Services	294			5,000		13,274
Other Purchased Services (400-500 series)	3,445			15,142		43,000
General Supplies	10,661			525		11,186
Other Objects				9,572		9,572
Scholarships Awarded						250
Student Activities						42,587
Total Support Services	375,347	-	15,742	35,804	-	520,447
Capital Outlay:						
Building						29,813
Instructional Equipment	54,851					119,839
Total Capital Outlay	54,851	-	-	-	-	149,652
Total Expenditures	859,425	8,096	15,742	77,944	99,177	1,343,328
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	$ -	$ -	$ -	$ -	$ (4,575)
Fund Balance, July 1	$					66,078
Fund Balance, June 30	$	$	$	$	$	$ 61,503

Exhibit E-2

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid
Budgetary Basis
For the Year Ended June 30, 2025

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	$ 303,524	292,325	$ 11,199
Other Salaries for Instruction	124,896	124,814	82
Purchased Professional - Educational Services	5,000		5,000
General Supplies	18,000	12,088	5,912
Total Instruction	451,420	429,227	22,193
Support Services:			
Salaries of Principals/Program Directors	41,441	41,427	14
Salaries of Other Professional Staff	47,142	47,142	
Salaries of Secretarial and Clerical Assistants	12,417	5,028	7,389
Other Salaries	40,701	28,750	11,951
Salaries of Family/Parent Liason	5,000		5,000
Salaries of Facilitators and Coaches	87,194	87,014	180
Personal Services - Employee Benefits	185,286	151,586	33,700
Purchased Professional Educational Services	7,500		7,500
Other Purchased Professional Services	7,500	294	7,206
Cleaning, Repair and Maintenance	19,975	90	19,885
Between Home and School - Vendors	32,000		32,000
Other than Between Home and School	6,000	3,355	2,645
Miscellaneous Purchased Services	1,500		1,500
Supplies	18,553	10,661	7,892
Total Support Services	512,209	375,347	136,862
Facilities Acquisition and Construction Services			
Instructional Equipment	103,500	54,851	48,649
Non-Instructional Equipment	25,393		25,393
Total Facilities Acquisition and Construction Ser.	128,893	54,851	74,042
Total Expenditures	$ 1,092,522	$ 859,425	$ 233,097

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2024-25 Preschool Aid Allocation	$ 862,467
Adjustments	
Add: Actual ECPA Carryover June 30, 2024	270,564
Add: Budgeted Transfer from the General Fund	45,393
Total Preschool Education Aid Funds Available for 2024-25 Budget	1,178,424
Less: 2024-25 Budgeted Preschool Education Aid	(1,092,522)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2025	85,902
Add: June 30, 2025 Unexpended Preschool Education Aid	233,097
2024-25 Actual Carryover - Preschool Education Aid	$ 318,999
2024-25 Preschool Education Aid Carryover Budgeted for 2025-2026	$ 184,662

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Capital Projects Funds
Summary Statement of Project Expenditures
For the Year Ended June 30, 2025

Project Title/Issue	Original Date	Original Appropriations	GAAP Expenditures to Date Prior Years	GAAP Expenditures to Date Current Years	Unexpended Balance June 30, 2025
Various Capital Improvements including Roof Restoration	8/1/2021	$ 3,543,000	$ 2,909,113	$ -	$ 633,887
		$ 3,543,000	2,909,113	-	633,887

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

Fund Balances, July 1		633,887
Fund Balances, June 30	$	633,887

TOWNSHIP OF UPPER PITTSGROVE SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Various Capital Improvements including Roof Restoration
From Inception and for the Year Ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Costs
REVENUES AND OTHER FINANCING SOURCES:				
Bond proceeds and transfers	3,543,000		3,543,000	3,543,000
Total Revenues	3,543,000	-	3,543,000	3,543,000
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional/technical services	34,453		34,453	58,770
Construction services	2,874,660		2,874,660	3,484,230
Total Expenditures	2,909,113	-	2,909,113	3,543,000
Excess (Deficiency) of Revenues Over Expenditures	$ 633,887	-	633,887	-

ADDITIONAL PROJECT INFORMATION:	
Project Number	2021-1
Bond Authorization Date	11/3/2020
Bonds Authorized	3,543,000
Bonds Issued	3,543,000
Original Cost Authorized	3,543,000
Additional Authorized Cost	-
Revised Authorized Cost	3,543,000
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	8/021
Revised Target Completion Date	6/30/2023

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Schedule of General Serial Bonds
As of June 30, 2025

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding June 30, 2025 Date	Amount	Interest Rate	Balance July 1, 2024	Decreased	Balance June 30, 2025
Various Capital Improvements	1/26/2021	$ 3,543,000	9/15/2025	155,000	1.500%	$ 3,240,000	$ 155,000	$ 3,085,000
			9/15/2026	160,000	1.500%			
			9/15/2027	165,000	1.500%			
			9/15/2028	170,000	1.500%			
			9/15/2029	175,000	1.750%			
			9/15/2030	180,000	1.750%			
			9/15/2031	185,000	1.750%			
			9/15/2032	190,000	1.750%			
			9/15/2033	195,000	1.750%			
			9/15/2034	200,000	1.750%			
			9/15/2035	205,000	1.750%			
			9/15/2036	210,000	1.750%			
			9/15/2037	220,000	1.750%			
			9/15/2038	225,000	1.750%			
			9/15/2039	225,000	1.750%			
			9/15/2040	225,000	1.875%			
						$ 3,240,000	$ 155,000	$ 3,085,000

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
Schedule of Obligations Under Lease Liability
As of June 30, 2025

Description	Amount of Original Issue	Balance July 1, 2024	Issued Current Year	Retired Current Year	Balance June 30, 2025
Other Financing Agreements					
Copier Lease	96,424	$ 26,390		$ 19,744	$ 6,646
		$ 26,390	$ -	$ 19,744	$ 6,646

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 128,292		$ 128,292	$ 128,292	$ -
State Sources:					
Debt Service Aid	70,994		70,994	70,994	
Total Revenues	199,286	-	199,286	199,286	-
EXPENDITURES:					
Regular Debt Service:					
Redemption of Principal	155,000		155,000	155,000	-
Interest on Bonds	53,806		53,806	53,805	1
Total Regular Debt Service	208,806	-	208,806	208,805	1
Total Expenditures	208,806	-	208,806	208,805	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,520)	-	(9,520)	(9,519)	1
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	(9,520)	-	(9,520)	(9,519)	1
Fund Balance, July 1	9,519	-	9,519	9,519	-
Fund Balance, June 30	$ (1)	$ -	$ (1)	$ -	$ 1

Statistical Section

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

Exhibit J-1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	3,092,769	3,164,232	3,104,739	2,967,175	2,665,040	(1,147,915)	1,501,701	2,111,080	2,311,212	2,261,770
Restricted	795,650	1,038,758	922,895	809,730	1,289,781	4,580,395	2,238,163	2,375,449	2,429,393	2,453,734
Unrestricted	(1,546,710)	(1,677,070)	(1,756,099)	(1,719,977)	(1,542,701)	(1,225,556)	(897,666)	(815,673)	(809,436)	(794,002)
Total governmental activities net position	2,341,709	2,525,920	2,271,535	2,056,928	2,412,120	2,206,924	2,842,198	3,670,856	3,931,169	3,921,502
Business-type activities										
Net investment in capital assets	9,500	8,745	7,990	18,502	11,050	9,562	8,074	33,819	31,534	48,104
Unrestricted	79,136	96,452	23,093	9,498	(2,430)	50,568	57,622	83,139	91,038	96,650
Total business-type activities net position	88,636	105,197	31,083	28,000	8,620	60,130	65,696	116,958	122,572	144,754
District-wide										
Net investment in capital assets	3,102,269	3,172,977	3,112,729	2,985,677	2,676,090	(1,138,353)	1,509,775	2,144,899	2,342,746	2,309,874
Restricted	795,650	1,038,758	922,895	809,730	1,289,781	4,580,395	2,238,163	2,375,449	2,429,393	2,453,734
Unrestricted	(1,467,574)	(1,580,618)	(1,733,006)	(1,710,479)	(1,545,131)	(1,174,988)	(840,044)	(732,534)	(718,398)	(697,352)
Total district net position	2,430,345	2,631,117	2,302,618	2,084,928	2,420,740	2,267,054	2,907,894	3,787,814	4,053,741	4,066,256

Source: ACFR Schedule A-1

Upper Pittsgrove Township School District
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
Instruction:										
Regular	1,854,515	1,875,979	1,888,431	2,072,401	2,178,357	2,226,086	2,833,833	2,725,663	2,379,207	2,301,857
Special education	433,709	438,123	569,880	431,234	205,680	249,633	234,840	1,183,254	1,346,500	1,398,152
Other special education	174,724	168,420	191,419	134,211	93,867	98,392	81,418	81,288	72,020	111,394
Support Services:										
Tuition	2,311,740	2,114,386	2,481,660	2,460,115	2,026,618	1,943,862	1,589,568	1,588,699	1,750,675	1,896,131
Student & instruction related services	672,099	671,537	671,434	756,423	531,411	535,643	474,826	1,106,423	1,804,598	1,820,474
General Administration and Business Services	197,640	174,384	150,684	174,172	183,923	185,627	284,077	175,338	61,209	52,850
School Administration Services	118,310	115,887	120,001	128,114	87,335	136,815	102,111	476,596	461,207	514,921
Central Services	126,137	117,853	136,464	144,759	144,753	144,939	160,012			
Plant operations and maintenance	446,653	347,864	447,736	417,974	432,192	468,389	559,955	701,575	852,654	811,259
Pupil transportation	415,328	440,296	457,414	508,706	516,414	592,292	499,493	1,002,359	859,494	837,972
Unallocated benefits	2,303,563	2,931,375	3,202,470	2,518,441	2,114,100	2,696,747	2,024,506			
Support Services							562,056			
Unallocated depreciation	234,178	210,396	230,885	272,461	230,092	208,711	212,358	125,374	95,100	137,879
Interest on long-term debt	11,756	10,013	8,635	9,474	9,474	59,728	33,842	67,171	64,912	62,600
Total governmental activities expenses	9,300,352	9,616,513	10,557,113	10,028,485	8,754,216	9,546,864	9,652,895	9,233,740	9,747,576	9,945,489
Business-type activities:										
Food service	119,239	172,001	138,654	131,984	103,787	115,667	224,094	120,553	126,254	140,971
Latchkey	40,650	42,336	33,127	26,426	26,458	11,625	4,696			
Total business-type activities expenses	159,889	214,337	171,781	158,410	130,245	127,292	228,790	120,553	126,254	140,971
Total district expenses	9,460,241	9,830,850	10,728,894	10,186,895	8,884,461	9,674,156	9,881,685	9,354,293	9,873,830	10,086,460
Program Revenues										
Governmental activities:										
Charges for services:							44,032		49,372	29,573
Operating grants and contributions	835,596	882,543	1,027,960	1,099,643	1,167,052	1,475,355	2,493,051	555,636	518,919	274,553
Capital grants and contributions										
Total governmental activities program revenues	835,596	882,543	1,027,960	1,099,643	1,167,052	1,475,355	2,537,083	555,636	568,291	304,126
Business-type activities:										
Charges for services:										
Food service	77,458	78,162	67,837	71,775	46,967		14,850	67,098	66,019	63,432
Latchkey	32,453	39,494	24,082	29,467	18,673	20,104	856	2,431		-
Operating grants and contributions	62,536	64,915	53,949	54,065	51,749	158,677	255,840	104,656	73,308	80,614
Capital grants and contributions										
Total business-type activities program revenue	172,447	182,571	145,868	155,307	117,389	178,781	271,546	174,185	139,327	144,046
Total district program revenue	1,008,043	1,065,114	1,173,828	1,254,950	1,284,441	1,654,136	2,808,629	729,821	707,618	448,172
Net (Expense)/Revenue										
Governmental activities	(8,464,756)	(8,733,970)	(9,529,153)	(8,928,842)	(7,587,164)	(8,071,509)	(7,115,812)	(8,678,104)	(9,179,285)	(9,641,363)
Business-type activities	12,558	(31,766)	(25,913)	(3,103)	(12,856)	51,489	42,756	53,632	13,073	3,075
Total district-wide net expense	(8,452,198)	(8,765,736)	(9,555,066)	(8,931,945)	(7,600,020)	(8,020,020)	(7,073,056)	(8,624,472)	(9,166,212)	(9,638,288)

Upper Pittsgrove Township School District
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	4,043,102	4,063,102	4,207,026	4,218,366	4,376,989	4,464,529	4,607,261	4,699,406	4,793,394	4,889,261
Taxes levied for debt service	71,600	72,800					65,300	126,820	136,022	128,292
Unrestricted grants and contributions	4,143,422	4,644,364	4,890,707	4,224,270	3,572,843	3,924,240	3,009,378	4,426,214	4,408,738	4,444,460
Investment earnings	4,704	4,959	5,035	5,395	5,605	11,709	12,149	10,924	83,181	108,096
Tuition and transportation revenue	109,044	75,433	95,689	190,128	45,033	12,283				
Miscellaneous income	59,597	57,823	103,392	76,076	117,101	80,491	79,617	262,205	111,289	70,616
Fixed asset adjustments			(27,081)		(97,207)	(649,523)	(9,562)			
Other adjustments	6,226				(78,008)	(70,592)				
Prior year receivables canceled									(29,533)	
Loss on Disposal of Capital Assets							(13,057)	(18,807)	(70,587)	(9,029)
Transfers									7,094	
Total governmental activities	8,437,695	8,918,481	9,274,768	8,714,235	7,942,356	7,773,137	7,751,086	9,506,762	9,439,598	9,631,696
Business-type activities:										
Investment earnings	75	82	44	20		21	37	46	78	93
Transfers									(7,094)	
Other adjustments					(6,524)			(2,416)	(443)	19,014
Total business-type activities	75	82	44	20	(6,524)	21	37	(2,370)	(7,459)	19,107
Total district-wide	8,437,770	8,918,563	9,274,812	8,714,255	7,935,832	7,773,158	7,751,123	9,504,392	9,432,139	9,650,803
Changes in Net Position										
Governmental activities	(27,061)	184,511	(254,385)	(214,607)	355,192	(298,372)	635,274	828,658	260,313	(9,667)
Business-type activities	12,633	(31,684)	(25,869)	(3,083)	(19,380)	51,510	42,793	51,262	5,614	22,182
Total district	(14,428)	152,827	(280,254)	(217,690)	335,812	(246,862)	678,067	879,920	265,927	12,515

Source: ACFR Schedule A-2

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

Exhibit J-3

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	614,226	733,810	568,419	631,264	1,113,720	1,164,898	1,481,272	1,714,608	1,798,559	1,844,591
Assigned	182,774	388,285	419,133	220,644	395,895	392,137	154,520	318,081	91,382	109,734
Unassigned	(90,741)	(61,010)	(51,385)	(9,436)	(11,348)	9,347	357,035	44,736	106,891	70,149
Total general fund	706,259	1,061,085	936,167	842,472	1,498,267	1,566,382	1,992,827	2,077,425	1,996,832	2,024,474
All Other Governmental Funds										
Restricted:										
Capital Projects Fund			10,169				687,236	633,887	633,887	633,887
Special revenue fund	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	68,005	17,434	(12,572)	(24,744)
Debt Service Fund		72,800	72,800					9,520	9,519	
Total all other governmental funds	(1,650)	71,150	81,319	(1,650)	(1,650)	(1,650)	755,241	660,841	630,834	609,143

Source: ACFR Schedule B-1

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

Exhibit J-4

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	4,114,702	4,135,902	4,207,026	4,218,366	4,376,989	4,464,529	4,672,561	4,826,226	4,929,416	5,017,553
Tuition and transportation charges	109,044	75,433	95,689	190,128	45,033	12,283	-	-	49,372	29,573
Interest earnings	4,704	4,959	5,035	5,395	5,605	11,709	12,149	10,924	83,181	108,096
Rental	57,446	52,632	53,685	53,685	54,760	55,854	55,854			
Miscellaneous	2,151	5,191	49,707	49,707	62,341	28,623	74,495	354,592	172,369	110,878
State sources	4,087,658	4,203,273	4,338,095	4,430,559	4,281,700	4,325,020	5,039,103	4,925,220	5,229,298	5,227,050
Federal sources	240,105	221,270	242,696	222,578	231,891	280,120	633,113	666,568	403,427	421,237
Total revenue	8,615,810	8,698,660	8,991,933	9,170,418	9,058,319	9,178,138	10,487,275	10,783,530	10,867,063	10,914,387
Expenditures										
Instruction:										
Regular instruction	1,854,515	1,875,979	1,888,431	2,072,401	2,178,357	2,226,086	2,853,837	2,049,984	1,914,307	1,985,560
Special education instruction	433,709	438,123	569,880	431,234	205,680	249,633	234,840	1,058,784	1,074,608	1,195,778
Other special education instruction	174,724	168,420	191,419	134,211	93,867	98,392	81,418	60,709	57,478	95,271
Support Services:										
Tuition	2,311,740	2,114,386	2,481,660	2,460,115	2,026,618	1,943,862	1,589,568	1,588,699	1,750,675	1,896,131
Student & instruction related services	672,099	671,537	671,434	756,423	531,411	535,643	616,431	854,365	1,256,862	1,229,574
General administrative services	197,640	174,384	150,684	174,172	183,923	185,627	284,077	170,640	154,341	171,246
School administrative services	118,310	115,887	120,001	128,114	87,335	136,815	102,111	118,536	42,630	35,696
Business administrative/central services	126,137	117,853	136,464	144,759	144,753	144,939	160,012	151,560	166,880	176,539
Plant operations and maintenance	446,653	347,864	447,736	417,974	432,192	468,389	559,955	502,391	529,071	535,205
Pupil transportation	415,328	440,296	501,145	508,706	516,414	592,292	499,493	677,641	598,618	565,978
Unallocated employee benefits	1,555,479	1,684,683	1,783,612	1,947,286	1,889,328	2,078,181	2,388,413	2,559,244	2,637,702	2,547,631
Charter schools					73,735	70,592		125,374	95,100	137,879
Support Services							420,450			
Capital outlay	122,449	121,622	164,216	144,371	34,638	597,753	2,866,027	654,567	461,383	117,669
Debt service:										
Principal	70,000							153,000	150,000	155,000
Interest and other charges	2,800						65,300	67,840	65,568	63,279
Total Expenditures	8,501,583	8,271,034	9,106,682	9,319,766	8,398,251	9,328,204	12,721,932	10,793,334	10,955,223	10,908,436
Excess (Deficiency) of revenues over (under) expenditures	114,227	427,626	(114,749)	(149,348)	660,068	(150,066)	(2,234,657)	(9,804)	(88,160)	5,951
Other Financing Sources (Uses)										
Transfer in								75,700	78,594	45,393
Transfer out					(4,273)			(75,700)	(71,500)	(45,393)
Bond Proceeds						3,543,000				
Prior year receivables canceled									(29,533)	
Adjustment to State Aid	6,226									
Total other financing sources (uses)	6,226	-	-	-	(4,273)	3,543,000	-	-	(22,439)	-
Net change in fund balances	120,453	427,626	(114,749)	(149,348)	655,795	3,392,934	(2,234,657)	(9,804)	(110,599)	5,951
Debt service as a percentage of noncapital expenditures	0.86%						0.66%	2.18%	2.05%	2.02%

Source: ACFR Schedule B-2

Upper Pittsgrove Township School District
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
(Unaudited)

Exhibit J-5

Fiscal Year Ended June 30,	Interest on Investments	Tuition Adjustments	Transportation	Rentals	Sale of Assets	Prior Year Refunds	Miscellaneous	Totals
2016	$ 4,704	$ 36,696	$ 72,348	57,446		$ -	$ 2,151	$ 173,345
2017	4,959	24,322	51,111	52,632			5,191	138,215
2018	5,035	21,895	73,794	53,685			49,707	204,116
2019	5,395	108,083	82,045	53,685			49,707	298,915
2020	5,605	12,150	32,883	54,760			62,341	167,739
2021	11,709	12,283		55,854			28,623	108,469
2022	12,149	12,283		55,854			23,764	104,050
2023	10,924			37,236		1,368	223,601	273,129
2024	83,181				93,548	14,335	3,406	194,470
2025	108,096					26,546	44,070	178,712

Source: District Records

Upper Pittsgrove Township School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	County Equalized Value
2016	8,817,800	212,154,800	83,088,100	11,006,800	23,411,100	1,480,000	339,958,600	899,152	340,857,752	1.213	315,272,744
2017	7,735,201	210,800,800	83,397,000	11,025,300	23,794,400	1,480,000	338,232,701	869,843	339,102,544	1.241	316,341,845
2018	7,726,301	209,681,100	84,137,700	11,022,900	23,694,400	1,480,000	337,742,401		337,742,401	1.241	306,592,594
2019	7,355,801	209,859,400	84,055,380	11,019,900	23,588,900	1,480,000	337,359,381		337,359,381	1.297	315,495,540
2020	5,752,300	208,405,000	87,009,800	10,772,200	28,159,900	1,493,100	341,592,300		341,592,300	1.307	336,743,198
2021	4,847,100	208,065,800	86,786,000	10,910,900	27,558,700	1,493,100	339,661,600		339,661,600	1.376	333,132,209
2022	4,443,900	208,149,500	87,533,200	10,807,100	27,745,100	1,493,100	340,171,900		340,171,900	1.419	350,873,543
2023	4,299,700	208,681,000	87,150,600	10,770,700	28,545,700	1,493,100	340,940,800		340,940,800	1.446	367,857,048
2023	4,054,800	209,236,600	87,262,700	10,758,000	28,530,700	1,493,100	341,335,900		341,335,900	1.469	410,417,994
2025	3,701,400	211,977,000	86,641,500	10,783,000	28,662,000	1,493,100	343,258,000		343,258,000	1.493	443,969,657

Source: County Abstract of Ratables & Municipal Tax Assessor

Upper Pittsgrove Township School District **Exhibit J-7**
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per $100 of assessed value)

Fiscal Year Ended June 30,	School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Salem County	Municipal Local Purpose	
2016	$ 1.192	$ 0.021	$ 1.213	1.015	0.173	$ 2.401
2017	1.220	0.021	1.241	1.015	0.173	2.429
2018	1.220	0.021	1.241	1.092	0.178	2.511
2019	1.297		1.297	1.134	0.201	2.632
2020	1.307		1.307	1.204	0.212	2.723
2021	1.376		1.376	1.210	0.212	2.798
2022	1.419		1.419	1.275	0.221	2.915
2023	1.446		1.446	1.305	0.230	2.981
2024	1.469		1.469	1.384	0.227	3.080
2025	1.493		1.493	1.369	0.236	3.098

Source: District Records and Municipal Tax Collector

Upper Pittsgrove Township School District **Exhibit J-8**
Principal Property Tax Payers,
Current Year and Nine Years Ago

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Third Garden Park Limited Partners	2,650,000	1	0.78%	1,650,000	2	0.48%
Taxpayer #1	2,104,000	2	0.62%	1,750,000	1	0.51%
BFM Holdings 176 Harding LLC	1,960,000	3	0.57%			
Larchmont Farms Inc	1,913,800	4	0.56%	925,000	7	0.27%
Round About Equipment LLC	1,813,200	5	0.53%			
Oldcastle Lawn & Garden	1,620,600	6	0.47%			
Taxpayer #2	1,597,600	7	0.47%	1,200,000	4	0.35%
Bell Atlantic New Jersey Inc.	1,437,600	8	0.42%	1,200,000	5	0.35%
Taxpayer #3	1,405,800	9	0.41%			
Atlantic City Electric Co.	1,336,100	10	0.39%	1,480,000	3	0.43%
Avis Volkswagen, Inc				1,025,000	6	0.30%
Burris Post Acute Piscataway LLC				910,000	8	0.27%
NJ Bell Telephone Co.				899,152	9	0.26%
DWA LLC				875,000	10	0.26%
Totals	$ 17,838,700		5.23%	$ 11,914,152		3.50%
	District Assessed Value		$ 341,335,900			$ 340,857,752

Source: District ACFR & Municipal Tax Assessor

Upper Pittsgrove Townhip School District **Exhibit J-9**
Property Tax Levies and Collections,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	4,114,702	4,114,702	100%	
2017	4,135,902	4,135,902	100%	
2018	4,207,026	4,207,026	100%	
2019	4,218,366	4,218,366	100%	
2020	4,376,989	4,376,989	100%	
2021	4,464,529	4,464,529	100%	
2022	4,672,561	4,672,561	100%	
2023	4,826,226	4,826,226	100%	
2024	4,929,416	4,929,416	100%	
2025	5,017,553	5,017,553	100%	

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

Upper Pittsgrove Townhip School District **Exhibit J-10**
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities					
	General Obligation Bonds	Lease Liability	Bond Anticipation Notes (BANs)	Total District	Percentage of Personal Income	* Debt Per Capita
2016		$ 127,190		$ 127,190	0.09%	38
2017		60,427		60,427	0.04%	18
2018						
2019						
2020						
2021						
2022	3,543,000			3,543,000	1.87%	1,028
2023	3,390,000	45,840		3,435,840	1.74%	992
2024	3,240,000	26,390		3,266,390	N/A	931
2025	3,085,000	6,646		3,091,646	N/A	N/A

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

* = Per Capital Income data presented is for the entire County of Salem, not only the Township of Upper Pittsgrove.

Upper Pittsgrove Townhip School District **Exhibit J-11**
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	* Per Capita Personal Income
2016	-	-	-	0.00%	43,762
2017	-	-	-	0.00%	44,558
2018	-	-	-	0.00%	45,832
2019	-	-	-	0.00%	48,540
2020	-	-	-	0.00%	51,908
2021	-	-	-	0.00%	55,390
2022	3,543,000	-	3,543,000	1.04%	54,962
2023	3,390,000	-	3,390,000	0.99%	57,119
2024	3,240,000	-	3,240,000	0.95%	n/a
2025	3,085,000	-	3,085,000	0.90%	n/a

Source: School District records; New Jersey Department of Labor and Workforce Development.

* = Per Capital Income data presented is for the entire County of Salem, not only the Township of Upper Pittsgrove.

Upper Pittsgrove Townhip School District **Exhibit J-12**
Direct and Overlapping Governmental Activities Bonded Debt,
As of December 31, 2024 for overlapping debt

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Township of Upper Pittsgrove	$ -	100.00%	$ -
Other Debt			
County of Salem	71,740,428	6.76%	4,849,577
Subtotal, Overlapping Debt			4,849,577
Township of Upper Pittsgroe School District Direct Debt			3,085,000
Total Direct and Overlapping Debt			$ 7,934,577

Sources: Township of Upper Pittsgrove, County of Salem.

Upper Pittsgrove Townhip School District
Legal Debt Margin Information,
Last Ten Fiscal Years

Exhibit J-13

Equalized valuation basis		
2024	$	439,469,422
2023		408,067,983
2022		365,187,225
	$	1,212,724,630
Average equalized valuation of taxable property	$	404,241,543
Debt limit (3% of average)		12,127,246
Net bonded school debt		3,085,000
Legal debt margin	$	9,042,246

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$ 9,142,147	$ 6,342,037	$ 9,412,413	$ 9,408,475	$ 9,542,531	$ 9,822,413	$ 10,167,343	$ 10,505,602	$ 11,236,024	$ 12,127,246
Total net debt applicable to limit	-	-	-	-	-	-	3,543,000	3,390,000	3,240,000	3,085,000
Legal debt margin	$ 9,142,147	$ 6,342,037	$ 9,412,413	$ 9,408,475	$ 9,542,531	$ 9,822,413	$ 6,624,343	$ 7,115,602	$ 7,996,024	$ 9,042,246
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	34.85%	32.27%	28.84%	25.44%

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

Upper Pittsgrove Townhip School District **Exhibit J-14**
Demographic and Economic Statistics,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2016	3,367	147,346,654	43,762	5.2%
2017	3,360	149,714,880	44,558	4.6%
2018	3,361	154,041,352	45,832	4.6%
2019	3,352	162,706,080	48,540	4.1%
2020	3,357	174,255,156	51,908	8.1%
2021	3,454	191,317,060	55,390	6.3%
2022	3,448	189,508,976	54,962	4.1%
2023	3,464	197,860,216	57,119	4.4%
2024	3,507	n/a	n/a	4.6%
2025	n/a	n/a	n/a	n/a

Source: New Jersey Department of Labor and Workforce Development.
Income is for Salem County

Upper Pittsgrove Townhip School District **Exhibit J-15**
Principal Employers,
Current Year and Nine Years Ago

	2025			2016		
Employer	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
	Information not available			*Information not available*		
Totals	-		0.00%	-		100.00%

Source: District Records and Township of Upper Pittsgrove

Upper Pittsgrove Townhip School District **Exhibit J-16**
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program										
Instruction:										
Regular instruction	27.0	29.0	26.0	26.0	29.0	29.0	31.0	27.0	33.0	35.0
Special education	6.0	5.0	7.0	7.0	2.0	2.0	2.0	8.0	10.0	11.0
Other instruction	2.0	3.0	3.0	3.0						
Support Services:										
Tuition	9.0	8.0	11.0	10.0	6.0	6.0	6.0			
Student & instruction related services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	6.0	5.0
General administrative services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.0	3.2
School administrative services							2.0	1.0	1.0	1.0
Business administrative services	3.0	3.0	4.0	5.0	5.0	5.0	2.0	2.0	1.0	1.0
Plant operations and maintenance	2.0	2.0	3.0	3.0	3.0	3.0	3.0	4.0	8.0	5.0
Pupil transportation	7.0								0.5	0.5
Total	61.0	55.0	59.0	59.0	50.0	50.0	51.0	47.0	61.5	61.7

Source: District Personnel Records

Upper Pittsgrove Townhip School District
Operating Statistics,
Last Ten Fiscal Years

Exhibit J-17

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/ Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	338.0	8,306,334	24,575	6.18%	33.0	10.242	354.00	329.30	-0.92%	93.02%
2017	339.0	8,149,412	24,040	-2.18%	37.0	9.162	339.30	322.70	-4.15%	95.11%
2018	327.0	8,942,466	27,347	13.76%	35.3	9.263	326.00	312.00	-3.92%	95.71%
2019	317.0	9,175,395	28,944	5.84%	35.5	8.930	298.00	290.40	-8.59%	97.45%
2020	332.0	8,363,613	25,192	-12.97%	30.7	10.814	290.00	276.00	-2.68%	95.17%
2021	327.0	8,730,451	26,699	5.98%	30.7	10.651	290.00	276.00	0.00%	95.17%
2022	326.0	9,790,605	30,033	12.49%	33.0	9.879	321.00	299.00	10.69%	93.15%
2023	341.0	9,917,927	29,085	-3.16%	37.0	9.216	340.21	314.29	5.98%	92.38%
2024	326.0	10,278,272	31,528	8.40%	33.0	9.879	342.80	292.90	0.76%	85.44%
2025	340.0	10,572,488	31,096	-1.37%	35.0	9.714	337.71	315.90	-1.48%	93.54%

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

Upper Pittsgrove Townhip School District
School Building Information,
Last Ten Fiscal Years

Exhibit J-18

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Buildings										
Elementary										
Square Feet	64,828	64,828	64,828	64,828	64,828	64,828	64,828	64,828	64,828	64,828
Capacity (students)	375	375	375	375	375	375	375	375	375	375
Enrollment	338	339	327	317	332	327	326	341	326	340

Number of Schools at June 30, 2025
Elementary - 1

Source: District Records, ASSA

Upper Pittsgrove Townhip School District **Exhibit J-19**
General Fund
Schedule of Required Maintenance for School Facilities,
Last Ten Fiscal Years
(Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Gross Square Footage	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Upper Pittsgrove Township School	77,870	55,093	61,837	58,524	46,823	42,248	60,754	175,719	136,866	128,000	147,484

Source: District Records

Upper Pittsgrove Townhip School District **Exhibit J-20**
Insurance Schedule
For the Year Ended June 30, 2025
(Unaudited)

Company	Type of Coverage	Amount of Coverage	Deductible
New Jersey School Board Association Insurance Group	School Package Policy:		
	Property - Blanket Buildings & Contents	$ 20,551,335.00	$ 5,000.00
	Board of Education Legal Liability		
	Aggregate for each Annual Policy	6,000,000.00	
	Insured Retained Limit (each loss)	5,000.00	
	Electronic Date Processing Equipment Article II		
	Hardware/Software and	350,000.00	1,000.00
	Computer Virus	250,000.00	
	Crime Coverage Article IV		
	Public Employee Dishonesty	100,000.00	1,000.00
	Commerical General Liability Article V		
	Bodily Injury & Property Damage	6,000,000.00	
	Products Completed Operations	6,000,000.00	
	Sexual Abuse	6,000,000.00	
	Sexual Abuse - Annual Aggregate	15,000,000.00	
	Sexual Abuse - NJSIG aggregate	27,000.00	
	Personal & Advertising Injury Limit	6,000,000.00	
	Employee Benefits Liability	6,000,000.00	1,000.00
	Premise Medical Payments	10,000.00	
		5,000.00	per person limit
	Terrorism	1,000,000.00	
	Automobile Article VI		
	Combined Single Limit	6,000,000.00	
	Workers' Compensation		
	Bodily Injury - Each Accident/Disease	3,000,000.00	
	Bodily Injury - Each Employee	3,000,000.00	
	Maximum Coverage	3,000,000.00	
Selective Insurance Companu	Individual Bonds:		
	School Business Administrator		
	Jessica Pate	260,000.00	

Source: District Records

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SINGLE AUDIT SECTION

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FORD-SCOTT
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Exhibit K-1

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

Honorable President and
Members of the Board of Education
Township of Upper Pittsgrove School District
County of Salem
State of New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Upper Pittsgrove Township School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Upper Pittsgrove Township School District's basic financial statements, and have issued our report thereon dated November 4, 2025.

Report on Internal Control over Financial Reporting

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

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

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

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Ford, Scott & Associates, L.L.C.

Ford, Scott & Associates, LLC.
Certified Public Accountants

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 4, 2025

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Exhibit K-2

Report on Compliance with for Each Major State Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance required by *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance),* and New Jersey OMB's Circular 15-08

Honorable President and
Members of the Board of Education
Upper Pittsgrove Township School District
County of Salem, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal & State Program

We have audited the Upper Pittsgrove Township School District's compliance with the types of compliance requirements described 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 Upper Pittsgrove Township School District's major federal and state programs for the year ended June 30, 2025. The Upper Pittsgrove Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal & State Program

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance 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 Upper Pittsgrove Township School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Upper Pittsgrove Township School District's compliance with the 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 its Federal and State programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 City of Ocean City School 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 Upper Pittsgrove Township School 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 NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of City of Ocean City School 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 no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

Report on Internal Control Over Compliance

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

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

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

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

.

Ford, Scott & Associates, L.L.C.

Ford, Scott & Associates, LLC.
Certified Public Accountants

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 4, 2025

UPPER PITTSGROVE SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant or Project Number	Grant Period	Award Amount	Balance at June 30, 2024 Accounts Receivable	Balance at June 30, 2024 Unearned Revenue	Carryover	Cash Received	Budgetary Expenditures Source Pass Through	Budgetary Expenditures Total	Adjustments	Unearned Revenue	Balance at June 30, 2025 (Accounts Receivable)	Balance at June 30, 2025 Due to Grantor
U. S. Department of Agriculture															
Passed-through State Department of Agriculture:															
Enterprise Fund:															
Food Distribution Program	10.555	20251NJ304N1099	N/A	7/1/24 - 6/30/25	$ 12,151	$	$	$	12,151	$ (12,151)	$ (12,151)			$ -	$
School Breakfast Program	10.553	20251NJ304N1099	N/A	7/1/24 - 6/30/25	15,414				14,526	(15,414)	(15,414)			(888)	
School Breakfast Program	10.553	20241NJ304N1099	N/A	7/1/23 - 6/30/24	11,558	(603)			603		-				
National School Lunch Program	10.555	20251NJ304N1099	N/A	7/1/24 - 6/30/25	47,484				44,689	(47,484)	(47,484)			(2,795)	
National School Lunch Program	10.555	20241NJ304N1099	N/A	7/1/23 - 6/30/24	35,171	(1,873)			1,873		-				
					-					-	-				
Total Child Nutrition Cluster						(2,476)	-	-	73,842	(75,049)	(75,049)			(3,683)	-
Local Food for Schools	10.185	20251NJ304N1099	N/A	7/1/24- 6/30/25	1,679				1,679	(1,679)	(1,679)				
P-EBT Administrative Summer	10.646	2022225900941	N/A	7/1/24- 6/30/25	643				643	(643)	(643)				
						-	-	-	2,322	(2,322)	(2,322)	-	-	-	-
Total Enterprise Fund						(2,476)	-	-	76,164	(77,371)	(77,371)	-	-	(3,683)	-
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
Title I, Part A	84.010A	S010A240030	ESEA532025	7/1/24 - 9/30/25	90,952				55,288	(77,944)	(77,944)			(22,656)	
Title I, Part A	84.010A	S010A230030	ESEA532024	7/1/23 - 9/30/24	83,620	(47,908)			47,908		-				
Total Title I						(47,908)			103,196	(77,944)	(77,944)			(22,656)	
Title II	84.367A	S367A240029	ESEA532025	7/1/24 - 9/30/25	8,096				8,096	(8,096)	(8,096)			-	
Total Title II						-	-	-	8,096	(8,096)	(8,096)	-	-	-	-
Title IV	84.424A	S365A240030	ESEA532025	7/1/24 - 9/30/25	15,742				6,154	(15,742)	(15,742)			(9,588)	
Title IV	84.424A	S365A230030	ESEA532024	7/1/23 - 9/30/24	10,000	(4,258)			4,258						
Total Title IV						(4,258)	-	-	10,412	(15,742)	(15,742)	-	-	(9,588)	-
Special Education Cluster															
IDEA Part B - Basic	84.027A	H027A240100	IDEA532025	7/1/24 - 9/30/25	105,793				85,009	(99,177)	(99,177)			(14,168)	
IDEA Part B - Basic	84.027A	H027A230100	IDEA532024	7/1/23 - 9/30/24	107,106	(78,709)			78,709						
IDEA Part B - Preschool	84.173A	H173A240114	IDEA532025	7/1/24 - 9/30/25	3,894										
IDEA Part B - Preschool	84.173A	H173A230114	IDEA532024	7/1/23 - 9/30/24	7,979	(2,987)			2,987						
Total Special Education Cluster						(81,696)			166,705	(99,177)	(99,177)			(14,168)	
Rural Education Achievement Program	84.358A	S358A242738	N/A	7/1/24 - 9/30/25	27,854				8,003	(18,003)	(18,003)			(10,000)	
Rural Education Achievement Program	84.358A	S358A232623	N/A	7/1/23 - 9/30/24	26,565	(22,090)			26,565	(4,475)	(4,475)				
Rural Education Achievement Program	84.358A	S358A222750	N/A	7/1/22 - 9/30/23	19,472	(19,472)			19,472						
Total REAP						(41,562)	-	-	54,040	(22,478)	(22,478)	-	-	(10,000)	-
Cares Act Education Stabilization Fund															
High Impact tutoring	84.425V	E2400404	N/A	10/11/23 -6/30/25	30,275	(27,000)				(3,972)	(3,972)	5,000		(25,972)	
ARP - ESSER	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	577,865	(72,305)			162,165	(89,860)	(89,860)				
ARP - Accelerated Learning (Instruction)	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	50,000	(47,900)			47,900						
ARP - Evidence Based Summer Learning	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	40,000	(10,211)			37,500	(27,289)	(27,289)				
ARP - Beyond the School Day (Afterschool)	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	40,000	(40,000)			40,000						
ARP - NJTSS Mental Health	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	45,000	(33,020)			39,000	(5,980)	(5,980)				
Total Education Stabilization Fund						(230,436)	-	-	326,565	(127,101)	(127,101)	5,000	-	(25,972)	-
Total Special Revenue Fund						(405,860)	-	-	669,014	(350,538)	(350,538)	5,000	-	(82,384)	-
Total Federal Financial Assistance						(408,336)	-	-	745,178	(427,909)	(427,909)	5,000	-	(86,067)	-

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

UPPER PITTSGROVE SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2024 Deferred Revenue (Accounts Receivable)	Balance at June 30, 2024 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments / Repayment of Prior Years' Balances	Balance at June 30, 2025 (Accounts Receivable)	Balance at June 30, 2025 Deferred Revenue/	Balance at June 30, 2025 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education															
General Fund:															
State Aid Public Cluster:															
Special Education Aid	25-495-034-5120-089	393,435	7/1/2024	6/30/2025	$ -	$ -	$ -	$ 393,435	$ (393,435)	$ -	$ -	$ -	$ -	$ 38,574	$ 393,435
School Choice Aid	25-495-034-5120-068	281,580	7/1/2024	6/30/2025				281,580	(281,580)					27,607	281,580
Security Aid	25-495-034-5120-084	55,469	7/1/2024	6/30/2025				55,469	(55,469)					5,438	55,469
Equalization Aid	25-495-034-5120-078	1,767,120	7/1/2024	6/30/2025				1,767,120	(1,767,120)					173,253	1,767,120
Total State Aid Public Cluster					-	-	-	2,497,604	(2,497,604)	-	-	-	-	244,872	2,497,604
Transportation Aid	25-495-034-5120-014	271,073	7/1/2024	6/30/2025				271,073	(271,073)					26,577	271,073
Non-public Transportation Aid	25-495-034-5120-014	9,340	7/1/2024	6/30/2025					(9,340)		(9,340)				9,340
Non-public Transportation Aid	24-495-034-5120-014	12,540	7/1/2023	6/30/2024	(12,540)			12,540							12,540
Extraordinary Aid	25-100-034-5120-044	82,258	7/1/2024	6/30/2025					(82,258)		(82,258)				82,258
Extraordinary Aid	24-100-034-5120-044	97,194	7/1/2022	6/30/2023	(97,194)			97,194							97,194
On-Behalf TPAF Pension	25-495-034-5094-002	1,010,439	7/1/2024	6/30/2025				1,010,439	(1,010,439)						1,010,439
On-Behalf TPAF Post-Retirement	25-495-034-5094-001	295,251	7/1/2024	6/30/2025				295,251	(295,251)						295,251
On-Behalf TPAF - Non-contributory Insurance	25-495-034-5094-004	397	7/1/2024	6/30/2025				397	(397)						397
Reimbursed TPAF Social Security	25-495-034-5094-003	225,710	7/1/2024	6/30/2025				214,361	(225,710)		(11,349)				225,710
Reimbursed TPAF Social Security	24-495-034-5094-003	222,134	7/1/2023	6/30/2024	(11,536)			11,536							222,134
Total General Fund					(121,270)	-	-	4,410,395	(4,392,072)	-	(102,947)	-	-	271,449	4,723,940
Special Revenue Fund:															
Preschool Education Aid	25-495-034-5120-086	862,467	7/1/2024	6/30/2025			184,662	862,467	(814,032)			233,097		86,247	814,032
Preschool Education Aid	24-495-034-5120-086	786,500	7/1/2023	6/30/2024	270,564		(184,662)					85,902			800,216
Preschool Education Aid	23-495-034-5120-086	756,504	7/1/2022	6/30/2023	4,496					(4,496)		-			571,978
State of New Jersey Dept of Community Affairs															
Local Recreation Grant	25-495-022-8030-668	65,000	4/25/2024	4/30/2026					(64,988)		(64,988)				64,988
Local Recreation Grant	23-495-022-8030-668	23,344	5/17/2023	12/31/2024	(23,344)			23,344							23,344
School Development Authority															
SDA Emergent and Capital Needs	24-100-034-5120-086	23,540	7/1/2024	6/30/2025				23,540	(23,540)						23,540
Total Special Revenue Fund					251,716	-	-	909,351	(902,560)	(4,496)	(64,988)	318,999	-	86,247	2,313,163
State Department of Education															
Debt Service Fund:															
Debt Service Aid	25-100-034-5120-017	70,994	7/1/2024	6/30/2025				70,994	(70,994)						70,994
Total Debt Service Fund					-	-	-	70,994	(70,994)	-	-	-	-	-	70,994
State Department of Agriculture:															
Enterprise Fund:															
State School Lunch Program	24-100-010-3350-023	2,539	7/1/2024	6/30/2025				2,395	(2,539)		(144)				2,539
State School Lunch Program	24-100-010-3350-023	1,512	7/1/2023	6/30/2024	(76)			76							1,512
State School Breakfast Program	24-100-010-3350-023	704	7/1/2024	6/30/2025				665	(704)		(39)				704
State School Breakfast Program	24-100-010-3350-023	121	7/1/2023	6/30/2024	(4)			4							121
Total Enterprise Fund					(80)	-	-	3,140	(3,243)	-	(183)	-	-	-	4,876
Total State Financial Assistance					$ 130,366	$ -	$ -	$ 5,393,880	$ (5,368,869)	$ (4,496)	$ (168,118)	$ 318,999	$ -	$ 357,696	$ 7,112,973
Less: On-Behalf TPAF Pension	25-495-034-5094-002	1,010,439	7/1/2024	6/30/2025					(1,010,439)						
Less: On-Behalf TPAF Post-Retirement	25-495-034-5094-001	295,251	7/1/2024	6/30/2025					(295,251)						
Less: On-Behalf TPAF LTD	25-495-034-5094-004	397	7/1/2024	6/30/2025					(397)						
									(1,306,087)						
							Total State Financial Assistance		(4,062,782)						

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

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2025

Note 1: General

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

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance and NJ OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The School District has elected not to use the 10% de minimis indirect cost rate.

Note 3: Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes that payment is 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 revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($18,606) for the general fund and ($69,271) for the special revenue fund. See the Notes to the Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

	Federal	State	On-Behalf Contributions	Total
General Fund	$ -	4,373,466	(1,531,797)	2,841,669
Special Revenue Fund	421,237	782,590		1,203,827
Debt Service Fund		70,994		70,994
Food Service Fund	66,371	3,243		69,614
Total Financial Assistance	$ 487,608	5,230,293	(1,531,797)	4,186,104

The On-Behalf Pension Contributions made for the District by the State of New Jersey are recognized as revenue in the basic financial statements but are not considered in the major program determination.

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

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

Note 6: Adjustments

Amounts reported in the column entitled "adjustments" are shown in the table below for fiscal year 2024-2025:

		Federal	State
Prior year payable canceled	$	5,000	
Prior year deferred revenue correction			(4,496)
Total Financial Assistance	$	5,000	(4,496)

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2025

Exhibit K-6

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified Opinion
Internal control over financial reporting:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Noncompliance material to basic financial statements noted?	No

Federal Awards - NOT APPLICABLE

Internal control over major programs:

1) Material weakness identified?

2) Significant deficiencies identified?

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Uniform Guidance?

Identification of major programs:

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

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

Auditee qualified as low-risk auditee?

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2025
(CONTINUED)

Exhibit K-6

Section I – Summary of Auditor's Results (Continued)

State Awards

Dollar threshold used to distinguish between type A and Type B Programs:	$750,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified Opinion
Internal Control over major programs:	
1) Material weaknesses identified?	No
2) Significant deficiencies identified?	None reported
Any audit findings disclosed that are required to be reported In accordance with NJ OMB Circular Letter 15-08?	No

Identification of major programs:

Grant/Project Number(s)	Name of State Program
	State Aid Public Cluster
495-034-5120-089	Special Education Aid
495-034-5120-068	School Choice Aid
495-034-5120-084	Security Aid
495-034-5120-078	Equalization Aid

Section II - Financial Statement Findings

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

None

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

FEDERAL AWARDS

Not applicable.

STATE AWARDS

Our audit disclosed no matters to be reported.

UPPER PITTSGROVE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDING JUNE 30, 2025
(CONTINUED)

Exhibit K-7

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

Not Applicable.

State Financial Assistance

No Prior Year Findings.