

**WEST MORRIS REGIONAL
HIGH SCHOOL DISTRICT**

**West Morris Regional High School District Board of Education
Chester, New Jersey**

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

Annual Comprehensive Financial Report

of the

**West Morris Regional
High School District**

Chester, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

**West Morris Regional High School District
Board of Education**

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INTRODUCTORY SECTION
(UNAUDITED)



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

10 SOUTH FOUR BRIDGES ROAD, CHESTER, NEW JERSEY 07930

Phone: (908) 879-6404 www.wmrhsd.org



STEVE RYAN
SUPERINTENDENT OF SCHOOLS

DR. REBECCA KIPP-NEWBOLD
ASSISTANT SUPERINTENDENT, OPERATIONS & HR

SHARON KRIZKO
BUSINESS ADMINISTRATOR/BOARD SECRETARY

October 31, 2025

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the West Morris Regional High School District (the "District") for the fiscal year ended June 30, 2025 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the West Morris Regional High School District Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. REPORTING ENTITY AND ITS SERVICES: West Morris Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The West Morris Regional High School District Board of Education and all its schools constitute the District's reporting entity.

The District, serving the Boroughs of Chester and Mendham and the Townships of Chester, Mendham and Washington, was formed on March 2, 1956, pursuant to Chapter 13 of Title 18A of New Jersey Statutes, which authorizes two or more municipalities to create a regional school district upon the approval of the voters of each of said municipalities.



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The Honorable President and Members
of the Board of Education
West Morris Regional High School District
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The School District is one of “limited purpose” in that it does not operate a K-8 school system; instead, K-8 students of the municipalities attend separate K-8 school districts maintained by four of the five municipalities. Chester Borough and Chester Township schools are consolidated under the name “Chester Township School District” and the remaining three municipalities constitute separate districts.

The School District operates two, grade 9-12, comprehensive high schools: West Morris Mendham High School, which is located in Mendham Borough, and West Morris Central High School, which is located in Washington Township. Students residing in Washington Township generally attend West Morris Central High; students residing in Chester Borough, Chester Township, Mendham Township and Mendham Borough generally attend West Morris Mendham High.

The School District is administered by a nine-member Board of Education (“the Board”), with three members elected each year for three-year terms. A candidate for the Board must have resided in the School District for at least one year and not be interested directly in any claim or contract with the Board. Board members serve without compensation. The Board annually chooses a President and a Vice President from among its members and also appoints the Treasurer of School Monies, Board Secretary/Business Administrator, and Assistant Board Secretary. The Superintendent of Schools is appointed by the Board on a renewable contractual basis for a minimum of three and a maximum of five years. In January 2012, the Board voted to move the election to November as allowed by NJ Statutes, forgoing a budget vote for four years, provided the budget is at or below the tax cap indicated within state statute. Bonds authorized by the Board for capital projects must be approved or disapproved by the voters in the School District in a referendum election which may be held at various specific times in accordance with State statute.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational as well as special education for students with educational disabilities. The District completed the 2024/2025 fiscal year with an average daily enrollment of 2,032 students. The following table illustrates the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2024-2025	2,032	(0.37%)
2023-2024	2,040	(0.92%)
2022-2023	2,059	(5.46%)
2021-2022	2,178	(1.76%)
2020-2021	2,217	(5.94%)



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The Honorable President and Members
of the Board of Education
West Morris Regional High School District
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October 31, 2025

2. ECONOMIC CONDITION AND OUTLOOK: The five communities that comprise the District enjoy a relatively stable economic environment. Enrollments are projected to decline slightly in the near term and stabilize by 2028-2029. The Board of Education remains a consistent steward of taxpayer funds.

3. MAJOR INITIATIVES: The district ranks highly on standardized tests, with students scoring well above state and national averages on SAT, ACT, AP, and IB examinations. In fact, the West Morris Regional High School District is one of only 433 districts in the nation named to the College Board's Advanced Placement Honor Roll and one of only two New Jersey districts authorized to award both the IB Diploma and the Career-related certificate. Professional development focuses on the needs of the IB Programmes, the Approaches to Teaching and Learning, and the effective implementation of instructional technology and Generative AI. The district continues to prioritize student wellness through dedicated program and personnel resources, additional practices integrated into school life, and the highly successful Unified Sports program at both schools. A successful bond referendum in March 2024 has paved the way for the district to plan roof replacements, HVAC renovations, and upgrades to our technology education classrooms.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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



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

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

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

8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents, and fidelity bonds. The Board oversees Risk Management for the District. A schedule of insurance coverage is found in Exhibit J-20.

9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia, LLP, CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and Government Auditing Standards are included in the single audit section of this report.



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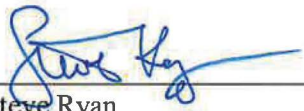
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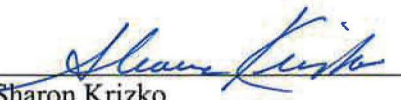
The Honorable President and Members
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10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the West Morris Regional High School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



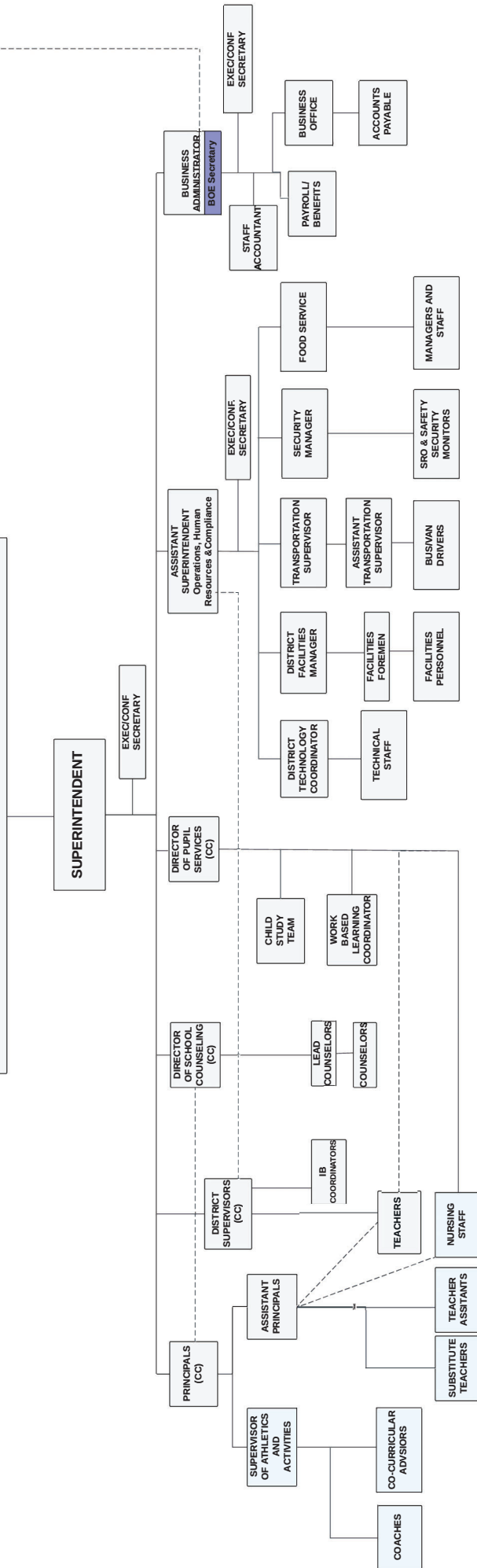
Steve Ryan
Superintendent



Sharon Krizko
Business Administrator/Board Secretary



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BOARD OF EDUCATION



JUNE 30, 2025



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

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MELISSA HEIKE
ASSISTANT SUPERINTENDENT, CURRICULUM & INSTRUCTION

ROSTER OF OFFICIALS AS OF JUNE 30, 2025

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Robert Strobel	President	December	2026
Lisa Woodring	Vice President	December	2025
Suzanne Bliesath	Member	December	2026
Thomas Brooks	Member	December	2025
Natasha Chandler	Member	December	2026
Robert Vicci	Member	December	2027
Peter Pappas	Member	December	2025
John Sheppard	Member	December	2027
Susan Reuter	Member	December	2027

OTHER OFFICIALS

Steve Ryan, Superintendent

Sharon Krizko, Business Administrator/Board Secretary

Jon Rheinhardt, Treasurer

Matthew Giacobbe, Esq., Board Attorney

Riker, Danzig, Scherer, Hyland & Perretti, Conflict Resolution Attorney

David J. Ruitenbergh, Esq., Construction Attorney



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Bordentown, New Jersey 08505

School Attorney

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Insurance Consultant

Burton Agency
44 Bergen street
Westwood, NJ 07675

Conner, Strong & Buckelew
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Suite 216
Parsippany, New Jersey 07054



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Official Depository

TD Bank 56 Flanders-Bartley Road Flanders, New Jersey 07836	NJ/ARM 200 PrincetonSouth Corporation Center Suite 270 A Ewing, NJ 08628
County of Morris Department of Finance P.O. Box 900 Morristown, NJ 07963-0900	NJ Cash Management State of NJ Cash Management Fund P.O. Box 75205 Chicago, IL 60675-5205

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

October 31, 2025
Mt. Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
for Fiscal Year End June 30, 2025
(Unaudited)

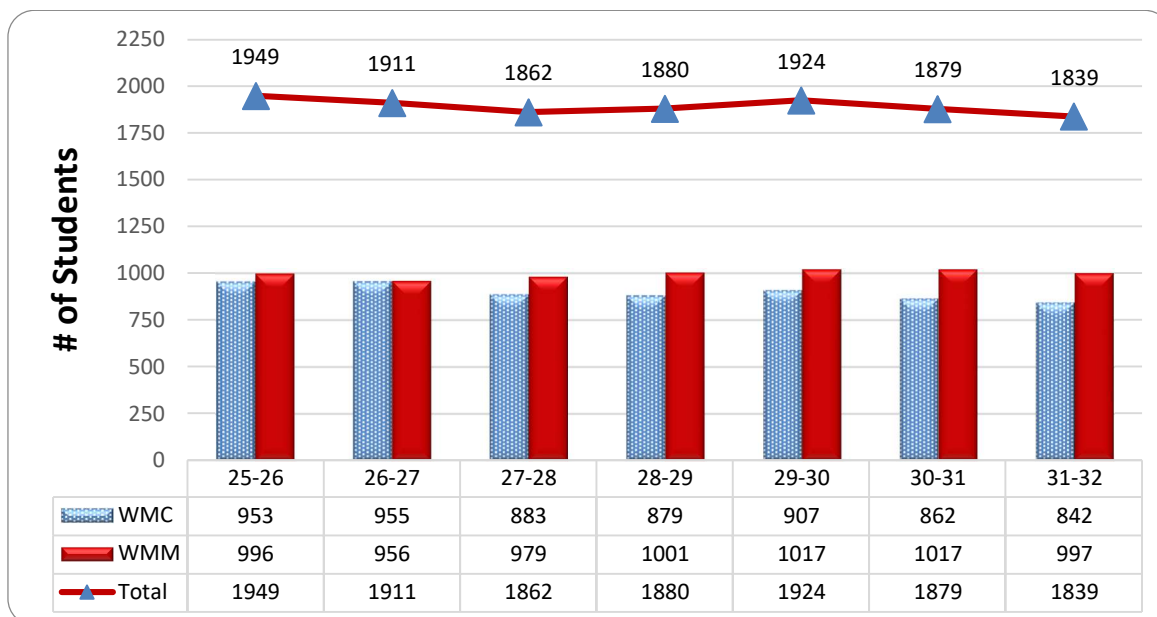
Management's Discussion and Analysis:

The discussion and analysis of West Morris Regional High School District's financial performance provides an overall review of the district's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to review the district's financial performance in aggregate; readers should also review the basic financial statements and notes to enhance their understanding of the district's financial performance.

Municipalities Comprising the Regional District:

The West Morris Regional High School District was established in 1956, and is located in bucolic Morris County, New Jersey. West Morris Regional is one of the Nation's premier International Baccalaureate (IB) high school districts and provides a full range of educational, co-curricular and athletic services for grades 9 through 12 to the students of Chester Borough, Chester Township, Mendham Borough, Mendham Township and Washington Township in Morris County, New Jersey. The district has an excellent academic reputation with two highly regarded high schools, West Morris Central (WMC) and West Morris Mendham (WMM). In addition to being named to the College Board's Advanced Placement Honor Roll, West Morris Regional is one of two New Jersey districts authorized to award both the IB Diploma and the Career-related certificate.

The chart below reflects each school's enrollment as of October 15, 2025 and a five-year projection.



Note: projections are based on our constituent K-8 districts kids in seats.

District's Mission

The West Morris Regional High School District is guided by one simple mission – to advance student growth and learning. In West Morris, we believe that the only way to effectuate better outcomes is to ensure that our students and staff are highly engaged, balanced, and reflective at all levels and in all environments.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2025 (Unaudited)

We also know that increased student engagement can only occur through adherence to the following:

1. Recruit, develop, and retain the most dynamic/passionate educators.
2. Develop, evaluate, and continuously assess the depth and relevance of our curricula and programs.
3. Ensure that our facilities are well maintained and meet the social, emotional, academic, and extra-curricular needs of our students/staff.
4. Develop budgets capable of maintaining and growing our programs while being both responsible and responsive to community needs.

Our mission statement is the starting point for staff to integrate innovations into the district's curriculum while providing dynamic experiences in the classrooms that empower its students to learn and succeed. The district's students continue to achieve above state and national averages due to these efforts.

Summary of Financial Performance:

The district's budget is prepared four months prior to the start of the fiscal year in accordance with New Jersey State statutes. This time delay results in periodic adjustments to the original appropriations of the annual operating budget throughout the fiscal year. The district practice is to minimize transfers between major accounts.

The following chart provides a summary of revenues initially anticipated for the 2024-2025 fiscal year budget and the change from the prior year budget.

SOURCE of REVENUES	2023-24	2024-25	\$ inc/(dec)
Tax Revenue	\$49,654,854	\$50,647,951	\$993,097
Debt Svc. (Bonds)	\$2,092,480	\$1,510,022	-\$582,458
TAX LEVY TOTALS:	\$51,747,334	\$52,157,973	\$410,639
	% overall tax levy increase		0.79%
State Aid Revenue	\$3,814,662	\$3,998,864	\$184,202
Fund Balance	\$4,496,471	\$5,793,791	\$1,297,320
Misc. Revenues	\$1,630,254	\$1,369,026	-\$261,228
Special Revenue-Fed/IDEA Funds	\$667,006	\$623,880	-\$43,126
Capital Reserve withdrawal	\$830,000	\$2,106,950	\$1,276,950
	\$11,438,393	\$13,892,511	\$2,454,118
TOTAL REVENUE/BUDGET:	\$63,185,727	\$66,050,484	\$2,864,757
	% overall revenue/budget increase		4.53%

The state mandated tax levy cap of 2%, plus allowable waivers if any, is the maximum increase that all NJ Public Schools must adhere to as the budget is developed. State law also allows Boards of Education (BOE) to opt out of the election process as long as the budget is at or below the established cap. West Morris Regional BOE did vote to opt out, choosing to remain within the established tax levy cap. The tax increase was 0.79% over last school year and a budgetary increase of 4.53% over the prior year. State aid revenue for 2024-2025 increased \$184,202 or 4.8% above the 2023-2024 level. The state aid revenue above does not include FICA reimbursements or extraordinary aid received from the state since funds are not included in the regular budget process.

Staffing costs represent 70.0% of the annual budget. The district participates in collective bargaining with its staff and strives to contain labor costs within the competitive market. As of July 1, 2025, all four of four bargaining unit contracts are currently in force. The teacher contract, the largest labor cost of the district, negotiated a settlement agreement in 2024-2025 and expires on June 30, 2029.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2025 (Unaudited)

In addition, the district's budget practices, and conservative spending generated an excess surplus of \$3,755,835 to be allocated in fiscal year 2026-2027. This is due to funds budgeted that were not needed as anticipated.

Finally, the West Morris Regional High School District is committed to financial discipline. The district's financial planning, budgeting and internal controls provide structural integrity to its financial system. The school district continues to practice sound fiscal management and meet its financial responsibilities.

Explanation of the Annual Comprehensive Financial Report (ACFR):

The Annual Comprehensive Financial Report presents the district's financial position as of June 30, 2025 and it is the annual financial report of the district. This report consists of three parts: Management Discussion and Analysis (this section); Basic Financial Statements; Notes to the basic financial statements and Required Supplementary Information.

Basic Financial Statements:

The Basic Financial Statements present the district's financial activity from two different points of view: District-Wide and Fund-Based.

District-Wide: The first two statements in this Report, Statement of Net Position and Statement of Activities, are district-wide financial statements that provide both short-term and long-term information about the district's overall financial position. These statements consider the financial activities for the entire operating entity (as if specific-purpose funds did not exist) and quantify whether the district's overall financial position has improved or diminished during the fiscal year. In these statements, assets, deferred outflows and inflows of resources and liabilities are reported using the accrual basis of accounting; revenues are recorded when earned and expenses when incurred, regardless of when cash is received or paid. Additionally, in the Statement of Net Position and Statement of Activities, the district's financial activity is divided into two kinds of activities, Governmental and Business Type.

Fund Based: The remaining statements are fund financial statements that focus on specific purposes of the district and report the operations of these purposes in more detail than the district-wide statements.

The district's Governmental Funds provide a short-term view of the district's general operations for regular and special education, transportation and administration. These Governmental Funds include the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund. Assets and liabilities are reported using a modified-accrual accounting basis, in which cash and all other financial assets are recorded when they can be readily converted to cash. Revenues are recorded when cash is received or is expected to be received soon after year-end. Expenditures are recorded when goods (or services) have been received and the related liability is due and payable.

The Proprietary Fund contains services that are provided on a charge-for-service basis, such as the district's food service program. Assets and liabilities are reported using the accrual basis of accounting; revenues are recorded when earned and expenses when incurred, regardless of when cash is received or paid.

The Notes to the Financial Basic Statements explain some of the information in the statements and provide more detailed data than noted in the Basic Financial Statements.

Finally, the section of Required Supplementary Information explains and supports the financial statements with a comparison of district data over multiple years.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2025 (Unaudited)

District-Wide Viewpoint:

Condensed Statement of Net Position During 2024-2025 the district's total Net Position increased \$3,307,771, or 7.18%. Net Position for Governmental Activities increased \$3,259,423, and Net Position from Business Activities increased by \$48,348.

	Governmental Activities		Business Activities		TOTAL	TOTAL	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	%
ASSETS:							
Current & Other Assets	\$41,439,713	\$43,754,803	\$ 210,428	\$ 156,831	\$41,650,141	\$43,911,634	
Capital Assets, Net	\$ 46,737,559	\$ 43,133,151	\$ 2,790	\$ 2,960	\$ 46,740,349	\$ 43,136,111	
Lease Assets, Net	\$ 974,347	\$ 656,028	\$ -	\$ -	\$ 974,347	\$ 656,028	
TOTAL ASSETS	\$89,151,619	\$87,543,982	\$ 213,218	\$ 159,791	\$89,364,837	\$87,703,773	1.89%
Deferred Outflows of Resources	\$ 1,442,496	\$ 1,369,261	-	-	\$ 1,442,496	\$ 1,369,261	5.35%
LIABILITIES:							
Other Liabilities	\$ 2,077,832	\$ 1,614,301	\$ 35,938	\$ 30,859	\$ 2,113,770	\$ 1,645,160	
Long Term Liabilities	\$ 38,774,493	\$ 40,688,154	\$ 5,000	\$ 5,000	\$ 38,779,493	\$ 40,693,154	
TOTAL LIABILITIES	\$40,852,325	\$42,302,455	\$ 40,938	\$ 35,859	\$40,893,263	\$42,338,314	-3.41%
Deferred Inflows of Resources	\$ 543,972	\$ 672,393	\$ -	\$ -	\$ 543,972	\$ 672,393	-19.10%
NET POSITION:							
Investment in							
Capital Assets	\$ 40,286,604	\$ 38,390,377	\$ -	\$ -	\$ 40,289,394	\$ 38,393,337	
Restricted	\$ 13,994,190	\$ 11,422,607	\$ 2,790	\$ 2,960	\$ 13,994,190	\$ 11,422,607	
Unrestricted (Deficit)	\$ (5,082,976)	\$ (3,874,589)	\$ 169,490	\$ 120,972	\$ (4,913,486)	\$ (3,753,617)	
TOTAL NET POSITION	\$ 49,197,818	\$ 45,938,395	\$ 172,280	\$ 123,932	\$ 49,370,098	\$ 46,062,327	7.18%

Net Position "Net Investment in Capital Assets" increased \$1,896,057 primarily as a result of \$6,085,390 in asset additions, a net increase in lease assets being amortized of \$318,319, a net decrease in financed purchases payable of \$1,141,300 and an \$802,000 decrease in bonded debt, offset by \$(2,481,152) in depreciation, a net decrease in leases payable of \$(305,657) and \$(3,664,143) of bonded debt that was expended and capitalized.

Restricted Net Position increased \$2,571,583 as a result of net increases in excess surplus of \$256,716, capital reserve of \$1,954,719 and student activities of \$20,160, as well as, \$3,664,143 of bonded debt that was expended and capitalized and an increase in debt service fund of \$165,077, offset by net decreases in unemployment compensation of \$(13,849), scholarships of \$(751), laptop insurance of \$(2,800) and capital projects expenditures of \$(3,471,832).

Unrestricted (Deficit) in Net Position increased by \$1,159,869 primarily due to revenues in excess of and expenditures under budgeted amounts offset by an increase in deposits to capital reserve.

Statement of Activities - Operating Results:

The overall impact of school operations resulted in a decrease of \$(30,306) over 2023-2024 results. Revenues decreased in total by (1.68)% or \$(1,106,409) primarily attributable to the decrease in Operating Grants and Contributions. Expenses decreased as well by (1.72)% or \$(1,076,103). The decrease in expenses is due primarily to a decrease in spending for Instruction and Pupil and Instruction Services.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2025 (Unaudited)

Comparative Changes in Net Position

Changes in Net Position from Operating Results	Governmental Activities		Business Activities		TOTAL		VARIANCE	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	\$'s	%
REVENUES:								
Program Revenues								
Charges for Service	\$ 708,865	\$ 825,631	\$1,005,572	\$1,017,871	\$ 1,714,437	\$ 1,843,502	\$ (129,065)	
Operating Grants & Contrib.	\$ 8,797,850	\$ 10,597,668			\$ 8,797,850	\$ 10,597,668	\$ (1,799,818)	
Capital Grants & Contrib.	\$ -	\$ 56,557			\$ -	\$ 56,557	\$ (56,557)	
General Revenues								
Property Taxes	\$ 52,157,973	\$ 51,747,334			\$ 52,157,973	\$ 51,747,334	\$ 410,639	
Federal & State Aid (unrestricted)	\$ 344,876	\$ 351,264			\$ 344,876	\$ 351,264	\$ (6,388)	
Other	\$ 1,684,974	\$ 1,210,687	\$ 2,757	\$ 2,264	\$ 1,687,731	\$ 1,212,951	\$ 474,780	
TOTAL REVENUES:	\$ 63,694,538	\$64,789,141	\$1,008,329	\$1,020,135	\$ 64,702,867	\$ 65,809,276	\$ (1,106,409)	-1.68%
EXPENSES:								
Instruction	\$ 29,365,312	\$ 30,066,255			\$ 29,365,312	\$ 30,066,255	\$ (700,943)	
Pupil & Instruction Services	\$ 12,555,095	\$ 13,520,568			\$ 12,555,095	\$ 13,520,568	\$ (965,473)	
Admin/Business/Technology	\$ 5,821,087	\$ 5,981,847			\$ 5,821,087	\$ 5,981,847	\$ (160,760)	
Maintenance & Operations	\$ 5,285,837	\$ 4,535,297			\$ 5,285,837	\$ 4,535,297	\$ 750,540	
Transportation	\$ 4,898,043	\$ 5,474,354			\$ 4,898,043	\$ 5,474,354	\$ (576,311)	
Other Expenses	\$ 2,509,741	\$ 1,946,691	\$ 959,981	\$ 946,187	\$ 3,469,722	\$ 2,892,878	\$ 576,844	
TOTAL EXPENSES	\$ 60,435,115	\$ 61,525,012	\$ 959,981	\$ 946,187	\$ 61,395,096	\$ 62,471,199	\$ (1,076,103)	-1.72%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CHANGE IN NET POSITION	\$ 3,259,423	\$ 3,264,129	\$ 48,348	\$ 73,948	\$ 3,307,771	\$ 3,338,077	(\$30,306)	-0.91%

As seen above in the *Comparative Changes in Net Position*, most of the activity is driven by Governmental Activities – which constitute 98.442% of total revenues and 98.440% of expenses shown in this statement.

Net Cost of Governmental Activities:

Cost Category	2024-25 Total Cost of Services	2023-24 Total Cost of Services	2024-25 Net Cost of Services	2023-24 Net Cost of Services
Governmental Activities:				
Instruction	\$ 29,365,312	\$ 30,066,255	\$ 23,488,281	\$ 22,955,941
Pupil & Instruction Services	\$ 12,555,095	\$ 13,520,568	\$ 10,700,636	\$ 11,031,959
Admin/Business/Technology	\$ 5,821,087	\$ 5,981,847	\$ 5,570,763	\$ 5,602,630
Maintenance & Operations	\$ 5,285,837	\$ 4,535,297	\$ 5,218,603	\$ 4,478,740
Transportation	\$ 4,898,043	\$ 5,474,354	\$ 3,440,376	\$ 4,029,195
Other	\$ 2,509,741	\$ 1,946,691	\$ 2,509,741	\$ 1,946,691
TOTAL	\$ 60,435,115	\$ 61,525,012	\$ 50,928,400	\$ 50,045,156



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2025 (Unaudited)

Capital Assets (Net of Depreciation):

At the end of fiscal year 2025, the district had a total of \$46,740,349 invested in land, building, furniture, equipment and vehicles, net of depreciation. The table below compares this balance to fiscal year 2023-2024. The overall increase of \$3,604,238 or 8.36% is primarily attributable to capital additions of \$6,085,390 (\$636,579 from capital outlay and \$5,448,811 from capital projects). Depreciation was \$2,480,982 for governmental activities and \$170 for business type activities.

Capital Assets	Governmental Activities		Business Activities		TOTAL	TOTAL	VARIANCE	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	\$'s	%
Sites (Land)	\$ 130,448	\$ 130,448			\$ 130,448	\$ 130,448	\$ -	0.00%
Construction in Progress	\$ 3,301,022	\$ 192,311			\$ 3,301,022	\$ 192,311	\$ 3,108,711	1616.50%
Site Improvements	\$ 5,529,740	\$ 4,647,040			\$ 5,529,740	\$ 4,647,040	\$ 882,700	18.99%
Building & Improv.	\$ 35,702,330	\$ 36,555,066			\$ 35,702,330	\$ 36,555,066	\$ (852,736)	-2.33%
Machinery & Equip.	\$ 2,074,019	\$ 1,608,286	\$ 2,790	\$ 2,960	\$ 2,076,809	\$ 1,611,246	\$ 465,563	28.9%
TOTAL	\$46,737,559	\$43,133,151	\$2,790	\$2,960	\$46,740,349	\$43,136,111	\$ 3,604,238	8.36%

Long-Term Liabilities:

The District's total Long-Term Liabilities at the end of fiscal year 2025 total \$38,779,493, a decrease of \$1,913,661, or (4.70)% from 2024. The decrease resulted from retiring \$802,000 in Bonds, retiring \$1,141,300 Financed Purchases, and entering \$876,244 in Leases and retiring \$570,587 Lease payments. The District's PERS Net Pension Liability decreased by \$252,291 and Compensated Absences payable decreased \$23,727 for governmental activities.

Outstanding Long Term Liabilities	2024-25 Long-Term Liabilities	2023-24 Long-Term Liabilities	VARIANCE	
			\$'s	%
General Obligation Bonds (Financed w/Property Taxes)	\$ 25,245,000	\$ 26,047,000	\$ (802,000)	-3.08%
Financed Purchase Payable	\$ 3,597,824	\$ 4,739,124	\$ (1,141,300)	-24.08%
Leases Payable	\$ 965,335	\$ 659,678	\$ 305,657	46.33%
Net Pension Liability	\$ 7,513,646	\$ 7,765,937	\$ (252,291)	-3.25%
Governmental Activities	\$ 1,452,688	\$ 1,476,415	\$ (23,727)	-1.61%
Business-Type Activities	\$ 5,000	\$ 5,000	\$ -	0.00%
TOTAL	\$ 38,779,493	\$ 40,693,154	\$ (1,913,661)	-4.70%

Factors Bearing on District's Future:

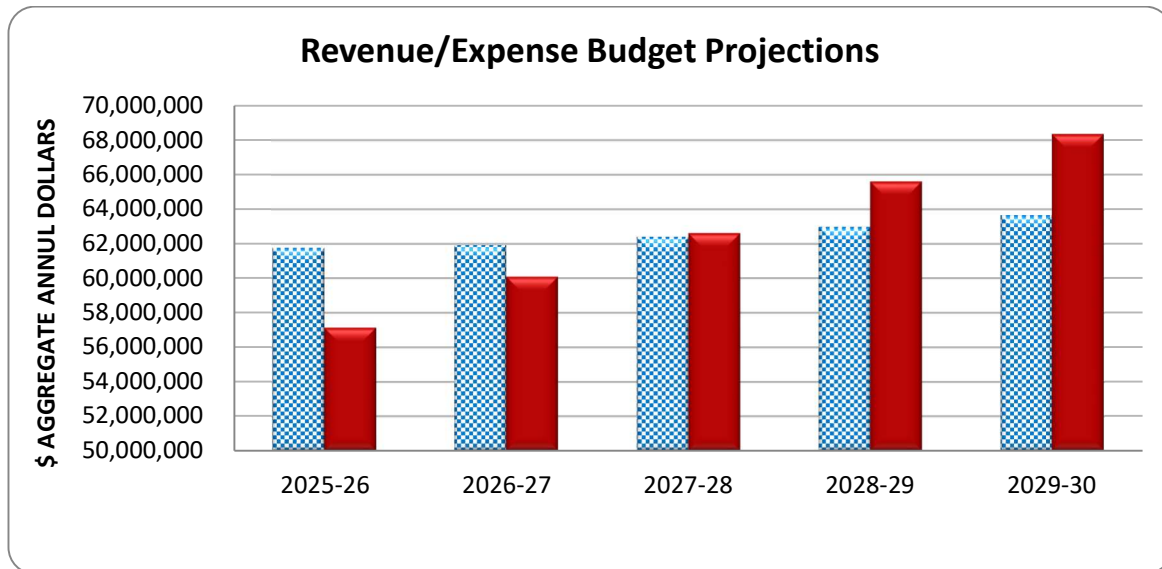
The district continues to excel in academic performance. The financial health of the district remains strong and stable. In looking forward to the next five years, management is preparing for the initial decline then leveling of enrollment and determining the associated cost reductions that accompany the demand. Furthermore, we intend to continue investing in classroom technology and the infrastructure that supports academic and co-curricular activities. However, several areas are of great concern: rising healthcare costs, the demands for increased spending for special education services, rising transportation costs and relatively flat state aid.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2025 (Unaudited)

The chart below provides an estimate of financial operating needs the district will face over the next five years. The starting point for the projection was the 2024-2025 actual revenues and expenses based on General Fund activities only.



Assumptions:

- The BOE will maximize tax levy increase at 2% annually
- state aid revenue will remain relatively level
- as enrollments decline, the student teacher ratio will be maintained leading to reduced staffing levels
- annual growth rate for salaries is projected to be between 3.4% and 3.6%
- benefits are projected at 27% of salaries
- health care costs will increase at a rate of 15% annually

The district participates in collective bargaining with its staff and strives to contain labor costs within the competitive market.

Conclusion:

The West Morris Regional High School District completed the fiscal year 2024-2025 in sound financial condition. The school district is proud of its community support of the public schools. However, it is concerned with the increased reliance on local property taxes as state-aid remains relatively level.

This annual comprehensive financial report has been provided to our citizens, taxpayers, investors and creditors with a general overview of the school district's finances. If you have questions about this report or need additional information, contact: Ms. Sharon Krizko, Business Administrator/Board Secretary, West Morris Regional Board of Education, 10 South Four Bridges Road, Chester, NJ 07930, (skrizko@wmrhsd.org).

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 33,218,235	\$ 140,806	\$ 33,359,041
Receivables from Other Governments	3,316,043		3,316,043
Internal Balances	(43,561)	43,561	
Other Receivables	33	19,198	19,231
Inventory		6,863	6,863
Restricted Assets - Cash and Cash Equivalents	4,948,963		4,948,963
Capital Assets, Net:			
Sites (Land) and Construction in Progress	3,431,470		3,431,470
Depreciable Buildings and Building Improvements, Site Improvements, Machinery & Equipment	43,306,089	2,790	43,308,879
Lease Assets, Net	974,347		974,347
Total Assets	89,151,619	213,218	89,364,837
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to Pensions	1,442,496		1,442,496
Total Deferred Outflows of Resources	1,442,496		1,442,496
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,806,533		1,806,533
Accrued Interest Expense	170,008		170,008
Payable to State Government	9,708		9,708
Payable to Federal Government	8,635		8,635
Unearned Revenue	82,948	35,938	118,886
Noncurrent Liabilities:			
Due Within One Year	3,088,707		3,088,707
Due Beyond One Year	35,685,786	5,000	35,690,786
Total Liabilities	40,852,325	40,938	40,893,263
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	543,972		543,972
Total Deferred Inflows of Resources	543,972		543,972
NET POSITION			
Net Investment in Capital Assets	40,286,604	2,790	40,289,394
Restricted for:			
Capital Projects	3,829,408		3,829,408
Maintenance	996		996
Excess Surplus	8,880,150		8,880,150
Unemployment Compensation	188,159		188,159
Student Activities	425,913		425,913
Scholarships	69,755		69,755
Laptop Replacement	434,732		434,732
Debt Service	165,077		165,077
Unrestricted (Deficit)	(5,082,976)	169,490	(4,913,486)
Total Net Position	\$ 49,197,818	\$ 172,280	\$ 49,370,098

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Program Revenues			Net (Expenses)/Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:	\$	20,819,503	\$	2,016,607	\$	(18,802,896)
Regular						
Special Education	4,866,868		3,557,663	(1,309,205)		(1,309,205)
Other Instruction	3,678,941		302,761	(3,376,180)		(3,376,180)
Support Services:						
Tuition	4,151,652	\$ 132,730	411,665	(3,607,257)		(3,607,257)
Student & Instruction Related Services	8,403,443	576,135	733,929	(7,093,379)		(7,093,379)
General Administration Services	1,524,202			(1,524,202)		(1,524,202)
School Administration Services	2,655,039		250,324	(2,404,715)		(2,404,715)
Central Services	708,846			(708,846)		(708,846)
Administrative Information Technology	933,000			(933,000)		(933,000)
Plant Operations and Maintenance	5,285,837		67,234	(5,218,603)		(5,218,603)
Pupil Transportation	4,898,043		1,457,667	(3,440,376)		(3,440,376)
Interest on Long-Term Debt	634,476			(634,476)		(634,476)
Unallocated Depreciation	1,875,265			(1,875,265)		(1,875,265)
Total Governmental Activities	60,435,115	708,865	8,797,850	(50,928,400)		(50,928,400)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Program Revenues			Net (Expenses)/Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Business-Type Activities:						
Food Service	\$ 959,981	\$ 1,005,572		\$ 45,591	\$ 45,591	45,591
Total Business-Type Activities	959,981	1,005,572		45,591	45,591	45,591
Total Primary Government	\$ 61,395,096	\$ 1,714,437	\$ 8,797,850	\$ (50,928,400)	45,591	(50,882,809)

General Revenues:

Taxes:						
Property Taxes, Levied for General Purposes, Net				50,647,951		50,647,951
Taxes Levied for Debt Service				1,510,022		1,510,022
Federal and State Aid Not Restricted				344,876		344,876
Investment Earnings				1,256,129	2,757	1,258,886
Other Miscellaneous Income				428,845		428,845
Total General Revenues				54,187,823	2,757	54,190,580
Change in Net Position				3,259,423	48,348	3,307,771
Net Position - Beginning (Restated)				45,938,395	123,932	46,062,327
Net Position - Ending				\$ 49,197,818	\$ 172,280	\$ 49,370,098

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

FUND FINANCIAL STATEMENTS

WEST MORRIS REGIONAL HIGH 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	\$ 9,341,815	\$ 16,064	\$ 23,695,279	\$ 165,077	\$ 33,218,235
Receivables from Federal Government		82,846			82,846
Receivables from State Government	836,065	6,210			842,275
Tax Levy Receivable	2,390,922				2,390,922
Other Receivables		33			33
Interfund Receivable	156,721				156,721
Restricted Cash and Cash Equivalents	4,018,563	930,400			4,948,963
Total Assets	<u>\$ 16,744,086</u>	<u>\$ 1,035,553</u>	<u>\$ 23,695,279</u>	<u>\$ 165,077</u>	<u>\$ 41,639,995</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 965,099	\$ 3,862			\$ 968,961
Payable to State Government		9,708			9,708
Payable to Federal Government		8,635			8,635
Interfund Payable	43,561		\$ 156,721		200,282
Unearned Revenue		82,948			82,948
Total Liabilities	<u>1,008,660</u>	<u>105,153</u>	<u>156,721</u>		<u>1,270,534</u>
Fund Balances:					
Restricted:					
Capital Reserve	3,829,408				3,829,408
Maintenance Reserve	996				996
Excess Surplus (For 2026-2027)	5,124,315				5,124,315
Excess Surplus (For 2025-2026)	3,755,835				3,755,835
Unemployment Compensation	188,159				188,159
Student Activities		425,913			425,913
Scholarships		69,755			69,755
Laptop Replacement		434,732			434,732
Capital Projects Fund			22,382,857		22,382,857
Debt Service				\$ 165,077	165,077
Committed			1,155,701		1,155,701
Assigned:					
Year-End Encumbrances	464,999				464,999
For Subsequent Year's Expenditures	815,000				815,000
Unassigned	1,556,714				1,556,714
Total Fund Balances	<u>15,735,426</u>	<u>930,400</u>	<u>23,538,558</u>	<u>165,077</u>	<u>40,369,461</u>
Total Liabilities and Fund Balances	<u>\$ 16,744,086</u>	<u>\$ 1,035,553</u>	<u>\$ 23,695,279</u>	<u>\$ 165,077</u>	<u>\$ 41,639,995</u>

Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances - Governmental Funds (Above)	\$ 40,369,461
Capital Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds	46,737,559
Leased Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds	974,347
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows of Resources Related to Pensions, Excluding District Contribution Subsequent to the Measurement Date	604,924
Deferred Inflows of Resources Related to Pensions	(543,972)
Interest on Long-Term Debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(170,008)
Long-Term Liabilities, including Bonds and Net Pension Liability Payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(38,774,493)
Net Position of Governmental Activities (Exhibit A-1)	<u>\$ 49,197,818</u>

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 50,647,951			\$ 1,510,022	\$ 52,157,973
Tuition Revenue	132,730				132,730
Miscellaneous - Restricted	546,710	\$ 617,362			1,164,072
Miscellaneous - Unrestricted	288,510		\$ 849,754		1,138,264
Total - Local Sources	51,615,901	617,362	849,754	1,510,022	54,593,039
State Sources	15,501,938	127,303			15,629,241
Federal Sources	72,239	504,743			576,982
Total Revenue	67,190,078	1,249,408	849,754	1,510,022	70,799,262
EXPENDITURES:					
Current:					
Regular Instruction	14,903,983	99,957			15,003,940
Special Education Instruction	3,367,461	76,097			3,443,558
Other Instruction	2,751,560				2,751,560
Support Services and Undistributed Costs:					
Tuition	3,739,987	411,665			4,151,652
Student & Instruction Related Services	5,759,719	645,080			6,404,799
General Administration Services	1,361,127				1,361,127
School Administration Services	1,872,663				1,872,663
Central Services	577,326				577,326
Administrative Information Technology	553,728				553,728
Plant Operations and Maintenance	4,395,955				4,395,955
Pupil Transportation	4,613,520				4,613,520
Unallocated Benefits	19,590,345				19,590,345

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (Cont'd):					
Debt Service:					
Principal				\$ 802,000	\$ 802,000
Interest and Other Charges				542,945	542,945
Capital Outlay	\$ 2,765,270		\$ 5,479,210		8,244,480
Total Expenditures	66,252,644	\$ 1,232,799	5,479,210	1,344,945	74,309,598
Excess/(Deficit) of Revenue Over/(Under) Expenditures	937,434	16,609	(4,629,456)	165,077	(3,510,336)
OTHER FINANCING SOURCES/(USES):					
Leases (Non-Budgeted)	876,244				876,244
Cancellation of Financed Purchase Proceeds			(20,784)		(20,784)
Transfers In	849,754		440,000		1,289,754
Transfers Out	(440,000)		(849,754)		(1,289,754)
Total Other Financing Sources/(Uses)	1,285,998	- 0 -	(430,538)	- 0 -	855,460
Net Change in Fund Balances	2,223,432	16,609	(5,059,994)	165,077	(2,654,876)
Fund Balance—July 1	13,511,994	913,791	28,598,552	- 0 -	43,024,337
Fund Balance—June 30	\$ 15,735,426	\$ 930,400	\$ 23,538,558	\$ 165,077	\$ 40,369,461

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)	\$ (2,654,876)
Amounts Reported for Governmental Activities in the Statement of Activities (Exhibit A-2) are different because:	
Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlays in the period.	
Depreciation Expense	\$ (2,480,982)
Capital Outlays	<u>6,085,390</u>
	3,604,408
Capital outlays related to lease assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the shorter of their estimated useful lives or lease term as amortization expense. This is the amount by which amortization differs from capital outlays in the period.	
	Amortization expense (557,925)
	Lease asset additions <u>876,244</u>
	318,319
Leases entered into by the District are an other financing source in the governmental funds, but the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.	(876,244)
Repayment of financed purchases is an expenditure 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.	1,141,300
Repayment of leases is an expenditure 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.	570,587

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

Change in Net Pension Liability	\$ 252,291
Change in Deferred Outflows of Resources Related to Pensions	41,021
Change in Deferred Inflows of Resources Related to Pensions	128,421

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

Repayment of serial bonds is an expenditure 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.

In the Statement of Activities, interest on long-term debt is accrued, regardless of when it is due. In the Governmental Funds, interest is reported when it is due. The accrued interest is an addition in the reconciliation. (+)

Change in Net Position of Governmental Activities (Exhibit A-2)

(91,531)
<u>\$ 3,259,423</u>

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-type Activities - Enterprise Funds Food Service
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 140,806
Inventories	6,863
Interfund Receivable - General Fund	43,561
Other Accounts Receivable - Food Service Management Company	1,481
Other Accounts Receivable - Student	17,717
Total Current Assets	210,428
Non-Current Assets:	
Capital Assets	137,344
Less: Accumulated Depreciation	(134,554)
Total Non-Current Assets	2,790
Total Assets	213,218
LIABILITIES:	
Current Liabilities:	
Unearned Revenue	35,938
Total Current Liabilities	35,938
Non-Current Liabilities:	
Accrued Compensated Absences Payable	5,000
Total Liabilities	40,938
NET POSITION:	
Investment in Capital Assets	2,790
Unrestricted	169,490
Total Net Position	\$ 172,280

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-type Activities - Enterprise Funds Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Non-reimbursable Programs	\$ 998,002
Special Events	7,570
Total Operating Revenue	1,005,572
Operating Expenses:	
Cost of Sales - Non-Reimbursable Programs	419,210
Salaries, Benefits & Payroll Taxes	441,738
Supplies, Insurance and Other Costs	98,863
Depreciation Expense	170
Total Operating Expenses	959,981
Operating Income	45,591
Non-Operating Revenue:	
Interest Income	2,757
Total Non-Operating Revenue	2,757
Change in Net Position	48,348
Net Position - Beginning of Year	123,932
Net Position - End of Year	\$ 172,280

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Business-type Activities - Enterprise Funds Food Service
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 998,379
Payments to Food Service Vendor	(912,909)
Payments to Employees	(38,687)
Payments to Suppliers	(8,246)
Net Cash Provided by Operating Activities	38,537
Cash Flows from Investing Activities:	
Interest Income	2,757
Net Cash Provided by Investing Activities	2,757
Net Increase in Cash and Cash Equivalents	41,294
Cash and Cash Equivalents, July 1	99,512
Cash and Cash Equivalents, June 30	\$ 140,806
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 45,591
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	170
Changes in Assets and Liabilities:	
Decrease in Inventory	4,345
Decrease in Other Accounts Receivable - Food Service Management Company	1,069
(Increase) in Other Accounts Receivable - Student	(17,717)
(Decrease) in Accounts Payable	(5,445)
Increase in Unearned Revenue	10,524
Net Cash Provided by Operating Activities	\$ 38,537

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

B. Basis of Presentation: (Cont'd)

The District reports the following governmental funds: (Cont'd)

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

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting:

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

C. Measurement Focus and Basis of Accounting: (Cont'd)

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

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

D. Budgets/Budgetary Control:

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

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

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current fiscal year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grants receivable. These grants are recognized on the budgetary basis in full at the time of the award but are recognized on the GAAP basis as they are expended and requested for reimbursement.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

D. Budgets/Budgetary Control: (Cont'd)

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 67,204,545	\$ 1,248,930
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		478
State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes (Prior Year)	361,437	
State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements (Current Year)	(375,904)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 67,190,078</u>	<u>\$ 1,249,408</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 66,252,644	\$ 1,232,321
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting.		478
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 66,252,644</u>	<u>\$ 1,232,799</u>
	Capital Projects Fund Fund Balance	
Summary Schedule of Revenue, Expenditures and Changes in Fund Balance (Budgetary Basis) (per Exhibit F-1)	\$ 24,889,858	
Reconciliation to Governmental Funds Statement (GAAP):		
SDA Grants are Recognized as Revenue on the Budgetary Basis when Awarded but are not Recognized on the GAAP Basis until Expended and Submitted for Reimbursement	(1,351,300)	
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds (GAAP Basis) (per Exhibit B-2)	<u>\$ 23,538,558</u>	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash, change funds, amount in deposits, and short-term investments with maturities of one year or less.

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

New Jersey school districts are limited as to type 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.

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Buildings	50 years
Building and Site Improvements	20 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

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

L. Lease Assets:

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

M. Subscription Assets:

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

N. Long Term Liabilities:

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premiums and discounts are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages for this purpose as of June 30, 2025.

P. Compensated Absences:

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

P. Compensated Absences: (Cont'd)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy or employee agreements. Upon termination, an employee is reimbursed for accumulated unused sick and personal time based upon the employee's age and years of service. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service.

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

Q. Leases Payable:

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

R. Subscriptions Payable:

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

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the Special Revenue Fund.

T. Fund Balance Appropriated:

General Fund: Of the \$15,735,426 General Fund fund balance at June 30, 2025, \$3,829,408 is restricted in the capital reserve account; \$996 is restricted in the maintenance reserve account; \$188,159 is restricted for unemployment compensation; \$3,755,835 is prior year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2026; \$5,124,315 is restricted as current year excess surplus and will be appropriated and included in the budget for the fiscal year ending June 30, 2027; \$464,999 is assigned for encumbrances; \$815,000 is assigned fund balance designated for subsequent year's expenditures; and \$1,556,714 is unassigned which is \$375,904 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2026.

Special Revenue Fund: Of the \$930,400 Special Revenue Fund fund balance at June 30, 2025, \$425,913 is restricted for student activities, \$69,755 is restricted for Scholarships and \$434,732 is restricted for laptop replacement costs.

Capital Projects Fund: Of the \$23,538,558 Capital Projects Fund fund balance as of June 30, 2025, \$22,382,857 is restricted and \$1,155,701 is committed, which is \$1,351,300 less on the GAAP basis due to the SDA grants receivable not recognized on the GAAP basis.

Debt Service Fund: The \$165,077 Debt Service Fund fund balance as of June 30, 2025 is restricted and will be appropriated and included in the budget for the fiscal year ending June 30, 2027.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

T. Fund Balance Appropriated: (Cont'd)

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent fiscal year's budget. The District had excess surplus at June 30, 2025 as outlined above.

N.J.S.A. 18A:22-44.2 provides that in the event one or more state school aid payments are not made until the following school budget year, districts must record the June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

U. Net Position:

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

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

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

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

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

V. Deficit Net Position:

The District has a deficit in unrestricted net position of \$5,082,976 in governmental activities, which is primarily a result of accrued interest payable, compensated absences payable, net pension liability and the related pension deferred inflows and outflows and the last two state aid payments that are not recognized on a GAAP basis. This deficit does not mean that the District is facing financial difficulties and is a permitted practice by generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments, Assignments and Non-Spendable Fund Balance:

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

Fund balance restrictions have been established for a capital reserve account, a maintenance reserve account, excess surplus, unemployment compensation, student activities, scholarships, laptop replacement, capital projects and debt service as defined by State law.

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

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

Nonspendable fund balance includes resources that are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include but not limited to inventories, prepaid amounts, and property held for resale.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

X. Revenue - Exchange and Nonexchange Transactions:

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

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

On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Y. Operating Revenue and Expenses:

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

Z. Management Estimates:

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

AA. Pensions:

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

Deposits:

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

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

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

Deposits: (Cont'd)

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

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

Investments: (Cont'd)

New Jersey statutes permit the Board to purchase the following types of securities: (Cont'd)

- (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
- (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
 - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents		
	Unrestricted	Restricted	Total
Checking/Savings Accounts	\$14,239,760	\$ 4,938,502	\$ 19,178,262
New Jersey Cash Management Fund (NJCMF)	204,048	10,461	214,509
NJ/ARM	18,915,233		18,915,233
	<u>\$33,359,041</u>	<u>\$ 4,948,963</u>	<u>\$ 38,308,004</u>

During the period ended June 30, 2025, the District held short-term investments in the New Jersey Asset and Rebate Management Program (NJ/ARM). The carrying amount of the District's cash and cash equivalents at June 30, 2025, was \$38,308,004 and the bank balance was \$39,335,730. The \$18,915,233 with NJCMF and NJ/ARM are uninsured and unregistered.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the West Morris Regional High School District by inclusion of \$300,000 on June 30, 2001 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 State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at fiscal year-end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2024	\$ 1,874,689
Interest Earnings	34,765
Budgeted Increase	359,954
Board Approved Increase - Resolution Dated June 23, 2025	<u>2,000,000</u>
	4,269,408
Budgeted Withdrawal	<u>(440,000)</u>
Ending Balance, June 30, 2025	<u>\$ 3,829,408</u>

The balance in the capital reserve account at June 30, 2025 does not exceed the balance of local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP"). Withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$500,000 was established by Board resolution on June 27, 2011. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2024	<u>\$ 996</u>
Ending Balance, June 30, 2025	<u><u>\$ 996</u></u>

NOTE 6. LEASE ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Lease Assets Being Amortized:				
Machinery and Equipment	\$1,605,624	\$ 876,244	\$ (878,124)	\$1,603,744
Total Lease Assets Being Amortized	<u>1,605,624</u>	<u>876,244</u>	<u>(878,124)</u>	<u>1,603,744</u>
Governmental Activities Lease Assets	<u>1,605,624</u>	<u>876,244</u>	<u>(878,124)</u>	<u>1,603,744</u>
Less Accumulated Amortization for:				
Machinery and Equipment	(949,596)	(557,925)	878,124	(629,397)
	<u>(949,596)</u>	<u>(557,925)</u>	<u>878,124</u>	<u>(629,397)</u>
Governmental Activities Lease Assets,				
Net of Accumulated Amortization	<u>\$ 656,028</u>	<u>\$ 318,319</u>	<u>\$ - 0 -</u>	<u>\$ 974,347</u>

Amortization expense was charged to governmental functions as follows:

Regular Instruction	<u><u>\$ 557,925</u></u>
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WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 7. CAPITAL ASSETS

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

	Beginning Balance (Restated)	Increases	Transfers/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 130,448			\$ 130,448
Construction in Progress	192,311	\$ 5,448,811	\$ (2,340,100)	3,301,022
Total Capital Assets Not Being Depreciated	322,759	5,448,811	(2,340,100)	3,431,470
Capital Assets Being Depreciated:				
Site Improvements	8,196,696		1,219,156	9,415,852
Buildings and Building Improvements	78,273,271	29,010	609,152	78,911,433
Machinery and Equipment	3,844,375	607,569	511,792	4,963,736
Total Capital Assets Being Depreciated	90,314,342	636,579	2,340,100	93,291,021
Governmental Activities Capital Assets	90,637,101	6,085,390		96,722,491
Less Accumulated Depreciation for:				
Site Improvements	(3,549,656)	(336,456)		(3,886,112)
Buildings and Building Improvements	(41,718,205)	(1,490,898)		(43,209,103)
Machinery and Equipment	(2,236,089)	(653,628)		(2,889,717)
	(47,503,950)	(2,480,982)		(49,984,932)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 43,133,151</u>	<u>\$ 3,604,408</u>	<u>\$ - 0 -</u>	<u>\$ 46,737,559</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 147,044		\$ (9,700)	\$ 137,344
Less Accumulated Depreciation	(144,084)	\$ (170)	9,700	(134,554)
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 2,960</u>	<u>\$ (170)</u>	<u>\$ - 0 -</u>	<u>\$ 2,790</u>

The District had active construction projects totaling \$30,917,427 with unexpended balances of \$24,890,134 as of June 30, 2025 which included \$7,275,940 in outstanding construction encumbrances at June 30, 2025.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 12,818
Student and Instruction Related Services	9,219
Administrative Information Technology	353,365
Plant Operations and Maintenance	187,966
Transportation	42,349
Unallocated	1,875,265
Total Depreciation - Governmental Activities	<u>\$ 2,480,982</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 8: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2025 the District transferred \$338,187 to capital outlay accounts for equipment, which did not require County Superintendent approval.

NOTE 9. LONG-TERM LIABILITIES

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

	Balance 6/30/2024 (Restated)	Issued/ Added	Retired	Balance 6/30/2025	Balance Due Within One Year
Serial Bonds Payable	\$ 26,047,000		\$ 802,000	\$ 25,245,000	\$ 1,600,000
Financed Purchases Payable	4,739,124		1,141,300	3,597,824	1,164,451
Leases Payable	659,678	\$ 876,244	570,587	965,335	324,256
Net Pension Liability	7,765,937		252,291	7,513,646	
Compensated Absences Payable:					
Governmental Funds	1,476,415	40,666	64,393	1,452,688	
Proprietary Funds	5,000			5,000	
	<u>\$ 40,693,154</u>	<u>\$ 916,910</u>	<u>\$ 2,830,571</u>	<u>\$ 38,779,493</u>	<u>\$ 3,088,707</u>

A. 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 Board are general obligation bonds and will be retired through the Debt Service Fund.

On May 7, 2024, the District issued \$26,047,000 in School Bonds dated May 22, 2024, in connection with the March 12, 2024, voter approved bond referendum project. The School Bonds have an interest rate between 0.05% and 4.00% and payments of principal and interest commence August 15, 2024. Principal payments continue annually on August 15 and interest payments continue each February 15 and August 15 until the final maturity date of August 15, 2043.

The District had bonds outstanding as of June 30, 2025 as follows:

Purpose	Final Maturity	Interest Rate	Amount
School Improvements	08/15/2043	0.05%-4.00%	<u>\$ 25,245,000</u>

The current portion of bonds payable at June 30, 2025 is \$1,600,000 and the long-term portion is \$23,645,000.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

Principal and interest due on serial bonds outstanding are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,600,000	\$ 742,668	\$ 2,342,668
2027	1,085,000	741,997	1,826,997
2028	1,115,000	741,447	1,856,447
2029	1,150,000	740,880	1,890,880
2030	1,185,000	740,297	1,925,297
Thereafter:			
2031-2035	6,510,000	3,175,400	9,685,400
2036-2040	7,000,000	1,820,000	8,820,000
2041-2044	5,600,000	448,000	6,048,000
	<u>\$ 25,245,000</u>	<u>\$ 9,150,689</u>	<u>\$ 34,395,689</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2025, the Board has \$276 bonds authorized but not issued in connection with the March 12, 2024, voter approved bond referendum project.

C. Leases Payable:

The District had leases outstanding as of June 30, 2025 as follows:

<u>Purpose</u>	<u>Frequency</u> <u>of Payment</u>	<u>Final</u> <u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
Classroom Technology Equipment	Annual	08/15/26	1.4980%	\$ 294,456
Classroom Technology Equipment	Annual	09/15/27	4.8900%	259,876
Classroom Technology Equipment	Annual	09/15/28	4.8300%	411,003
				<u>\$ 965,335</u>

Principal and interest due on leases outstanding will be liquidated through the General Fund and are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 324,256	\$ 36,971
2027	335,099	26,129
2028	195,849	14,833
2029	110,131	5,319
	<u>\$ 965,335</u>	<u>\$ 83,252</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

D. Financed Purchases Payable:

In fiscal year 2025, the District did not enter into any financed purchases. The District has five financed purchases totaling \$8,266,867 of which \$4,669,043 has been liquidated as of June 30, 2025. Except for the ESIP financed purchase which is for fifteen years with the final payment occurring in fiscal year 2032-33, all financed purchases are for three to five years. The schedule of the future minimum financed purchase payments under the District's financed purchases and the present value of the net minimum financed purchase payments at June 30, 2025 are detailed below.

<u>Year</u>	<u>Amount</u>
2026	\$ 1,269,317
2027	706,775
2028	581,135
2029	291,549
2030	242,070
2031-2033	880,158
	<u>3,971,004</u>
Less: Amount representing interest	<u>(373,180)</u>
Present value of net minimum financed purchase payments	<u>\$ 3,597,824</u>

The current portion of the financed purchases payable as of June 30, 2025 in the governmental activities is \$1,164,451 and the long-term portion is \$2,433,373. The General Fund will be used to liquidate the financed purchases payable in the governmental activities.

E. Unamortized Bond Premiums:

Unamortized bond premiums of the governmental fund types are recorded in the noncurrent liabilities of the Governmental Activities. As of June 30, 2025, the District had no unamortized bond premiums.

F. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability. As of June 30, 2025, the entire \$1,452,688 of compensated absences is reported as a long-term portion.

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 entire \$5,000 of compensated absences is reported as a long-term portion and will be liquidated through the Food Service Enterprise Fund.

G. Net Pension Liability:

The Public Employee's Retirement System (PERS) net pension liability of the governmental fund types is recorded in the long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2025 is \$-0- and the long term portion is \$7,513,646. See Note 10 for further information on the PERS.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

The following represents the membership tiers for PERS:

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

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

Contributions

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

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

District contributions to PERS amounted to \$752,432 for the current fiscal year. During the fiscal year ended June 30, 2024, the State of New Jersey contributed \$24,224 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

At June 30, 2025, the District reported a liability of \$7,513,646 for its proportionate share of the net pension liability, which was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the District's proportion was 0.0553% for PERS, which was an increase of 0.0017% from June 30, 2023.

For the fiscal year ended June 30, 2025, the District recognized an actual pension expense of \$330,692 for PERS. Additionally, for the fiscal year ended June 30, 2024, the State recognized pension expense for PERS on behalf of the District in the amount of \$24,224 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2025 financial statements. There was no state proportionate share of net pension liability attributable to the District as of June 30, 2024.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources detailed below and on the following page.

	<u>Deferral Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions:	2020	5.16		\$ 54,602
	2021	5.13	\$ 9,334	
	2022	5.04		30,886
Subtotal			9,334	85,488
Changes in Proportion:	2020	5.16	16,117	
	2021	5.13		90,094
	2022	5.04	139,983	
	2023	5.08	84,092	
	2024	5.08	204,886	
Subtotal			445,078	90,094

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

	<u>Deferral Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience:				
	2020	5.16	\$ 3,042	
	2021	5.13		\$ 7,423
	2022	5.04		12,580
	2023	5.08	38,650	
	2024	5.08	108,820	
Subtotal			<u>150,512</u>	<u>20,003</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:				
	2021	5.13		515,763
	2022	5.04		(818,178)
	2023	5.08		212,168
	2024	5.08		438,634
Subtotal			<u></u>	<u>348,387</u>
District Contribution Subsequent to the Measurement Date	2024	1.00	837,572	
			<u>\$ 1,442,496</u>	<u>\$ 543,972</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding the District contribution subsequent to the measurement date) related to pensions will be recognized in the pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2025	\$ (236,482)
2026	382,615
2027	(61,750)
2028	(29,583)
2029	6,152
	<u>\$ 60,952</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions

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

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

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

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

Long Term Expected Rate of Return

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed 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 and the noncontributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of the actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2024		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
District's proportionate share of the			
Net Pension Liability	\$ 9,983,788	\$ 7,513,646	\$ 5,411,568

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

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

Benefits Provided

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

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

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2025, the State of New Jersey contributed \$7,156,447 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required benefit of \$(320,836).

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

At June 30, 2025, the District reported a liability of \$87,952,079 for its proportionate share of the net pension liability, which was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the District's proportion was 0.1780% which was an increase of 0.0004% from June 30, 2023.

District's Proportionate Share of the Net Pension Liability	\$ - 0 -
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>87,952,079</u>
Total	<u><u>\$ 87,952,079</u></u>

For the fiscal year ended June 30, 2024, the State recognized pension benefit for TPAF on behalf of the District in the amount of \$320,836 and the District recognized pension benefit and revenue for that same amount in the fiscal year ended June 30, 2025 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions:	2017	8.30		\$ 480,199,664
	2018	8.29		1,060,765,245
	2019	8.04		1,016,333,107
	2020	7.99	\$ 603,633,698	
	2021	7.93		7,317,559,989
	2022	7.83	67,989,902	
Difference Between Expected and Actual Experience:	2017	8.30	8,543,764	
	2018	8.29	186,086,527	
	2019	8.04		39,486,140
	2020	7.99		3,217,090
	2021	7.93	97,106,767	
	2022	7.83		12,735,529
	2023	7.93	144,751,819	
	2024	7.84		211,440,707

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected	2021	5.00		\$ 888,658,452
and Actual Investment Earnings	2022	5.00		(1,659,667,329)
on Pension Plan Investments:	2023	5.00		357,972,332
	2024	5.00		816,400,864
			<u>\$ 1,108,112,477</u>	<u>\$ 10,545,101,790</u>

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

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

Actuarial Assumptions

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

Long Term Expected Rate of Return

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments in determining the total pension liability.

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

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

	June 30, 2024		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 104,543,498	\$ 87,952,079	\$ 73,978,969

Pension Plan Fiduciary Net Position

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

C. Defined Contribution Retirement Program (DCRP)

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

For DCRP, the District recognized pension expense of \$8,609 for the fiscal year ended June 30, 2025. Employee contributions to DCRP amounted to \$11,691 for the fiscal year ended June 30, 2025.

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

General Information about the OPEB Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

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

Employees Covered by Benefit Terms

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

Retirees, Plan Members and Spouses of Retirees Currently Receiving Benefit Payments	153,556
Active Plan Members	<u>219,185</u>
Total	<u><u>372,741</u></u>

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Mortality Rates

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

Health Care Trend Assumptions

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

Discount Rate

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

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

	<u>Total OPEB Liability</u>
Balance at June 30, 2023	\$ 86,175,824
Changes for Year:	
Service Cost	3,187,708
Interest Cost	3,249,085
Difference Between Expected and Actual Experience	1,102,962
Changes in Assumptions	7,384,334
Member Contributions	84,965
Gross Benefit Payments	<u>(2,481,379)</u>
Net Changes	<u>12,527,675</u>
Balance at June 30, 2024	<u>\$ 98,703,499</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

	June 30, 2024		
	At 1% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
Total OPEB Liability Attributable to the District	\$ 115,602,936	\$ 98,703,499	\$ 84,963,921

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

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 82,220,733	\$ 98,703,499	\$ 120,173,389

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

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of \$2,489,582 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

At June 30, 2024, the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources.

	Year of Deferral	Original Amortization Period	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54 years		\$ 1,892,900
	2018	9.51 years		2,310,922
	2019	9.29 years	\$ 364,600	
	2020	9.24 years	9,405,064	
	2021	9.24 years	55,554	
	2022	9.13 years		15,094,217
	2023	9.30 years	137,079	
	2024	9.33 years	6,592,873	
			<u>16,555,170</u>	<u>19,298,039</u>
Difference Between Expected and Actual Experience	2018	9.51 years		2,184,541
	2019	9.29 years		4,291,361
	2020	9.24 years	8,765,890	
	2021	9.24 years		10,683,476
	2022	9.13 years	1,554,487	
	2023	9.30 years		1,273,420
	2024	9.33 years	234,800	
			<u>10,555,177</u>	<u>18,432,798</u>
Changes in Proportion	N/A	N/A	<u>743,908</u>	<u>3,002,105</u>
			<u>\$ 27,854,255</u>	<u>\$ 40,732,942</u>

N/A - Not Available

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

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2025	\$ (3,501,127)
2026	(2,935,717)
2027	(1,394,372)
2028	366,465
2029	(2,544,464)
Thereafter	(611,275)
	<u>\$ (10,620,490)</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 12. RISK MANAGEMENT

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

Property and Liability Insurance and Health Insurance

The District insures property, liability and health benefits through purchased insurance policies with the exception of workers' compensation coverage. The District obtains its health benefit coverage through Horizon Blue Cross Blue Shield of New Jersey. The District is a member of the Morris-Essex Insurance Group (the "Group"). The Group provides its members with workers' compensation coverage. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

The Group is a risk-sharing public entity risk pool that is an insured and self-administered group of school districts established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group are elected.

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

The June 30, 2025 audit report for the Group is not available as of the date of this report. Selected financial information for the Group as of June 30, 2024 is as follows:

	<u>Morris-Essex Insurance Group</u>
Total Assets	\$ 12,155,134
Net Position	\$ 7,171,024
Total Revenue	\$ 4,993,509
Total Expenses	\$ 4,260,396
Member Dividends	\$ 907,007
Change in Net Position for the Year Ended June 30	\$ (173,894)

Financial statements for the Group are available at the Group's Executive Director's Office:

The Burton Agency
44 Bergen Street
PO Box 270
Westwood, New Jersey 07675
(201) 664-0310

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 12. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of the District's contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024-2025	\$ - 0 -	\$ 3,583	\$ 45,038	\$ 62,470	\$ 188,159
2023-2024	- 0 -	4,476	43,594	55,032	202,008
2022-2023	- 0 -	1,891	42,555	34,035	208,970

NOTE 13. DEFERRED COMPENSATION

The Board offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future fiscal years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

403(b)

AXA Equitable Life Insurance Company
Variable Annuity Life Insurance Company
The Vanguard Group
Metropolitan Life Resources
Midland National Life Insurance Company
T. Rowe Price

457

AXA Equitable Life Insurance Company
Variable Annuity Life Insurance Company

NOTE 14. CONTINGENT LIABILITIES

Grant Programs

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 14. CONTINGENT LIABILITIES (Cont'd)

Litigation

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

Encumbrances

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

Governmental Funds		
General	Capital Projects	Total
<u>\$ 464,999</u>	<u>\$ 7,275,940</u>	<u>\$ 7,740,939</u>

In the District's Governmental Funds Balance Sheet as of June 30, 2025, the encumbrances of \$7,275,940 in the Capital Projects Fund are included in the restricted and committed fund balances.

Arbitrage

The District may have a liability for arbitrage payable to the federal government with respect to its \$26,047,000 School Improvement Bonds dated May 22, 2024. The amount of the liability at June 30, 2025, if any, is unknown and has not been recorded in the financial statements.

NOTE 15. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the school district on a predetermined, agreed-upon schedule.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 16. ECONOMIC DEPENDENCY

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

NOTE 17. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

During the fiscal year, the General Fund transferred \$440,000 to the Capital Projects Fund for the local share of capital projects and the Capital Projects Fund transferred \$849,754 of interest earnings to the General Fund.

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 156,721	\$ 43,561
Capital Projects Fund		156,721
Proprietary Funds - Food Service	43,561	
	<u>\$ 200,282</u>	<u>\$ 200,282</u>

At June 30, 2025, the the Capital Projects Fund owes the General Fund \$156,721 for interest earned, net of the local share of active capital projects due to the Capital Projects Fund. The General Fund owes the Food Service Enterprise Fund \$43,561 for a prior year interfund for a prior year operating deficit that was not transferred in the current year.

NOTE 18. ACCOUNTS PAYABLE

Accounts payable recorded in the District's Governmental Activities and Business-Type Activities as of June 30, 2025 consisted of the following:

	<u>Governmental Funds</u>		<u>District Contribution Subsequent to Measurement Date</u>	<u>Total Governmental Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>		
Payroll Deductions and Withholdings	\$ 869,196			\$ 869,196
Vendors	95,903	\$ 3,862		99,765
Due to:				
State of New Jersey			\$ 837,572	837,572
	<u>\$ 965,099</u>	<u>\$ 3,862</u>	<u>\$ 837,572</u>	<u>\$ 1,806,533</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

NOTE 19. TAX ABATEMENTS

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

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Borough of Chester recognized revenue in the amount of \$35,283 from one payment in lieu of taxes ("PILOT") agreement. The taxes which would have been paid on this property for 2024 without the abatement would have been \$65,291 of which \$11,995 would have been regional school taxes.

NOTE 20: PRIOR YEAR ADJUSTMENTS

During the fiscal year, the District corrected the amount of accumulated depreciation that was recorded on its capital assets and changed the methodology in determining its estimated compensated absences payable liability. Therefore, capital assets, net of depreciation, and compensated absences payable were overstated as reported in the following table for the fiscal year ended June 30, 2024. The effect of these changes is shown in the table below.

	Balance June 30, 2024 as Previously Reported	Retroactive Adjustments	Balance June 30, 2024 as Restated
<u>Statement of Net Position - Governmental Activities:</u>			
Assets:			
Capital Assets, Net:			
Depreciable Buildings and Building Improvements, Site Improvements, Machinery & Equipment	\$ 50,108,350	\$ (7,297,958)	\$ 42,810,392
Total Assets	94,841,940	(7,297,958)	87,543,982
Liabilities:			
Noncurrent Liabilities:			
Due Beyond One Year	38,659,423	(279,790)	38,379,633
Total Liabilities	42,582,245	(279,790)	42,302,455
Net Position:			
Net Investment in Capital Assets	45,688,335	(7,297,958)	38,390,377
Unrestricted (Deficit)	(4,154,379)	279,790	(3,874,589)
Net Position - Ending	52,956,563	(7,018,168)	45,938,395

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
District's Proportion of the Net Pension Liability	0.0450609130%	0.0438744109%	0.0491657322%	0.0505520929%	0.0505326671%
District's Proportionate Share of the Net Pension Liability	\$ 10,115,272	\$ 12,994,342	\$ 11,444,997	\$ 9,953,455	\$ 9,105,220
District's Covered Employee Payroll	\$ 3,068,637	\$ 3,277,081	\$ 3,491,309	\$ 3,623,694	\$ 3,606,656
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	329.63%	396.52%	327.81%	274.68%	252.46%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	47.93%	40.14%	48.10%	53.60%	56.27%

	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
District's Proportion of the Net Pension Liability	0.0528409188%	0.0509655649%	0.0527837948%	0.0536159659%	0.0552960006%
District's Proportionate Share of the Net Pension Liability	\$ 8,616,972	\$ 6,037,635	\$ 7,965,801	\$ 7,765,937	\$ 7,513,646
District's Covered Employee Payroll	\$ 3,677,383	\$ 3,926,825	\$ 3,793,827	\$ 4,089,131	\$ 4,116,044
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	234.32%	153.75%	209.97%	189.92%	182.55%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	58.32%	70.33%	62.91%	65.23%	68.22%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 387,403	\$ 389,774	\$ 461,763	\$ 504,995	\$ 493,674
Contributions in relation to the Contractually Required Contribution	(387,403)	(389,774)	(461,763)	(504,995)	(493,674)
Contribution Deficiency/(Excess)	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's Covered Employee Payroll	\$3,277,081	\$3,491,309	\$3,623,694	\$3,606,656	\$3,677,383
Contributions as a percentage of Covered Employee Payroll	11.82%	11.16%	12.74%	14.00%	13.42%
	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 578,053	\$ 597,348	\$ 665,629	\$ 716,593	\$ 752,432
Contributions in relation to the Contractually Required Contribution	(578,053)	(597,348)	(665,629)	(716,593)	(752,432)
Contribution Deficiency/(Excess)	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's Covered Employee Payroll	\$3,926,825	\$3,793,827	\$4,089,131	\$4,116,044	\$4,430,673
Contributions as a percentage of Covered Employee Payroll	14.72%	15.75%	16.28%	17.41%	16.98%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
State's Proportion of the Net Pension Liability attributable to the District	0.2133155613%	0.2069782016%	0.1956661602%	0.2014047309%	0.1947448553%
State's Proportionate Share of the Net Pension Liability attributable to the District	\$ 134,824,544	\$ 162,822,232	\$ 131,925,181	\$ 128,129,364	\$ 119,516,756
District's Covered Employee Payroll	\$ 20,158,162	\$ 20,432,108	\$ 20,493,350	\$ 20,151,103	\$ 19,710,835
State's Proportionate Share of the Net Pension Liability attributable to the District as a percentage of the District's Covered Employee Payroll	668.83%	796.89%	643.75%	635.84%	606.35%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	28.71%	22.33%	25.41%	26.49%	26.95%
	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
State's Proportion of the Net Pension Liability attributable to the District	0.1874197360%	0.1799724225%	0.1838174869%	0.1775486766%	0.1779502069%
State's Proportionate Share of the Net Pension Liability attributable to the District	\$ 123,413,641	\$ 86,522,082	\$ 94,839,559	\$ 90,607,829	\$ 87,952,079
District's Covered Employee Payroll	\$ 20,669,891	\$ 20,330,020	\$ 20,788,780	\$ 20,495,869	\$ 20,464,728
State's Proportionate Share of the Net Pension Liability attributable to the District as a percentage of the District's Covered Employee Payroll	597.07%	425.59%	456.21%	442.08%	429.77%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	24.60%	35.52%	32.29%	34.68%	37.99%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,				
	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 8,232,252	\$ 12,233,825	\$ 9,139,108	\$ 7,469,494	\$ 7,049,418
Contributions in relation to the Contractually Required Contribution	(1,657,148)	(2,123,905)	(2,965,981)	(3,830,161)	(4,110,833)
Contribution Deficiency/(Excess)	<u>\$ 6,575,104</u>	<u>\$ 10,109,920</u>	<u>\$ 6,173,127</u>	<u>\$ 3,639,333</u>	<u>\$ 2,938,585</u>
District's Covered Employee Payroll	\$ 20,432,108	\$ 20,493,350	\$ 20,151,103	\$ 19,710,835	\$ 20,669,891
Contributions as a percentage of Covered Employee Payroll	8.11%	10.36%	14.72%	19.43%	19.89%

	Fiscal Year Ending June 30,				
	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 7,674,386	\$ 2,035,903	\$ 2,552,397	\$ 2,225,971	\$ (320,836)
Contributions in relation to the Contractually Required Contribution	(5,231,580)	(7,567,134)	(7,258,296)	(7,583,052)	(7,156,447)
Contribution Deficiency/(Excess)	<u>\$ 2,442,806</u>	<u>\$ (5,531,231)</u>	<u>\$ (4,705,899)</u>	<u>\$ (5,357,081)</u>	<u>\$ (7,477,283)</u>
District's Covered Employee Payroll	\$ 20,330,020	\$ 20,788,780	\$ 20,495,869	\$ 20,464,728	\$ 20,757,963
Contributions as a percentage of Covered Employee Payroll	25.73%	36.40%	35.41%	37.05%	34.48%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL
OPEB LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,				
	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$ 3,709,580	\$ 3,069,605	\$ 2,663,261	\$ 2,841,393	\$ 5,165,208
Interest Cost	2,912,060	3,372,919	3,153,336	2,583,169	2,600,283
Changes in Benefit Terms					(106,691)
Difference Between Expected and Actual Experience		(7,502,525)	(12,701,460)	18,453,186	(20,378,751)
Changes in Assumptions	(11,886,287)	(9,166,552)	1,072,399	20,977,505	98,893
Member Contributions	78,609	73,822	65,447	60,598	66,476
Gross Benefit Payments	(2,134,806)	(2,135,945)	(2,207,866)	(1,999,287)	(2,048,294)
Net Change in Total OPEB Liability	(7,320,844)	(12,288,676)	(7,954,883)	42,916,564	(14,602,876)
Total OPEB Liability - Beginning	99,488,845	92,168,001	79,879,325	71,924,442	114,841,006
Total OPEB Liability - Ending	<u>\$ 92,168,001</u>	<u>\$ 79,879,325</u>	<u>\$ 71,924,442</u>	<u>\$ 114,841,006</u>	<u>\$ 100,238,130</u>
District's Covered Employee Payroll *	\$ 23,709,189	\$ 23,984,659	\$ 23,774,797	\$ 23,317,491	\$ 24,347,274
Total OPEB Liability as a Percentage of Covered Employee Payroll	389%	333%	303%	493%	412%

	Fiscal Year Ending June 30,		
	2022	2023	2024
Total OPEB Liability			
Service Cost	\$ 4,273,830	\$ 3,213,719	\$ 3,187,708
Interest Cost	2,217,789	3,035,007	3,249,085
Changes in Benefit Terms			
Difference Between Expected and Actual Experience	1,532,951	(1,645,219)	1,102,962
Changes in Assumptions	(22,449,704)	173,695	7,384,334
Member Contributions	70,474	77,776	84,965
Gross Benefit Payments	(2,196,786)	(2,365,838)	(2,481,379)
Net Change in Total OPEB Liability	(16,551,446)	2,489,140	12,527,675
Total OPEB Liability - Beginning	100,238,130	83,686,684	86,175,824
Total OPEB Liability - Ending	<u>\$ 83,686,684</u>	<u>\$ 86,175,824</u>	<u>\$ 98,703,499</u>
District's Covered Employee Payroll *	\$ 24,256,845	\$ 24,582,607	\$ 24,585,000
Total OPEB Liability as a Percentage of Covered Employee Payroll	345%	351%	401%

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

REVENUE:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Local Sources:					
Local Tax Levy	\$ 50,647,951		\$ 50,647,951	\$ 50,647,951	
Tuition - From Individuals	159,256	\$ (107,956)	51,300	89,695	\$ 38,395
Tuition - Other LEA's Within State		105,956	105,956	42,035	(63,921)
Tuition - Other		2,000	2,000	1,000	(1,000)
Unrestricted Miscellaneous Revenue	401,309	(40,000)	361,309	253,745	(107,564)
Interest on Capital Reserve		40,000	40,000	34,765	(5,235)
Other Restricted Miscellaneous Revenue	808,461		808,461	546,710	(261,751)
Total - Local Sources	52,016,977		52,016,977	51,615,901	(401,076)
State Sources:					
Transportation Aid	1,396,979		1,396,979	1,396,979	
Categorical Special Education Aid	2,262,268		2,262,268	2,262,268	
Equalization Aid	125,813		125,813	125,813	
Categorical Security Aid	213,804		213,804	213,804	
Extraordinary Special Education Costs Aid				770,395	770,395
Nonpublic Transportation Costs				59,645	59,645
On-Behalf TPAF Contributions:					
Post-Retirement Medical Benefits (Non-Budgeted)				2,117,023	2,117,023
Pension (Non-Budgeted)				7,156,447	7,156,447
Non-Contributory Insurance (Non-Budgeted)				88,649	88,649
Long-Term Disability Insurance (Non-Budgeted)				2,923	2,923
Reimbursed TPAF Contributions:					
Social Security Aid (Non-Budgeted)				1,322,459	1,322,459
Total State Sources	3,998,864		3,998,864	15,516,405	11,517,541
Federal Sources:					
FEMA Reimbursement				67,234	67,234
Medicaid Reimbursement (SEMI)	16,275		16,275	5,005	(11,270)
Total Federal Sources	16,275		16,275	72,239	55,964
TOTAL REVENUE	56,032,116		56,032,116	67,204,545	11,172,429

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 14,571,025	\$ (141,070)	\$ 14,429,955	\$ 13,800,417	\$ 629,538
Regular Programs - Home Instruction:					
Salaries of Teachers	126,250		126,250	25,675	100,575
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services		350	350	350	
Other Purchased Services (400-500 series)	421,873	(63,000)	358,873	324,459	34,414
General Supplies	399,623	3,632	403,255	400,499	2,756
Textbooks	388,962	(348,341)	40,621	37,089	3,532
Lease Purchase Payments - Student Laptops		325,922	325,922	315,494	10,428
Total Regular Programs - Instruction	15,907,733	(222,507)	15,685,226	14,903,983	781,243
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	2,562,828	(2,664)	2,560,164	2,558,484	1,680
Other Salaries for Instruction	775,470	23,790	799,260	793,470	5,790
General Supplies	5,000	5,792	10,792	10,023	769
Textbooks	5,000	484	5,484	5,484	
Total Resource Room/Resource Center	3,348,298	27,402	3,375,700	3,367,461	8,239
Total Special Education - Instruction	3,348,298	27,402	3,375,700	3,367,461	8,239
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	560,549	155,001	715,550	632,224	83,326
Purchased Services (300-500 series)	13,078	(5,782)	7,296	6,268	1,028
Supplies and Materials	46,395	(6,039)	40,356	40,106	250
Other Objects	23,233	(7,237)	15,996	15,478	518
Total School-Sponsored Cocurricular Activities - Instruction	643,255	135,943	779,198	694,076	85,122

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	\$ 1,537,030	\$ 230,290	\$ 1,767,320	\$ 1,551,797	\$ 215,523
Purchased Services (300-500 series)	10,425	(1,564)	8,861	7,371	1,490
Supplies and Materials	223,241	(21,367)	201,874	200,417	1,457
Other Objects	364,325	(64,839)	299,486	297,899	1,587
Total School-Sponsored Cocurricular Athletics - Instruction	2,135,021	142,520	2,277,541	2,057,484	220,057
Other Instructional Programs - Instruction:					
Salaries	8,000		8,000		8,000
Total Other Instructional Programs - Instruction	8,000		8,000		8,000
Total Instruction Expenditures	22,042,307	83,358	22,125,665	21,023,004	1,102,661
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Regular		320,080	320,080	31,990	288,090
Tuition to Other LEAs Within the State - Special	715,290	(330,080)	385,210	38,451	346,759
Tuition to County Vocational School District - Regular	518,240		518,240	388,703	129,537
Tuition to County Vocational School District - Special	197,800	10,000	207,800	199,009	8,791
Tuition to Private Schools for the Disabled - Within State	4,087,358	(318,499)	3,768,859	3,081,834	687,025
Total Undistributed Expenditures - Instruction	5,518,688	(318,499)	5,200,189	3,739,987	1,460,202
Attendance & Social Work Services:					
Salaries	28,750		28,750	23,000	5,750
Supplies and Materials	2,888		2,888	2,867	21
Total Attendance & Social Work Services	31,638		31,638	25,867	5,771

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures:					
Health Services:					
Salaries	\$ 638,081	\$ (6,000)	\$ 632,081	\$ 620,043	\$ 12,038
Purchased Professional and Technical Services	40,800		40,800	36,267	4,533
Supplies and Materials	10,490	1,667	12,157	10,856	1,301
Other Objects	2,681	(1,667)	1,014	418	596
Total Health Services	692,052	(6,000)	686,052	667,584	18,468
Speech, OT, PT & Related Services:					
Purchased Professional - Educational Services	112,424	33,000	145,424	129,638	15,786
Supplies and Materials	1,000	8,000	9,000	2,409	6,591
Other Objects	14,000	(8,000)	6,000		6,000
Total Speech, OT, PT & Related Services	127,424	33,000	160,424	132,047	28,377
Guidance:					
Salaries of Other Professional Staff	1,200,508	(1,999)	1,198,509	1,190,541	7,968
Salaries of Secretarial and Clerical Assistants	159,270	10,400	169,670	169,670	
Other Salaries					
Unused Vacation Payment to Terminated/Retired Staff					
Purchased Professional - Educational Services	17,671	(2,197)	15,474	14,840	634
Other Purchased Professional and Technical Services	17,096		17,096	17,054	42
Other Purchased Services (400-500 series)					
Miscellaneous Purchased Services	2,522	2,978	5,500	4,160	1,340
Supplies and Materials	8,510	(609)	7,901	7,169	732
Other Objects					
Total Guidance	1,405,577	8,573	1,414,150	1,403,434	10,716

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures:					
Child Study Team:					
Salaries of Other Professional Staff	\$ 1,071,659	\$ (5,246)	\$ 1,066,413	\$ 1,017,795	\$ 48,618
Salaries of Secretarial and Clerical Assistants	167,270		167,270	163,270	4,000
Miscellaneous Purchased Services (400-500 series Other than Residential Costs)	18,750	(10,500)	8,250	6,592	1,658
Other Objects					
Total Child Study Team	2,065,514	(132,646)	1,932,868	1,660,138	272,730
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	333,473	(5,903)	327,570	304,134	23,436
Salaries of Other Professional Staff	73,000	5,952	78,952	59,390	19,562
Salaries of Secretarial and Clerical Assistants	158,155		158,155	157,929	226
Unused Vacation Payment to Terminated/Retired Staff					
Other Purchased Professional and Technical Services	86,000	(18,082)	67,918	56,156	11,762
Other Purchased Services (400-500 series)	3,500		3,500	3,120	380
Supplies and Materials	298,520	(35,739)	262,781	117,401	145,380
Other Objects	4,234		4,234	3,154	1,080
Total Improvement of Instructional Services	956,882	(53,772)	903,110	701,284	201,826
Educational Media Services/School Library:					
Salaries	230,826	(32,681)	198,145	196,780	1,365
Salaries of Technology Coordinators	461,069	29,175	490,244	465,859	24,385
Unused Vacation Payment to Terminated/Retired Staff		3,506	3,506	3,506	
Purchased Professional and Technical Services					
Other Purchased Services (400-500 series)					
Supplies and Materials	86,889	625	87,514	84,419	3,095
Other Objects	1,427	(625)	802	802	
Total Educational Media Services/School Library	780,211		780,211	751,366	28,845

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 388,009		\$ 388,009	\$ 308,757	\$ 79,252
Purchased Professional - Educational Services	52,000	\$ 2,065	54,065	54,065	
Other Purchased Professional and Technical Services	10,000		10,000	6,750	3,250
Other Purchased Services (400-500 series)	60,000		60,000	46,955	13,045
Other Objects	250	1,472	1,722	1,472	250
Total Instructional Staff Training Services	510,259	3,537	513,796	417,999	95,797
General Administration:					
Salaries	507,603	21,780	529,383	516,524	12,859
Legal Services	233,990	(81,204)	152,786	142,922	9,864
Audit Fees	100,791	9,693	110,484	110,484	
Other Purchased Professional Services	54,340	(5,449)	48,891	40,727	8,164
Communications/Telephone	55,420	206	55,626	46,402	9,224
BOE Other Purchased Services	4,000		4,000	2,950	1,050
Miscellaneous Purchased Services (400-500 series)	438,800	48,047	486,847	457,568	29,279
General Supplies	5,900	187	6,087	4,344	1,743
Miscellaneous Expenditures	16,156	1,767	17,923	16,452	1,471
BOE Membership Dues and Fees	24,200		24,200	22,754	1,446
Total General Administration	1,441,200	(4,973)	1,436,227	1,361,127	75,100
School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	1,083,084	(2,875)	1,080,209	1,049,515	30,694
Salaries of Other Professional Staff	370,620	49,036	419,656	390,840	28,816
Salaries of Secretarial and Clerical Assistants	365,150	2,875	368,025	365,400	2,625
Purchased Professional and Technical Services	10,000	(8,200)	1,800		1,800
Other Purchased Services (400-500 series)	16,665	(766)	15,899	7,168	8,731
Supplies and Materials	2,796	20,000	22,796	2,658	20,138
Other Objects	67,899	2,500	70,399	57,082	13,317
Total School Administration	1,916,214	62,570	1,978,784	1,872,663	106,121

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Central Services:					
Salaries	\$ 542,043		\$ 542,043	\$ 459,868	\$ 82,175
Purchased Professional Services	61,675	\$ 130,746	192,421	42,750	149,671
Purchased Technical Services	10,000		10,000	9,925	75
Miscellaneous Purchased Services (400-500 series)	9,500	18,321	27,821	12,714	15,107
Supplies and Materials	7,550	2,376	9,926	7,968	1,958
Interest on Lease Purchase Agreements	43,255		43,255	43,227	28
Miscellaneous Expenditures	3,250	(2,376)	874	874	
Total Central Services	677,273	149,067	826,340	577,326	249,014
Administrative Information Technology:					
Salaries	130,138		130,138	83,433	46,705
Purchased Technical Services	50,000		50,000		50,000
Other Purchased Services (400-500 series)	472,702	(28,844)	443,858	398,602	45,256
Supplies and Materials	60,877	13,143	74,020	69,513	4,507
Other Objects	2,180		2,180	2,180	
Total Administrative Information Technology	715,897	(15,701)	700,196	553,728	146,468
Required Maintenance for School Facilities:					
Salaries	281,490	(15,757)	265,733	244,230	21,503
Purchased Professional and Technical Services		6,000	6,000	3,495	2,505
Cleaning, Repair and Maintenance Services	489,000	46,394	535,394	269,946	265,448
General Supplies	119,500	(2,300)	117,200	83,066	34,134
Total Required Maintenance for School Facilities	889,990	34,337	924,327	600,737	323,590

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 1,254,440	\$ (3,164)	\$ 1,251,276	\$ 1,218,862	\$ 32,414
Purchased Professional and Technical Services	240,000	(134,251)	105,749	81,618	24,131
Cleaning, Repair and Maintenance Services	190,894	36,196	227,090	123,579	103,511
Rental of Land & Buildings Other than Lease Purchase Agreements	152,903	2,800	155,703	124,935	30,768
Lease Purchase Payments - ESIP	207,701		207,701	153,699	54,002
Other Purchased Property Services	83,098	9,000	92,098	84,791	7,307
Insurance	148,500	(22,000)	126,500	115,272	11,228
Miscellaneous Purchased Services	6,300	(27)	6,273	2,618	3,655
General Supplies	297,600	(75,998)	221,602	180,135	41,467
Energy (Natural Gas)	283,437	18,774	302,211	285,478	16,733
Energy (Electricity)	425,582	90,806	516,388	470,211	46,177
Other Objects	3,000	147	3,147	1,143	2,004
Interest on Lease Purchase Payments - ESIP	96,083	(18,774)	77,309	63,818	13,491
Total Custodial Services	3,389,538	(96,491)	3,293,047	2,906,159	386,888
Care & Upkeep of Grounds:					
Salaries	223,822	139,630	363,452	363,452	
Purchased Professional and Technical Services	20,000	(2,817)	17,183		17,183
Cleaning, Repair and Maintenance Services	181,000		181,000	126,076	54,924
General Supplies	68,000		68,000	34,106	33,894
Total Care & Upkeep of Grounds	492,822	136,813	629,635	523,634	106,001
Security:					
Salaries	79,688		79,688	71,722	7,966
Purchased Professional and Technical Services	286,412	(1)	286,411	268,587	17,824
Cleaning, Repair and Maintenance Services	33,000		33,000	16,645	16,355
General Supplies	28,600		28,600	8,321	20,279
Other Objects	16,070	(147)	15,923	150	15,773
Total Security	443,770	(148)	443,622	365,425	78,197

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	\$ 272,025	\$ 33,563	\$ 305,588	\$ 275,945	\$ 29,643
Between Home and School - Special	148,240	61,464	209,704	196,714	12,990
Other than Between Home and School	239,670	143,463	383,133	378,989	4,144
Management Fee - ESC & CTSA Transportation Program	97,633	(5,633)	92,000	68,628	23,372
Other Purchased Professional and Technical Services	14,644		14,644	9,228	5,416
Cleaning, Repair and Maintenance Services	144,300		144,300	104,712	39,588
Rental Payments - School Buses	2,000	(343)	1,657	119	1,538
Contracted Services:					
Aid in Lieu of Payments - Nonpublic Students	121,160	1,129	122,289	110,371	11,918
Other than Between Home and School - Vendors	362,800	(129,469)	233,331	88,078	145,253
Between Home and School - Joint Agreements	1,588,844	(16,000)	1,572,844	1,571,792	1,052
Special Education Students - Vendors	100,000	(53,177)	46,823	46,823	
Special Education Students - Joint Agreements	12,000	(12,000)			
Regular Students - ESC's & CTSA's	352,218	68,520	420,738	373,449	47,289
Special Education Students - ESC's & CTSA's	1,900,000	(312,448)	1,587,552	1,237,504	350,048
Miscellaneous Purchased Services	21,750	134	21,884	21,208	676
General Supplies	140,988	815	141,803	125,215	16,588
Other Objects	5,000	1,750	6,750	4,745	2,005
Total Student Transportation Services	5,523,272	(218,232)	5,305,040	4,613,520	691,520

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 777,058	\$ 113,991	\$ 891,049	\$ 856,113	\$ 34,936
Other Retirement Contributions - PERS	805,358	(8,609)	796,749	752,432	44,317
Other Retirement Contributions - Regular		8,609	8,609	8,609	
Unemployment Compensation	25,000	(13,400)	11,600	11,600	
Workmen's Compensation	347,224	(41,292)	305,932	251,823	54,109
Health Benefits	7,797,578	(51,299)	7,746,279	6,849,505	896,774
Tuition Reimbursement	106,133		106,133	46,180	59,953
Other Employee Benefits	235,110	(10,980)	224,130	126,582	97,548
Total Unallocated Benefits	10,093,461	(2,980)	10,090,481	8,902,844	1,187,637
On-Behalf TPAF Contributions:					
Post-Retirement Medical Benefits (Non-Budgeted)				2,117,023	(2,117,023)
Pension (Non-Budgeted)				7,156,447	(7,156,447)
Non-Contributory Insurance (Non-Budgeted)				88,649	(88,649)
Long-Term Disability Insurance (Non-Budgeted)				2,923	(2,923)
Reimbursed TPAF Contributions:					
Social Security Aid (Non-Budgeted)				1,322,459	(1,322,459)
Total On-Behalf and Reimbursed Contributions				10,687,501	(10,687,501)
Total Personal Services - Employee Benefits	10,093,461	(2,980)	10,090,481	19,590,345	(9,499,864)
Total Undistributed Expenditures	37,671,682	(421,545)	37,250,137	42,464,370	(5,214,233)
TOTAL CURRENT EXPENSE	59,713,989	(338,187)	59,375,802	63,487,374	(4,111,572)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CAPITAL OUTLAY					
Equipment:					
Regular Programs - Instruction:					
Grades 9-12	\$ 5,600		\$ 5,600	\$ 5,388	\$ 212
School-Sponsored and Other Instructional Programs	37,499	\$ 30,152	67,651	14,127	53,524
Undistributed Expenditures:					
Instruction	311,114		311,114	305,300	5,814
Support Services - Students - Related & Extraordinary		(7,000)			
Instructional Staff	7,000			21,286	1,531
School Administration	13,000	9,817	22,817	7,000	
Required Maintenance for School Facilities	61,578		61,578	61,565	13
Custodial Services	76,821	89,064	165,885	120,328	45,557
Care and Upkeep of Grounds	50,700	7,797	58,497	55,097	3,400
Student Transportation - Non-Instructional Equipment	260,965	218,051	479,016	291,727	187,289
Special Schools (All Programs)	921,041	(16,694)	904,347	904,347	
Total Equipment	1,745,318	338,187	2,083,505	1,786,165	297,340
Facilities Acquisition and Construction Services:					
Other Purchased Professional and Technical Services	25,000		25,000		25,000
Other Objects - Debt Service Assessment	102,861		102,861	102,861	
Total Facilities Acquisition and Construction Services	127,861		127,861	102,861	25,000
Assets Acquired Under Leases (Non-Budgeted):					
Regular Programs - Instruction:				876,244	(876,244)
Grades 9-12				876,244	(876,244)
Total Assets Acquired Under Leases (Non-Budgeted)				876,244	(876,244)
TOTAL CAPITAL OUTLAY	1,873,179	338,187	2,211,366	2,765,270	(553,904)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
TOTAL EXPENDITURES	\$ 61,587,168		\$ 61,587,168	\$ 66,252,644	\$ (4,665,476)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,555,052)		(5,555,052)	951,901	6,506,953
Other Financing Sources/(Uses):					
Leases (Non-Budgeted)				876,244	876,244
Transfer from Capital Reserve to Capital Projects Fund	(2,106,950)		(2,106,950)	(440,000)	1,666,950
Transfer from Capital Projects Fund:					
Interest Earned				849,754	849,754
Total Other Financing Sources/(Uses)	(2,106,950)		(2,106,950)	1,285,998	3,392,948
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(7,662,002)		(7,662,002)	2,237,899	9,899,901
Fund Balance, July 1	13,873,431		13,873,431	13,873,431	
Fund Balance, June 30	\$ 6,211,429	\$ - 0 -	\$ 6,211,429	\$ 16,111,330	\$ 9,899,901
Recapitulation:					
Restricted for:				\$ 3,829,408	
Capital Reserve				996	
Maintenance Reserve				5,124,315	
Excess Surplus				3,755,835	
Excess Surplus - For Subsequent Year's Expenditures				188,159	
Unemployment Compensation					
Assigned:					
Year-End Encumbrances				464,999	
For Subsequent Year's Expenditures				815,000	
Unassigned				1,932,618	
Total Fund Balance - Budgetary Basis				16,111,330	
Reconciliation to Governmental Fund Statements (GAAP):				(375,904)	
June State Aid payments not recognized on a GAAP basis					
Fund Balance per Governmental Funds on Exhibit B-1				\$ 15,735,426	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 20,000	\$ 165,103	\$ 185,103	\$ 127,303	\$ (57,800)
Federal Sources	540,799	(358)	540,441	504,743	(35,698)
Local Sources		667,102	667,102	616,884	(50,218)
Total Revenues	560,799	831,847	1,392,646	1,248,930	(143,716)
EXPENDITURES:					
Instruction					
Personal Services - Salaries		3,030	3,030	3,030	
Purchased Professional/Technical Services		70,500	70,500	47,729	22,771
Other Purchased Services	20,000	72,664	92,664	86,353	6,311
Tuition	540,799	(129,134)	411,665	411,665	
General Supplies		38,548	38,548	21,512	17,036
Textbooks		17,439	17,439	17,430	9
Total Instruction	560,799	73,047	633,846	587,719	46,127
Support Services					
Personal Services - Salaries		61,045	61,045	12,267	48,778
Personal Services - Employee Benefits		3,038	3,038		3,038
Purchased Professional/Technical Services		32,258	32,258	29,200	3,058
Other Purchased Services		18,818	18,818	8,122	10,696
Supplies and Materials		25,212	25,212		25,212
Other Objects		58,903	58,903	35,487	23,416
Student Activities		429,741	429,741	429,741	
Scholarships Awarded		26,005	26,005	26,005	
Laptop Replacement		103,780	103,780	103,780	
Total Support Services		758,800	758,800	644,602	114,198

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Total Expenditures	\$ 560,799	\$ 831,847	\$ 1,392,646	\$ 1,232,321	\$ 160,325
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 16,609	\$ (16,609)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 67,204,545	\$ 1,248,930
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		478
State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements (Prior Year)	361,437	
State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements (Current Year)	(375,904)	
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 67,190,078</u>	<u>\$ 1,249,408</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 66,252,644	\$ 1,232,321
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes		478
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 66,252,644</u>	<u>\$ 1,232,799</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

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

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments in the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Elementary and Secondary Education Act			
	Title IIA	Title III Immigrant 2023-24	Title IV	IDEA - Part B, Basic Regular
REVENUE:				
State Sources				
Federal Sources	\$ 8,992	\$ 3,030	\$ 4,127	\$ 488,594
Local Sources				
Total Revenue	8,992	3,030	4,127	488,594
EXPENDITURES:				
Instruction:				
Personal Services - Salaries		3,030		
Purchased Professional/Technical Services				47,729
Other Purchased Services				
Tuition				411,665
General Supplies				
Textbooks				
Total Instruction		3,030		459,394
Support Services:				
Personal Services - Salaries	8,992			
Purchased Professional/Technical Services				29,200
Other Purchased Services			4,127	
Other Objects				
Student Activities				
Scholarships Awarded				
Laptop Replacement				
Total Support Services	8,992		4,127	29,200
Total Expenditures	\$ 8,992	\$ 3,030	\$ 4,127	\$ 488,594

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NJ Nonpublic				
REVENUE:	Auxiliary Services (Chapter 192)	Handicapped Services (Chapter 193)		
	Home	Corrective	Supplementary	Examination &
	Instruction	Speech	Instruction	Classification
State Sources	\$ 500	\$ 1,674	\$ 10,655	\$ 12,509
Federal Sources				
Local Sources				
Total Revenue	500	1,674	10,655	12,509
EXPENDITURES:				
Instruction:				
Personal Services - Salaries				
Purchased Professional/Technical Services				
Other Purchased Services	500	1,674	10,655	12,509
Tuition				
General Supplies				
Textbooks				
Total Instruction	500	1,674	10,655	12,509
Support Services:				
Personal Services - Salaries				
Purchased Professional/Technical Services				
Other Purchased Services				
Other Objects				
Student Activities				
Scholarships Awarded				
Laptop Replacement				
Total Support Services				
Total Expenditures	\$ 500	\$ 1,674	\$ 10,655	\$ 12,509

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Textbooks	NJ Nonpublic Technology Initiative	Nursing	Artificial Intelligence Grant
REVENUE:				
State Sources	\$ 17,430	\$ 16,685	\$ 44,330	\$ 23,520
Federal Sources				
Local Sources				
Total Revenue	17,430	16,685	44,330	23,520
EXPENDITURES:				
Instruction:				
Personal Services - Salaries				
Purchased Professional/Technical Services				
Other Purchased Services		16,685	44,330	
Tuition				
General Supplies				16,250
Textbooks	17,430			
Total Instruction	17,430	16,685	44,330	16,250
Support Services:				
Personal Services - Salaries				3,275
Purchased Professional/Technical Services				
Other Purchased Services				3,995
Other Objects				
Student Activities				
Scholarships Awarded				
Laptop Replacement				
Total Support Services				7,270
Total Expenditures	\$ 17,430	\$ 16,685	\$ 44,330	\$ 23,520

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Other Local Projects	Student Activities	Scholarships	Laptop Replacement	Totals June 30, 2025
REVENUE:					
State Sources					\$ 127,303
Federal Sources					504,743
Local Sources	\$ 40,749	\$ 449,901	\$ 25,254	\$ 100,980	616,884
Total Revenue	40,749	449,901	25,254	100,980	1,248,930
EXPENDITURES:					
Instruction:					
Personal Services - Salaries					3,030
Purchased Professional/Technical Services					47,729
Other Purchased Services					86,353
Tuition					411,665
General Supplies	5,262				21,512
Textbooks					17,430
Total Instruction	5,262				587,719
Support Services:					
Personal Services - Salaries					12,267
Purchased Professional/Technical Services					29,200
Other Purchased Services					8,122
Other Objects	35,487				35,487
Student Activities		429,741			429,741
Scholarships Awarded			26,005		26,005
Laptop Replacement				103,780	103,780
Total Support Services	35,487	429,741	26,005	103,780	644,602
Total Expenditures	\$ 40,749	\$ 429,741	\$ 26,005	\$ 103,780	\$ 1,232,321

CAPITAL PROJECTS FUND

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

Revenue and Other Financing Sources:	
Transfer from Capital Reserve	\$ 440,000
Interest Revenue	849,754
Total Revenue and Other Financing Sources	1,289,754
Expenditures and Other Financing Uses:	
Purchased Professional and Technical Services	1,706,914
Construction Services	3,772,296
Cancellation of Financed Purchase Proceeds	20,784
Transfer to General Fund:	
Interest Earned	849,754
Total Expenditures and Other Financing Uses	6,349,748
Excess/(Deficit) of Revenue & Other Financing Sources Over/(Under)	
Expenditures & Other Financing Uses	(5,059,994)
Fund Balance - Beginning	29,949,852
Fund Balance - Ending	\$ 24,889,858
Recapitulation of Fund Balance:	
Restricted - Year-End Encumbrances	\$ 6,997,903
Restricted	15,384,954
	22,382,857
Committed - Year-End Encumbrances	278,037
Committed	2,228,964
	2,507,001
Fund Balance per Governmental Funds (Budgetary Basis)	24,889,858
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grants not Recognized on the GAAP Basis	(1,351,300)
Fund Balance per Governmental Funds (Budgetary Basis and GAAP Basis)	\$ 23,538,558

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS, ALTERATIONS AND IMPROVEMENTS AT THE
WEST MORRIS CENTRAL AND MENDHAM HIGH SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Bond Proceeds	<u>\$ 26,047,000</u>		<u>\$ 26,047,000</u>	<u>\$ 26,047,276</u>
Total Revenue and Other Financing Sources	<u>26,047,000</u>	<u>\$ - 0 -</u>	<u>26,047,000</u>	<u>26,047,276</u>
Expenditures:				
Purchased Professional and Technical Services	192,311	1,558,922	1,751,233	2,943,824
Construction Services		<u>1,912,910</u>	<u>1,912,910</u>	<u>23,103,452</u>
Total Expenditures	<u>192,311</u>	<u>3,471,832</u>	<u>3,664,143</u>	<u>26,047,276</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 25,854,689</u>	<u>\$ (3,471,832)</u>	<u>\$ 22,382,857</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	Various			
Grant Date	N/A			
Bond Authorization Date	03/12/24			
Bonds Authorized	\$ 26,047,276			
Bonds Issued	\$ 26,047,000			
Original Authorized Cost	\$ 26,047,276			
Percentage Completion	14.07%			
Original Target Completion Date	08/30/26			
Revised Target Completion Date	09/30/27			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - HVAC SYSTEM UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 514,800		\$ 514,800	\$ 514,800
Transfer from Capital Reserve	772,200		772,200	772,200
Total Revenue and Other Financing Sources	<u>1,287,000</u>	<u>\$ - 0 -</u>	<u>1,287,000</u>	<u>1,287,000</u>
Expenditures:				
Purchased Professional and Technical Services		38,220	38,220	77,000
Construction Services		401,256	401,256	1,210,000
Total Expenditures	<u>- 0 -</u>	<u>439,476</u>	<u>439,476</u>	<u>1,287,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 1,287,000</u>	<u>\$ (439,476)</u>	<u>\$ 847,524</u>	<u>\$ - 0 -</u>
Additional Project Information:				
DOE Project Number	5660-030-23-R501			
SDA Project Number	5660-030-23-G5UL			
Grant Number	G5-6935			
Grant Date	02/12/24			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,287,000			
Percentage Completion	34.15%			
Original Target Completion Date	08/15/24			
Revised Target Completion Date	06/30/26			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - HVAC SYSTEM UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 514,800		\$ 514,800	\$ 514,800
Transfer from Capital Reserve	772,200		772,200	772,200
Total Revenue and Other Financing Sources	<u>1,287,000</u>	<u>\$ - 0 -</u>	<u>1,287,000</u>	<u>1,287,000</u>
Expenditures:				
Purchased Professional and Technical Services		36,820	36,820	77,000
Construction Services		442,656	442,656	1,210,000
Total Expenditures	<u>- 0 -</u>	<u>479,476</u>	<u>479,476</u>	<u>1,287,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 1,287,000</u>	<u>\$ (479,476)</u>	<u>\$ 807,524</u>	<u>\$ - 0 -</u>
Additional Project Information:				
DOE Project Number	5660-050-23-R501			
SDA Project Number	5660-050-23-G5UN			
Grant Number	G5-6937			
Grant Date	02/12/24			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,287,000			
Percentage Completion	37.26%			
Original Target Completion Date	08/15/24			
Revised Target Completion Date	06/30/26			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - ROOF REPLACEMENT (D-WING)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 321,700		\$ 321,700	\$ 321,700
Transfer from Capital Reserve	482,550		482,550	482,550
Total Revenue and Other Financing Sources	804,250	\$ - 0 -	804,250	804,250
Expenditures:				
Purchased Professional and Technical Services		42,253	42,253	48,000
Construction Services	18,858	547,741	566,599	756,250
Total Expenditures	18,858	589,994	608,852	804,250
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 785,392</u>	<u>\$ (589,994)</u>	<u>\$ 195,398</u>	<u>\$ - 0 -</u>
Additional Project Information:				
DOE Project Number	5660-030-23-R502			
SDA Project Number	5660-030-23-G5UM			
Grant Number	G5-6936			
Grant Date	02/12/24			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 804,250			
Percentage Completion	75.70%			
Original Target Completion Date	08/15/24			
Revised Target Completion Date	01/31/25			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - BLEACHER REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 400,000</u>		<u>\$ 400,000</u>	<u>\$ 400,000</u>
Total Revenue and Other Financing Sources	<u>400,000</u>	<u>\$ - 0 -</u>	<u>400,000</u>	<u>400,000</u>
Expenditures:				
Purchased Professional and Technical Services	16,074	5,359	21,433	42,775
Construction Services	<u>300,668</u>		<u>300,668</u>	<u>357,225</u>
Total Expenditures	<u>316,742</u>	<u>5,359</u>	<u>322,101</u>	<u>400,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 83,258</u>	<u>\$ (5,359)</u>	<u>\$ 77,899</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 400,000			
Percentage Completion	80.53%			
Original Target Completion Date	12/01/23			
Revised Target Completion Date	12/01/23			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - RENOVATE/IMPROVE PLAYING FIELD
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 60,000</u>	<u></u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>
Total Revenue and Other Financing Sources	<u>60,000</u>	<u>\$ - 0 -</u>	<u>60,000</u>	<u>60,000</u>
Expenditures:				
Construction Services	<u>45,505</u>	<u></u>	<u>45,505</u>	<u>60,000</u>
Total Expenditures	<u>45,505</u>	<u>- 0 -</u>	<u>45,505</u>	<u>60,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u><u>\$ 14,495</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 14,495</u></u>	<u><u>\$ - 0 -</u></u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 60,000			
Percentage Completion	75.84%			
Original Target Completion Date	08/15/23			
Revised Target Completion Date	08/15/23			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - IRRIGATION FOR SOCCER FIELD
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 25,000</u>	<u></u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
Total Revenue and Other Financing Sources	<u>25,000</u>	<u>\$ - 0 -</u>	<u>25,000</u>	<u>25,000</u>
Expenditures:				
Construction Services	<u></u>	<u></u>	<u></u>	<u>25,000</u>
Total Expenditures	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>25,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u><u>\$ 25,000</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 25,000</u></u>	<u><u>\$ - 0 -</u></u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 25,000			
Percentage Completion	0.00%			
Original Target Completion Date	08/15/23			
Revised Target Completion Date	06/30/26			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - BUS LOT RENOVATION AND IMPROVEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 12,500</u>	<u></u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>
Total Revenue and Other Financing Sources	<u>12,500</u>	<u>\$ - 0 -</u>	<u>12,500</u>	<u>12,500</u>
Expenditures:				
Construction Services	<u></u>	<u></u>	<u></u>	<u>12,500</u>
Total Expenditures	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>12,500</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u><u>\$ 12,500</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 12,500</u></u>	<u><u>\$ - 0 -</u></u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 12,500			
Percentage Completion	0.00%			
Original Target Completion Date	08/15/23			
Revised Target Completion Date	06/30/26			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL AND MENDHAM HIGH SCHOOLS - DESIGN FEES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 120,000</u>	<u></u>	<u>\$ 120,000</u>	<u>\$ 120,000</u>
Total Revenue and Other Financing Sources	<u>120,000</u>	<u>\$ - 0 -</u>	<u>120,000</u>	<u>120,000</u>
Expenditures:				
Purchased Professional and Technical Services	<u>11,496</u>	<u></u>	<u>11,496</u>	<u>120,000</u>
Total Expenditures	<u>11,496</u>	<u>- 0 -</u>	<u>11,496</u>	<u>120,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 108,504</u>	<u>\$ - 0 -</u>	<u>\$ 108,504</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 120,000			
Percentage Completion	9.58%			
Original Target Completion Date	08/15/23			
Revised Target Completion Date	09/30/26			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL AND MENDHAM HIGH SCHOOLS - DESIGN FEES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 14,401</u>	<u></u>	<u>\$ 14,401</u>	<u>\$ 14,401</u>
Total Revenue and Other Financing Sources	<u>14,401</u>	<u>\$ - 0 -</u>	<u>14,401</u>	<u>14,401</u>
Expenditures:				
Purchased Professional and Technical Services	<u></u>	<u></u>	<u></u>	<u>14,401</u>
Total Expenditures	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>14,401</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u><u>\$ 14,401</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 14,401</u></u>	<u><u>\$ - 0 -</u></u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 14,401			
Percentage Completion	0.00%			
Original Target Completion Date	06/30/23			
Revised Target Completion Date	06/30/25			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL AND MENDHAM HIGH SCHOOLS - BATHROOM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 240,000	\$ 260,000	\$ 500,000	\$ 500,000
Total Revenue and Other Financing Sources	240,000	260,000	500,000	500,000
Expenditures:				
Purchased Professional and Technical Services		25,340	25,340	25,340
Construction Services		300,204	300,204	474,660
Total Expenditures	- 0 -	325,544	325,544	500,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 240,000	\$ (65,544)	\$ 174,456	\$ - 0 -
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 240,000			
Additional Authorization	\$ 260,000			
Revised Authorized Cost	\$ 500,000			
Change Order Percentage	0.00%			
Percentage Completion	65.11%			
Original Target Completion Date	08/15/24			
Revised Target Completion Date	09/30/26			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - BATHROOM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 100,000</u>	<u></u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>
Total Revenue and Other Financing Sources	<u>100,000</u>	<u>\$ - 0 -</u>	<u>100,000</u>	<u>100,000</u>
Expenditures:				
Construction Services	<u>72,535</u>	<u></u>	<u>72,535</u>	<u>100,000</u>
Total Expenditures	<u>72,535</u>	<u>- 0 -</u>	<u>72,535</u>	<u>100,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 27,465</u>	<u>\$ - 0 -</u>	<u>\$ 27,465</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 100,000			
Percentage Completion	72.54%			
Original Target Completion Date	08/15/22			
Revised Target Completion Date	06/30/25			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - BATHROOM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 180,000	\$ 180,000	\$ 180,000
Total Revenue and Other Financing Sources	\$ - 0 -	180,000	180,000	180,000
Expenditures:				
Construction Services				180,000
Total Expenditures	- 0 -	- 0 -	- 0 -	180,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 180,000	\$ 180,000	\$ - 0 -
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 180,000			
Percentage Completion	0.00%			
Original Target Completion Date	06/30/25			
Revised Target Completion Date	09/30/26			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - BATHROOM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	<u>\$ 80,000</u>	<u></u>	<u>\$ 80,000</u>	<u>\$ 80,000</u>
Total Revenue and Other Financing Sources	<u>80,000</u>	<u>\$ - 0 -</u>	<u>80,000</u>	<u>80,000</u>
Expenditures:				
Construction Services	<u>58,165</u>	<u></u>	<u>58,165</u>	<u>80,000</u>
Total Expenditures	<u>58,165</u>	<u>- 0 -</u>	<u>58,165</u>	<u>80,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 21,835</u>	<u>\$ - 0 -</u>	<u>\$ 21,835</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 80,000			
Percentage Completion	72.71%			
Original Target Completion Date	08/15/22			
Revised Target Completion Date	06/30/25			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - FIELD TURF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Financed Purchase Proceeds	<u>\$ 879,825</u>	<u>\$ (20,784)</u>	<u>\$ 859,041</u>	<u>\$ 859,041</u>
Total Revenue and Other Financing Sources	<u>879,825</u>	<u>(20,784)</u>	<u>859,041</u>	<u>859,041</u>
Expenditures:				
Construction Services	<u>691,512</u>	<u>167,529</u>	<u>859,041</u>	<u>859,041</u>
Total Expenditures	<u>691,512</u>	<u>167,529</u>	<u>859,041</u>	<u>859,041</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 188,313</u>	<u>\$ (188,313)</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 900,000			
Unexpended Balances Canceled	\$ (40,959)			
Revised Authorized Cost	\$ 859,041			
Percentage Completion	100.00%			
Original Target Completion Date	08/15/22			
Revised Target Completion Date	06/30/25			

PROPRIETARY FUNDS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 140,806
Inventories	6,863
Interfund Receivable - General Fund	43,561
Other Accounts Receivable - Food Service Management Company	1,481
Other Accounts Receivable - Student	17,717

Total Current Assets	210,428
----------------------	---------------------

Non-Current Assets:

Capital Assets	137,344
Less: Accumulated Depreciation	(134,554)

Total Non-Current Assets	2,790
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Total Assets	213,218
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LIABILITIES:

Current Liabilities:

Unearned Revenue	35,938

Total Current Liabilities	35,938
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Non-Current Liabilities:

Accrued Compensated Absences Payable	5,000

Total Non-Current Liabilities	5,000
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Total Liabilities	40,938
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NET POSITION:

Investment in Capital Assets	2,790
Unrestricted	169,490

Total Net Position	\$ 172,280
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WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Operating Revenue:	
Local Sources:	
Daily Sales - Non-Reimbursable Programs	\$ 998,002
Special Events	7,570
Total Operating Revenue	1,005,572
Operating Expenses:	
Cost of Sales - Non-Reimbursable Programs	419,210
Salaries, Benefits & Payroll Taxes	441,738
Supplies, Insurance & Other Costs	98,863
Depreciation Expense	170
Total Operating Expenses	959,981
Operating Income	45,591
Non-Operating Revenue:	
Interest Income	2,757
Total Non-Operating Revenue	2,757
Change in Net Position	48,348
Net Position - Beginning of Year	123,932
Net Position - End of Year	\$ 172,280

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 998,379
Payments to Food Service Vendor	(912,909)
Payments to Employees	(38,687)
Payments to Suppliers	(8,246)
Net Cash Provided by Operating Activities	38,537
Cash Flows from Investing Activities:	
Interest Income	2,757
Net Cash Provided by Investing Activities	2,757
Net Increase in Cash and Cash Equivalents	41,294
Cash and Cash Equivalents, July 1	99,512
Cash and Cash Equivalents, June 30	\$ 140,806
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 45,591
Adjustment to Reconcile Operating Income to Net Cash Provided by	
Operating Activities:	
Depreciation	170
Changes in Assets and Liabilities:	
Decrease in Inventory	4,345
Decrease in Other Accounts Receivable - Food Service Management Company	1,069
(Increase) in Other Accounts Receivable - Student	(17,717)
(Decrease) in Accounts Payable	(5,445)
Increase in Unearned Revenue	10,524
Net Cash Provided by Operating Activities	\$ 38,537

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF SERIAL BONDS

Maturities of Bonds									
Purpose	Date of Issue	Original Issue	Outstanding			Interest Rate	Balance		
			Date	Amount	June 30, 2025		June 30, 2024	Matured	June 30, 2025
School Improvements	05/22/24	\$ 26,047,000	8/15/25	\$	1,600,000	0.05%			
			8/15/26		1,085,000	0.05%			
			8/15/27		1,115,000	0.05%			
			8/15/28		1,150,000	0.05%			
			8/15/29		1,185,000	0.05%			
			8/15/30		1,220,000	2.00%			
			8/15/31		1,260,000	4.00%			
			8/15/32		1,300,000	4.00%			
			8/15/33		1,345,000	4.00%			
			8/15/34		1,385,000	4.00%			
			8/15/35		1,400,000	4.00%			
			8/15/36		1,400,000	4.00%			
			8/15/37		1,400,000	4.00%			
			8/15/38		1,400,000	4.00%			
			8/15/39		1,400,000	4.00%			
			8/15/40		1,400,000	4.00%			
			8/15/41		1,400,000	4.00%			
			8/15/42		1,400,000	4.00%			
			8/15/43		1,400,000	4.00%			
							\$ 26,047,000	\$ 802,000	
							\$ 26,047,000	\$ 25,245,000	
							\$ 26,047,000	\$ 802,000	
							\$ 26,047,000	\$ 25,245,000	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2024</u>	<u>Retired/ Matured</u>	<u>Balance June 30, 2025</u>
Energy Savings Improvement Program	3.2500%	\$ 3,246,767	\$ 1,891,767	\$ 150,000	\$ 1,741,767
Bus	0.6870%	20,000	5,023	5,023	
Bleachers, Vans, Tractor, HVAC and Weight Room	0.8058%	2,763,000	1,111,071	553,307	557,764
PA System, Weight Room, Buses and Truck	1.4980%	677,100	408,059	134,002	274,057
Buses, Vans, Utility Vehicles and Field Turf Replacement	3.6890%	1,330,000	1,073,204	253,903	819,301
Buses	5.1980%	250,000	<u>250,000</u>	<u>45,065</u>	<u>204,935</u>
			<u>\$ 4,739,124</u>	<u>\$ 1,141,300</u>	<u>\$ 3,597,824</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER LEASES

Item	Interest Rate	Original Issue	Balance July 1, 2024	Issued	Retired/ Matured	Balance June 30, 2025
Classroom Technology Equipment	1.3500%	\$ 271,062	\$ 68,789		\$ 68,789	
Classroom Technology Equipment	0.6870%	607,062	152,456		152,456	
Classroom Technology Equipment	1.4980%	727,500	438,433		143,977	\$ 294,456
Classroom Technology Equipment	4.8300%	523,294		\$ 523,294	112,291	411,003
Classroom Technology Equipment	4.8900%	352,950		352,950	93,074	259,876
			<u>\$ 659,678</u>	<u>\$ 876,244</u>	<u>\$ 570,587</u>	<u>\$ 965,335</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 1,510,022		\$ 1,510,022	\$ 1,510,022	
Total Revenue	1,510,022		1,510,022	1,510,022	
EXPENDITURES:					
Regular Debt Service:					
Interest	702,000		702,000	542,945	\$ 159,055
Redemption of Principal	808,022		808,022	802,000	6,022
Total Regular Debt Service	1,510,022		1,510,022	1,344,945	165,077
Total Expenditures	1,510,022		1,510,022	1,344,945	165,077
Excess of Revenue Over Expenditures	- 0 -		- 0 -	165,077	165,077
Fund Balance, July 1	- 0 -		- 0 -	- 0 -	
Fund Balance, June 30	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ 165,077	\$ 165,077

Recapitulation of Fund Balance at June 30, 2025:
 Restricted

\$ 165,077

STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

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

J-1 thru J-5

Revenue Capacity

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

J-6 thru J-9

Debt Capacity

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

J-10 thru J-13

Demographic and Economic Information

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

J-14 thru J-15

Operating Information

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

J-16 thru J-20

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

WEST MORRIS REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,			
	2021	2022	2023	2024 (Restated)
Governmental Activities:				
Net Investment in Capital Assets	\$ 42,135,862	\$ 43,164,091	\$ 43,348,925	\$ 38,390,377
Restricted	8,756,183	7,878,011	13,000,937	11,422,607
Unrestricted/(Deficit)	(5,690,299)	(4,394,243)	(6,657,428)	(3,874,589)
Total Governmental Activities Net Position	<u>\$ 45,201,746</u>	<u>\$ 46,647,859</u>	<u>\$ 49,692,434</u>	<u>\$ 45,938,395</u>
Business-Type Activities:				
Investment in Capital Assets	\$ 12,851	\$ 9,554	\$ 6,257	\$ 2,960
Unrestricted	13,910	23,499	43,727	120,972
Total Business-Type Activities Net Position	<u>\$ 26,761</u>	<u>\$ 33,053</u>	<u>\$ 49,984</u>	<u>\$ 123,932</u>
District-Wide:				
Net Investment in Capital Assets	\$ 42,148,713	\$ 43,173,645	\$ 43,355,182	\$ 38,393,337
Restricted	8,756,183	7,878,011	13,000,937	11,422,607
Unrestricted/(Deficit)	(5,676,389)	(4,370,744)	(6,613,701)	(3,753,617)
Total District-Wide Net Position	<u>\$ 45,228,507</u>	<u>\$ 46,680,912</u>	<u>\$ 49,742,418</u>	<u>\$ 46,062,327</u>
				<u>\$ 49,370,098</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,				
	2016	2017	2018	2019	2020
Governmental Activities:					
Net Investment in Capital Assets	\$ 35,713,071	\$ 37,775,826	\$ 35,979,627	\$ 40,490,868	\$ 42,372,781
Restricted	5,489,939	6,792,605	7,803,701	7,109,764	9,082,855
Unrestricted/(Deficit)	(10,251,581)	(11,507,492)	(8,774,509)	(10,714,005)	(11,219,673)
Total Governmental Activities Net Position	<u>\$ 30,951,429</u>	<u>\$ 33,060,939</u>	<u>\$ 35,008,819</u>	<u>\$ 36,886,627</u>	<u>\$ 40,235,963</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 27,555	\$ 22,962	\$ 21,473	\$ 19,648	\$ 16,147
Unrestricted	21,321	22,067	19,550	51,209	60,486
Total Business-Type Activities Net Position	<u>\$ 48,876</u>	<u>\$ 45,029</u>	<u>\$ 41,023</u>	<u>\$ 70,857</u>	<u>\$ 76,633</u>
District-Wide:					
Net Investment in Capital Assets	\$ 35,740,626	\$ 37,798,788	\$ 36,001,100	\$ 40,510,516	\$ 42,388,928
Restricted	5,489,939	6,792,605	7,803,701	7,109,764	9,082,855
Unrestricted/(Deficit)	(10,230,260)	(11,485,425)	(8,754,959)	(10,662,796)	(11,159,187)
Total District-Wide Net Position	<u>\$ 31,000,305</u>	<u>\$ 33,105,968</u>	<u>\$ 35,049,842</u>	<u>\$ 36,957,484</u>	<u>\$ 40,312,596</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
Expenses:	2021	2022	2023	2024	2025
Governmental Activities:					
Instruction:					
Regular	\$ 25,451,289	\$ 22,634,294	\$ 21,025,590	\$ 21,603,685	\$ 20,819,503
Special Education	5,799,528	5,018,914	4,735,681	4,767,115	4,866,868
Other Instruction	3,941,655	3,759,915	3,595,517	3,695,455	3,678,941
Support Services:					
Tuition	5,089,566	5,105,929	4,745,106	5,184,159	4,151,652
Student and Instruction Related Services	9,340,145	8,656,469	8,386,974	8,336,409	8,403,443
General Administration Services	1,106,379	1,389,612	1,416,377	1,506,083	1,524,202
School Administration Services	3,065,885	2,691,433	2,622,237	2,825,130	2,655,039
Central Services	633,495	661,382	738,817	769,151	708,846
Administrative Information Technology	763,674	2,005,597	1,422,983	881,483	933,000
Plant Operations and Maintenance	4,403,391	6,434,112	4,691,026	4,535,297	5,285,837
Pupil Transportation	3,925,786	5,037,244	5,495,399	5,474,354	4,898,043
Interest on Long-Term Debt	167,387	17,859	5,429	71,426	634,476
Unallocated Depreciation	2,344,097	2,344,097	2,344,097	1,875,265	1,875,265
Total Governmental Activities Expenses	66,032,277	65,756,857	61,225,233	61,525,012	60,435,115
Business-Type Activities:					
Enterprise Funds	96,614	684,619	903,738	946,187	959,981
Total Business-Type Activities Expense	96,614	684,619	903,738	946,187	959,981
Total District-Wide Expenses	\$ 66,128,891	\$ 66,441,476	\$ 62,128,971	\$ 62,471,199	\$ 61,395,096
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Tuition	\$ 313,332	\$ 144,224	\$ 221,282	\$ 208,855	\$ 132,730
Student & Instruction Related Services	303,518	588,639	527,746	616,776	576,135
Operating Grants and Contributions	19,177,249	14,734,494	11,317,999	10,597,668	8,797,850
Capital Grants and Contributions		784,314	59,911	56,557	
Total Governmental Activities	19,794,099	16,251,671	12,126,938	11,479,856	9,506,715
Business-Type Activities:					
Charges for Services:					
Food Service Fund	3,177	690,898	920,281	1,017,871	1,005,572
Total Business Type Activities	3,177	690,898	920,281	1,017,871	1,005,572
Total District-Wide Program Revenues	\$ 19,797,276	\$ 16,942,569	\$ 13,047,219	\$ 12,497,727	\$ 10,512,287

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICTCHANGES IN NET POSITIONLAST TEN FISCAL YEARSUNAUDITED*(Accrual Basis of Accounting)*

	Fiscal Year Ended June 30,				
	2021	2022	2023	2024	2025
Net (Expense)/Revenue:					
Governmental Activities	\$ (46,238,178)	\$ (49,505,186)	\$ (49,098,295)	\$ (50,045,156)	\$ (50,928,400)
Business-Type Activities	(93,437)	6,279	16,543	71,684	45,591
Total District-Wide Net Expense/(Revenue)	<u>\$ (46,331,615)</u>	<u>\$ (49,498,907)</u>	<u>\$ (49,081,752)</u>	<u>\$ (49,973,472)</u>	<u>\$ (50,882,809)</u>
General Revenues & Other Changes in Net Position:					
Governmental Activities:					
Property Taxes Levied for General Purposes, Net	\$ 46,061,758	\$ 46,752,684	\$ 48,378,298	\$ 49,654,854	\$ 50,647,951
Taxes Levied for Debt Service	2,269,175	2,107,380	2,102,626	2,092,480	1,510,022
Federal and State Aid Not Restricted	722,731	599,213	486,240	351,264	344,876
Investment Earnings	18,965	15,549	290,045	519,941	1,256,129
Miscellaneous Income	840,794	1,476,473	885,661	690,746	428,845
Transfers	(43,561)				
Total Governmental Activities	<u>49,869,862</u>	<u>50,951,299</u>	<u>52,142,870</u>	<u>53,309,285</u>	<u>54,187,823</u>
Business-Type Activities:					
Investment Earnings	4	13	388	2,264	2,757
Transfers	43,561				
Other Item - FSMC Contribution					
Total Business-Type Activities	<u>43,565</u>	<u>13</u>	<u>388</u>	<u>2,264</u>	<u>2,757</u>
Total District-Wide Revenues & Other Changes in Net Position	<u>\$ 49,913,427</u>	<u>\$ 50,951,312</u>	<u>\$ 52,143,258</u>	<u>\$ 53,311,549</u>	<u>\$ 54,190,580</u>
Change in Net Position					
Governmental Activities	\$ 3,631,684	\$ 1,446,113	\$ 3,044,575	\$ 3,264,129	\$ 3,259,423
Business-Type Activities	(49,872)	6,292	16,931	73,948	48,348
Total District-Wide Change in Net Position	<u>\$ 3,581,812</u>	<u>\$ 1,452,405</u>	<u>\$ 3,061,506</u>	<u>\$ 3,338,077</u>	<u>\$ 3,307,771</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICTCHANGES IN NET POSITIONLAST TEN FISCAL YEARSUNAUDITED*(Accrual Basis of Accounting)*

	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
Expenses:					
Governmental Activities:					
Instruction:					
Regular	\$ 26,287,983	\$ 28,124,143	\$ 27,287,001	\$ 26,692,095	\$ 25,355,368
Special Education	5,086,659	5,023,866	5,208,030	5,021,062	5,056,548
Other Special Instruction					
Other Instruction	3,837,507	3,813,738	4,313,690	3,801,939	3,854,268
Support Services:					
Tuition	3,674,161	4,004,449	3,966,700	3,794,789	4,825,985
Student & Instruction Related Services	8,170,208	9,458,104	9,639,764	8,631,567	8,335,870
General Administration Services	1,007,236	1,008,933	1,076,809	1,082,688	1,075,116
School Administration Services	3,079,417	3,236,507	3,224,906	3,059,432	3,010,431
Central Services	569,971	605,852	606,281	604,359	620,695
Administrative Information Technology	858,061	683,203	596,194	519,913	654,804
Plant Operations and Maintenance	3,520,619	3,810,907	4,195,645	4,336,243	4,120,195
Pupil Transportation	3,313,190	3,486,250	3,487,483	3,918,831	4,364,495
Interest on Long-Term Debt	668,437	590,665	524,744	450,269	383,235
Unallocated Depreciation	1,960,634	2,067,011	2,119,788	2,238,163	2,297,026
Total Governmental Activities Expenses	62,034,083	65,913,628	66,247,035	64,151,350	63,954,036
Business-Type Activities:					
Enterprise Funds	579,674	569,042	587,218	625,422	541,455
Total Business-Type Activities Expense	579,674	569,042	587,218	625,422	541,455
Total District-Wide Expenses	\$ 62,613,757	\$ 66,482,670	\$ 66,834,253	\$ 64,776,772	\$ 64,495,491
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Tuition	\$ 120,688	\$ 226,239	\$ 263,007	\$ 274,918	\$ 263,876
Student & Instruction Related Services					
Operating Grants and Contributions	16,008,812	19,796,280	20,010,834	16,962,186	16,744,613
Capital Grants and Contributions		824,516	14,411	23,120	44,812
Total Governmental Activities	16,129,500	20,847,035	20,288,252	17,260,224	17,053,301
Business-Type Activities:					
Charges for Services:					
Food Service Fund	546,202	531,618	572,320	683,675	562,249
Total Business Type Activities	546,202	531,618	572,320	683,675	562,249
Total District-Wide Program Revenues	\$ 16,675,702	\$ 21,378,653	\$ 20,860,572	\$ 17,943,899	\$ 17,615,550

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICTCHANGES IN NET POSITIONLAST TEN FISCAL YEARSUNAUDITED*(Accrual Basis of Accounting)*

	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
Net (Expense)/Revenue:					
Governmental Activities	\$ (45,904,583)	\$ (45,066,593)	\$ (45,958,783)	\$ (46,891,126)	\$ (46,900,735)
Business-Type Activities	(33,472)	(37,424)	(14,898)	58,253	20,794
Total District-Wide Net Expense/(Revenue)	<u>\$ (45,938,055)</u>	<u>\$ (45,104,017)</u>	<u>\$ (45,973,681)</u>	<u>\$ (46,832,873)</u>	<u>\$ (46,879,941)</u>
General Revenues & Other Changes in Net Position:					
Governmental Activities:					
Property Taxes Levied for General Purposes, Net	\$ 41,620,275	\$ 42,763,310	\$ 43,618,576	\$ 44,490,948	\$ 45,269,541
Taxes Levied for Debt Service	2,271,050	2,264,800	2,266,000	2,269,475	2,270,250
Federal and State Aid Not Restricted	1,328,846	1,341,965	1,264,103	895,450	856,184
Investment Earnings	37,385	42,898	86,444	207,487	118,170
Miscellaneous Income	617,564	763,130	674,581	876,853	886,857
Transfers			(3,041)	28,721	15,265
Total Governmental Activities	<u>45,875,120</u>	<u>47,176,103</u>	<u>47,906,663</u>	<u>48,768,934</u>	<u>49,416,267</u>
Business-Type Activities:					
Investment Earnings	180	282	600	302	247
Transfers			3,041	(28,721)	(15,265)
Other Item - FSMC Contribution	33,517	33,295	7,251		
Total Business-Type Activities	<u>33,697</u>	<u>33,577</u>	<u>10,892</u>	<u>(28,419)</u>	<u>(15,018)</u>
Total District-Wide Revenues & Other Changes in Net Position	<u>\$ 45,908,817</u>	<u>\$ 47,209,680</u>	<u>\$ 47,917,555</u>	<u>\$ 48,740,515</u>	<u>\$ 49,401,249</u>
Change in Net Position					
Governmental Activities	\$ (29,463)	\$ 2,109,510	\$ 1,947,880	\$ 1,877,808	\$ 2,515,532
Business-Type Activities	<u>225</u>	<u>(3,847)</u>	<u>(4,006)</u>	<u>29,834</u>	<u>5,776</u>
Total District-Wide Change in Net Position	<u>\$ (29,238)</u>	<u>\$ 2,105,663</u>	<u>\$ 1,943,874</u>	<u>\$ 1,907,642</u>	<u>\$ 2,521,308</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Restricted	\$ 5,489,939	\$ 6,792,605	\$ 7,803,701	\$ 7,109,764	\$ 8,384,964	\$ 7,978,445	\$ 7,015,034	\$ 12,111,917	\$ 10,701,127	\$ 12,898,713
Assigned	456,931	628,992	829,360	1,222,312	573,378	1,618,339	2,680,760	1,341,632	1,047,407	1,279,999
Unassigned	1,033,138	1,005,975	995,068	1,225,686	1,239,327	2,666,619	2,962,980	1,767,707	1,763,460	1,556,714
Total General Fund	\$ 6,980,008	\$ 8,427,572	\$ 9,628,129	\$ 9,557,762	\$ 10,197,669	\$ 12,263,403	\$ 12,658,774	\$ 15,221,256	\$ 13,511,994	\$ 15,735,426
Other Governmental Funds:										
Committed	\$ 1,156,103	\$ 129,433	\$ 2,921,883	\$ 335,407	\$ 136,253	\$ 2,732,593	\$ 1,358,484	\$ 284,245	\$ 2,743,863	\$ 1,155,701
Restricted					697,891	777,738	862,977	889,020	26,768,480	23,478,334
Total Other Governmental Funds	\$ 1,156,103	\$ 129,433	\$ 2,921,883	\$ 335,407	\$ 834,144	\$ 3,510,331	\$ 2,221,461	\$ 1,173,265	\$ 29,512,343	\$ 24,634,035
Total Governmental Funds	\$ 8,136,111	\$ 8,557,005	\$ 12,550,012	\$ 9,893,169	\$ 11,031,813	\$ 15,773,734	\$ 14,880,235	\$ 16,394,521	\$ 43,024,337	\$ 40,369,461

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Tax Levy	\$ 43,891,325	\$ 45,028,110	\$ 45,884,576	\$ 46,760,423	\$ 47,539,791	\$ 48,330,933	\$ 48,860,064	\$ 50,480,924	\$ 51,747,334	\$ 52,157,973
Tuition Charges	120,688	226,239	263,007	274,918	263,876	313,332	144,224	221,282	208,855	132,730
Interest Earned on Investments	30,688	36,818	75,533	143,494	164,300	169,720	172,686	155,547	140,686	141,622
Interest Earned on Capital Reserve Funds	1,929	2,236	7,017	26,339	6,677	2,973	2,705	20,840	35,701	34,765
Interest Earned on Maintenance Reserve Funds	4,769	3,786	3,823	6,554	5,410	3,694	996			
Miscellaneous - Restricted						341,568	1,878,288	1,446,100	1,290,525	1,164,072
Miscellaneous - Unrestricted	648,384	805,990	688,152	947,463	875,587	683,372	47,287	113,658	420,440	961,877
State Sources	10,175,935	11,246,569	11,298,359	12,023,390	12,177,242	13,045,174	16,414,597	15,751,050	16,025,200	15,629,241
Federal Sources	555,798	563,470	424,125	553,662	636,631	1,061,460	1,721,011	849,378	922,295	576,982
Total Revenue	55,429,516	57,913,218	58,644,592	60,736,243	61,669,514	64,552,226	69,241,858	69,038,779	70,791,036	70,799,262
Expenditures:										
Instruction:										
Regular Instruction	15,697,450	15,100,661	14,867,539	15,346,206	14,979,177	14,762,866	15,228,302	14,547,448	14,724,555	15,003,940
Special Education Instruction	3,016,121	2,718,031	2,829,147	2,904,968	2,950,535	3,222,465	3,203,814	3,229,235	3,251,685	3,443,558
Other Instruction	2,377,362	2,167,330	2,328,808	2,385,308	2,421,648	2,342,312	2,565,474	2,583,429	2,677,647	2,751,560
Support Services:										
Tuition	3,674,161	4,004,449	3,966,700	3,794,789	4,825,985	5,089,566	5,105,929	4,745,106	5,184,159	4,151,652
Student and Instruction Related Services	5,156,775	5,455,988	5,535,316	5,512,822	5,280,412	5,911,125	6,070,971	6,171,626	6,261,671	6,404,799
General Administration Services	894,256	891,625	971,292	957,863	975,467	973,295	1,284,739	1,313,201	1,340,988	1,361,127
School Administration Services	1,734,588	1,742,234	1,755,462	1,758,902	1,763,419	1,722,072	1,719,033	1,801,124	1,918,516	1,872,663
Central Services	459,489	482,611	496,030	490,657	507,939	512,836	550,380	604,735	624,637	577,326
Administrative Information Technology	672,822	522,264	463,824	333,301	391,880	380,593	410,862	519,625	493,578	553,728
Plant Operations and Maintenance	2,972,604	3,300,249	3,621,086	3,931,266	3,816,875	4,041,405	4,188,186	4,229,197	4,162,249	4,395,955
Pupil Transportation	3,220,094	3,408,620	3,417,677	3,843,521	4,256,053	3,837,259	4,781,419	5,298,541	5,215,538	4,613,520

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenditures:										
Unallocated Benefits	\$ 12,476,212	\$ 12,442,539	\$ 12,935,660	\$ 14,011,697	\$ 13,931,559	\$ 15,610,951	\$ 18,342,688	\$ 18,736,044	\$ 19,660,841	\$ 19,590,345
Debt Service:										
Principal	1,525,000	1,595,000	1,660,000	1,740,000	1,805,000	2,030,000	2,070,000	2,080,000	2,080,000	802,000
Interest and Other Charges	746,050	669,800	606,000	529,475	465,250	238,000	37,380	24,960	12,480	542,945
Capital Outlay	836,151	2,990,923	2,941,938	7,057,753	3,426,523	4,019,753	5,958,232	2,851,353	2,829,501	8,244,480
Total Expenditures	57,492,324	58,396,479	64,598,528	61,797,722	64,694,498	71,517,409	68,735,624	70,438,045	74,309,598	74,309,598
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,062,808)	(483,261)	(5,953,936)	(1,061,479)	(3,024,984)	(6,965,183)	506,234	(1,399,266)	(3,518,562)	(3,510,336)
Other Financing Sources (Uses)										
Financed Purchases (Non-Budgeted)			501,168	727,911	566,862	1,533,095	677,100	1,330,000	250,000	
Cancellation of Financed Purchase Proceeds							(22,548)	(118,869)	(20,175)	(20,784)
Lease Proceeds			3,246,767	448,810	(149,079)	3,393,500	727,500			876,244
Bond Proceeds									26,047,000	
School Refunding Bonds Issued						6,375,000				
School Bonds Defeased						(6,165,000)				
Bond Issuance Costs						(55,688)				
Deferred Bond Interest						(153,153)				
Transfers In	153,496	445,179	910,071	2,343,143	1,643,508	1,006,390	1,355,052	1,293,163	2,960,237	1,289,754
Transfers Out	(153,496)	(445,179)	(913,112)	(2,314,422)	(1,628,243)	(1,049,951)	(1,355,052)	(1,293,163)	(2,960,237)	(1,289,754)
Total Other Financing Sources (Uses)			3,744,894	1,205,442	433,048	4,884,193	1,382,052	1,211,131	26,276,825	855,460
Net Change in Fund Balances	\$ (2,062,808)	\$ (483,261)	\$ (2,209,042)	\$ 143,963	\$ (2,591,936)	\$ (2,080,990)	\$ 1,888,286	\$ (188,135)	\$ 22,758,263	\$ (2,654,876)
Debt Service as a Percentage of Noncapital Expenditures	4.00%	4.08%	3.65%	4.06%	3.64%	3.33%	3.27%	3.08%	2.89%	1.97%

Source: West Morris Regional High School District records.

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

Fiscal Year Ended June 30,	Tuition	Interest on Investments	Rentals - Use of Facilities	Other	Total
2016	\$ 120,688	\$ 37,379	\$ 105,777	\$ 511,787	\$ 775,631
2017	226,239	42,840	50,475	712,655	1,032,209
2018	263,007	86,373	82,775	591,806	1,023,961
2019	274,918	176,387	66,965	809,888	1,328,158
2020	263,876	117,213	10,046	876,811	1,267,946
2021	313,332	18,792	1,990	838,804	1,172,918
2022	144,224	15,316		1,476,473	1,636,013
2023	221,282	241,098	8,319	877,342	1,348,041
2024	208,855	456,654	27,470	663,276	1,356,255
2025	132,730	406,375	19,874	408,971	967,950

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Chester Borough

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2015	\$ 3,114,800	\$ 219,171,300	\$ 1,050,100	\$ 56,000	\$ 153,604,100	\$ -	\$ 1,886,300	\$ 378,882,600	\$ -	\$ 378,882,600	\$ 42,395,400	\$ 0.49	\$ 420,032,831
2016	\$ 3,240,300	\$ 227,449,100	\$ 1,103,100	\$ 56,600	\$ 164,299,800	\$ -	\$ -	\$ 396,148,900	\$ -	\$ 396,148,900	\$ 44,611,500	0.48	\$ 390,553,627
2017	\$ 3,165,300	\$ 227,107,400	\$ 1,098,300	\$ 56,600	\$ 168,664,100	\$ -	\$ -	\$ 400,091,700	\$ -	\$ 400,091,700	\$ 44,456,000	0.47	\$ 401,322,238
2018	\$ 3,880,300	\$ 229,846,900	\$ 976,500	\$ 56,600	\$ 166,399,800	\$ -	\$ -	\$ 401,160,100	\$ -	\$ 401,160,100	\$ 44,706,800	0.52	\$ 390,482,174
2019	\$ 3,346,800	\$ 227,975,900	\$ 977,000	\$ 56,600	\$ 164,343,300	\$ -	\$ 1,656,800	\$ 398,356,400	\$ -	\$ 398,356,400	\$ 43,860,700	0.53	\$ 386,693,610
2020	\$ 3,281,000	\$ 230,073,900	\$ 988,600	\$ 54,800	\$ 167,602,200	\$ -	\$ 1,658,500	\$ 403,659,000	9,727	\$ 403,668,727	\$ 44,737,700	0.55	\$ 394,020,984
2021	\$ 4,146,500	\$ 236,886,400	\$ 1,004,700	\$ 53,800	\$ 160,501,500	\$ -	\$ 1,605,000	\$ 404,197,900	\$ -	\$ 404,197,900	\$ 46,031,500	0.56	\$ 398,392,411
2022	\$ 4,066,300	\$ 243,393,300	\$ 1,018,900	\$ 53,800	\$ 178,920,400	\$ -	\$ 2,434,500	\$ 429,887,200	9,420	\$ 429,896,620	\$ 48,529,600	0.52	\$ 409,127,202
2023	\$ 3,336,300	\$ 251,658,500	\$ 1,038,400	\$ 53,800	\$ 180,710,500	\$ -	\$ 1,787,800	\$ 438,585,300	9,234	\$ 438,594,534	\$ 49,617,900	0.50	\$ 437,984,536
2024	\$ 3,396,100	\$ 266,668,500	\$ 1,096,000	\$ 53,800	\$ 194,015,900	\$ -	\$ 1,863,800	\$ 467,094,100	9,420	\$ 467,103,520	\$ 55,005,300	0.52	\$ 472,142,399

Chester Township

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2015	\$ 13,628,900	\$ 1,664,376,400	\$ 87,702,100	\$ 1,241,000	\$ 47,568,100	\$ 2,543,100	\$ 835,200	\$ 1,817,894,800	\$ 373,557	\$ 1,818,268,357	\$ 235,597,400	\$ 0.55	\$ 1,873,066,565
2016	\$ 12,701,600	\$ 1,669,012,300	\$ 87,901,300	\$ 1,302,000	\$ 47,594,400	\$ 2,543,100	\$ 835,200	\$ 1,821,889,900	351,836	\$ 1,822,241,736	\$ 236,678,600	0.57	\$ 1,900,570,563
2017	\$ 12,608,600	\$ 1,676,159,700	\$ 88,503,500	\$ 1,301,700	\$ 47,379,800	\$ 2,543,100	\$ 835,200	\$ 1,829,331,600	358,200	\$ 1,829,689,800	\$ 235,706,700	0.56	\$ 1,900,814,522
2018	\$ 12,175,700	\$ 1,679,019,100	\$ 83,877,300	\$ 1,298,100	\$ 47,009,900	\$ 2,543,100	\$ 835,200	\$ 1,826,758,400	375,919	\$ 1,827,134,319	\$ 254,511,400	0.56	\$ 1,906,637,867
2019	\$ 11,492,800	\$ 1,677,775,800	\$ 85,274,600	\$ 1,309,700	\$ 47,632,600	\$ 2,543,100	\$ 835,200	\$ 1,826,863,800	400,440	\$ 1,827,264,240	\$ 254,511,400	0.57	\$ 1,917,551,952
2020	\$ 11,243,500	\$ 1,668,967,500	\$ 86,080,500	\$ 1,327,700	\$ 49,898,800	\$ 2,543,100	\$ -	\$ 1,820,060,600	409,774	\$ 1,820,470,374	\$ 257,537,900	0.57	\$ 1,976,249,396
2021	\$ 10,438,500	\$ 1,664,946,400	\$ 85,356,400	\$ 1,293,700	\$ 50,681,800	\$ 2,525,300	\$ -	\$ 1,815,242,100	442,490	\$ 1,815,684,590	\$ 258,289,000	0.60	\$ 1,844,349,447
2022	\$ 9,803,700	\$ 1,666,904,100	\$ 85,366,100	\$ 1,258,500	\$ 49,186,400	\$ 2,525,300	\$ 1,500,000	\$ 1,816,544,100	431,464	\$ 1,816,975,564	\$ 258,694,900	0.63	\$ 1,897,117,625
2023	\$ 9,376,500	\$ 1,669,741,200	\$ 85,664,700	\$ 1,310,500	\$ 49,953,800	\$ 2,525,300	\$ 1,883,300	\$ 1,820,455,300	409,762	\$ 1,820,865,062	\$ 259,420,400	0.67	\$ 2,022,531,686
2024	\$ 9,271,800	\$ 1,672,233,100	\$ 86,603,300	\$ 1,353,600	\$ 49,516,000	\$ 2,525,300	\$ 1,883,300	\$ 1,823,386,400	388,269	\$ 1,823,774,669	\$ 263,087,200	0.63	\$ 2,155,055,360

Mendham Borough

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2015	\$ 9,745,800	\$ 1,097,432,700	\$ 69,620,400	\$ 403,900	\$ 102,337,700	\$ -	\$ 2,342,200	\$ 1,281,882,700	\$ 1,927,735	\$ 1,283,810,435	\$ 124,865,000	\$ 0.53	\$ 1,403,066,919
2016	\$ 9,704,800	\$ 1,096,676,700	\$ 69,686,700	\$ 403,900	\$ 102,337,700	\$ -	\$ 2,342,200	\$ 1,281,152,000	1,954,098	\$ 1,283,106,098	\$ 125,425,900	0.55	\$ 1,370,993,717
2017	\$ 9,704,800	\$ 1,096,803,000	\$ 69,563,800	\$ 403,900	\$ 101,655,100	\$ -	\$ 2,342,200	\$ 1,280,472,800	1,939,588	\$ 1,282,412,388	\$ 124,867,500	0.57	\$ 1,377,174,538
2018	\$ 8,769,600	\$ 1,098,793,700	\$ 69,130,100	\$ 351,800	\$ 101,575,300	\$ -	\$ 2,342,200	\$ 1,280,962,700	2,007,273	\$ 1,282,969,973	\$ 125,379,300	0.58	\$ 1,377,413,257
2019	\$ 8,306,100	\$ 1,095,646,700	\$ 65,860,900	\$ 348,400	\$ 100,209,700	\$ -	\$ 2,342,200	\$ 1,272,714,000	2,123,156	\$ 1,274,837,156	\$ 130,379,300	0.58	\$ 1,363,844,456
2020	\$ 8,110,700	\$ 1,095,960,000	\$ 63,823,500	\$ 348,300	\$ 98,555,600	\$ -	\$ 2,342,200	\$ 1,269,140,300	2,123,156	\$ 1,271,263,456	\$ 131,042,600	0.61	\$ 1,367,265,859
2021	\$ 7,036,400	\$ 1,088,589,100	\$ 63,228,100	\$ 548,000	\$ 98,368,300	\$ -	\$ 2,342,200	\$ 1,260,112,100	2,390,052	\$ 1,262,502,152	\$ 131,044,800	0.61	\$ 1,314,880,091
2022	\$ 7,606,900	\$ 1,089,356,100	\$ 65,850,100	\$ 366,400	\$ 97,853,700	\$ -	\$ 2,342,200	\$ 1,263,375,400	2,333,706	\$ 1,265,709,106	\$ 131,226,000	0.63	\$ 1,371,561,973
2023	\$ 7,236,900	\$ 1,085,281,700	\$ 68,732,900	\$ 367,400	\$ 96,944,700	\$ -	\$ 2,342,200	\$ 1,260,905,800	2,364,724	\$ 1,263,270,524	\$ 132,349,600	0.65	\$ 1,422,680,412
2024	\$ 7,702,400	\$ 1,084,866,100	\$ 70,973,600	\$ 403,300	\$ 95,637,800	\$ -	\$ 2,342,200	\$ 1,261,925,400	2,117,970	\$ 1,264,043,370	\$ 133,165,000	0.63	\$ 1,542,080,373

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ANALYSIS OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Mendham Township

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2015	\$ 22,888,000	\$ 1,729,916,200	\$ 111,919,200	\$ 624,700	\$ 10,162,400	\$ 2,100	\$ - 0 -	\$ 1,875,512,600	\$ 1,226,793	\$ 1,876,739,393	\$ 152,605,300	\$ 0.55	\$ 1,963,385,307
2016	23,331,400	1,726,534,100	112,663,100	624,700	10,162,400	2,100	- 0 -	1,873,317,800	1,240,960	1,874,558,760	152,605,300	0.55	1,942,042,113
2017	21,865,300	1,726,778,500	115,993,000	606,300	10,039,000	2,100	- 0 -	1,875,284,200	1,244,391	1,876,528,591	152,589,500	0.55	1,959,468,151
2018	21,643,900	1,719,760,500	122,730,600	520,300	10,123,500	2,100	- 0 -	1,874,780,900	1,250,037	1,876,030,937	152,607,500	0.56	1,938,936,548
2019	24,051,500	1,713,009,200	127,004,700	521,800	10,123,500	2,100	- 0 -	1,874,712,800	1,326,546	1,876,039,346	151,071,800	0.56	1,918,523,996
2020	22,318,800	1,704,252,900	124,563,700	505,900	14,073,500	2,100	- 0 -	1,865,716,900	1,382,402	1,867,099,302	142,890,500	0.57	1,883,588,522
2021	22,803,600	1,697,602,100	122,993,400	506,400	14,073,500	2,100	- 0 -	1,857,981,100	1,428,181	1,859,409,281	142,578,700	0.55	1,823,998,116
2022	20,442,000	1,770,239,600	140,221,600	513,700	15,423,700	2,700	9,127,700	1,955,971,000	1,456,656	1,957,427,656	194,547,900	0.50	1,904,237,283
2023	19,894,200	1,834,705,000	149,339,600	541,700	11,557,500	2,700	10,718,500	2,026,759,200	1,485,637	2,028,244,837	195,188,200	0.50	2,091,377,370
2024 *	27,966,500	2,034,897,300	166,577,100	605,700	13,154,600	2,900	11,411,400	2,254,615,500	1,530,199	2,256,145,699	197,886,300	0.50	2,244,749,115

Washington Township

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2015	\$ 29,652,600	\$ 2,472,018,300	\$ 114,769,000	\$ 4,412,000	\$ 115,548,400	\$ 32,800,100	\$ 35,358,200	\$ 2,804,558,600	\$ 935,217	\$ 2,805,493,817	\$ 254,218,200	\$ 0.51	\$ 2,793,349,767
2016	31,061,500	2,470,631,400	116,338,400	4,359,800	123,464,900	32,800,100	35,358,200	2,814,014,300	830,887	2,814,845,187	254,082,500	0.53	2,857,587,207
2017	29,395,800	2,478,120,100	116,160,600	4,353,600	122,738,600	32,238,700	35,054,600	2,818,062,000	- 0 -	2,818,062,000	254,082,300	0.56	2,896,024,012
2018	26,217,500	2,489,033,400	116,986,400	4,320,600	122,170,100	32,238,700	35,461,400	2,826,428,100	- 0 -	2,826,428,100	256,473,800	0.57	2,906,311,191
2019	25,652,900	2,485,591,200	117,377,100	4,350,900	118,219,200	30,938,700	35,461,400	2,817,591,400	- 0 -	2,817,591,400	259,513,500	0.59	2,890,035,246
2020	27,731,800	2,486,474,400	118,781,800	4,317,800	119,241,300	30,938,700	35,461,400	2,822,947,200	- 0 -	2,822,947,200	259,612,500	0.60	2,890,388,607
2021	24,270,700	2,486,001,600	119,325,300	4,505,300	118,254,600	30,938,700	35,461,400	2,818,757,600	- 0 -	2,818,757,600	260,038,400	0.61	2,891,663,641
2022	21,800,700	2,488,721,200	118,113,800	4,354,300	115,792,200	30,938,700	35,461,400	2,815,182,300	- 0 -	2,815,182,300	259,873,900	0.64	2,993,591,721
2023	21,862,100	2,494,137,900	116,728,200	4,633,000	115,644,600	30,938,700	35,461,400	2,819,405,900	- 0 -	2,819,405,900	261,800,500	0.65	3,256,819,999
2024	21,290,500	2,493,154,600	122,780,300	4,814,800	115,098,100	30,938,700	41,461,400	2,829,538,400	- 0 -	2,829,538,400	263,360,700	0.65	3,503,266,069

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

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

^b - Tax rates are per \$100 of assessed valuation.

* - Revaluation or reassessment of real property was effective in this year.

Source: Municipal Tax Assessors.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DIRECT & OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(Rate per \$100 of Assessed Value)

Chester Borough

Year Ended December 31,	West Morris Regional High School						Total
	Direct Rate			Overlapping Rates			Direct
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Chester			and
				Chester Borough	Borough Schools	Morris County	Overlapping Tax Rate
2015	\$ 0.47	\$ 0.02	\$ 0.49	\$ 0.92	\$ 0.98	\$ 0.27	\$ 2.66
2016	0.45	0.03	0.48	0.84	0.95	0.34	2.61
2017	0.45	0.02	0.47	0.93	0.93	0.26	2.59
2018	0.49	0.03	0.52	0.93	0.93	0.25	2.63
2019	0.50	0.03	0.53	0.95	0.92	0.25	2.65
2020	0.53	0.02	0.55	0.96	0.94	0.25	2.70
2021	0.53	0.03	0.56	0.97	0.94	0.26	2.73
2022	0.50	0.02	0.52	0.91	0.93	0.25	2.61
2023	0.48	0.02	0.50	0.91	0.96	0.26	2.63
2024	0.51	0.01	0.52	0.91	0.99	0.27	2.69

Chester Township

Year Ended December 31,	West Morris Regional High School						Total Direct and Overlapping Tax Rate
	Direct Rate			Overlapping Rates			
	Basic Rate ^a	General Obligation Debt ^b	Total Direct	Chester			
				Chester Township	Township Schools	Morris County	
2015	\$ 0.52	\$ 0.03	\$ 0.55	\$ 0.52	\$ 0.96	\$ 0.26	\$ 2.29
2016	0.54	0.03	0.57	0.52	0.96	0.27	2.32
2017	0.53	0.03	0.56	0.52	0.98	0.27	2.33
2018	0.53	0.03	0.56	0.53	0.98	0.27	2.34
2019	0.54	0.03	0.57	0.53	0.99	0.27	2.36
2020	0.54	0.03	0.57	0.53	1.00	0.27	2.37
2021	0.57	0.03	0.60	0.53	1.01	0.27	2.41
2022	0.60	0.03	0.63	0.54	1.03	0.27	2.47
2023	0.64	0.03	0.67	0.55	1.03	0.29	2.54
2024	0.61	0.02	0.63	0.56	1.03	0.31	2.53

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DIRECT & OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(Rate per \$100 of Assessed Value)

Mendham Borough

Year Ended December 31,	West Morris Regional High School						Total
	Direct Rate			Overlapping Rates			Direct
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Mendham			and
				Mendham Borough	Borough Schools	Morris County	Overlapping Tax Rate
2015	\$ 0.50	\$ 0.03	\$ 0.53	\$ 0.45	\$ 0.81	\$ 0.28	\$ 2.07
2016	0.52	0.03	0.55	0.46	0.84	0.27	2.12
2017	0.54	0.03	0.57	0.47	0.86	0.28	2.18
2018	0.55	0.03	0.58	0.48	0.88	0.28	2.22
2019	0.55	0.03	0.58	0.47	0.89	0.28	2.22
2020	0.58	0.03	0.61	0.50	0.91	0.28	2.30
2021	0.58	0.03	0.61	0.52	0.94	0.27	2.34
2022	0.60	0.03	0.63	0.52	0.95	0.28	2.38
2023	0.62	0.03	0.65	0.54	0.97	0.29	2.45
2024	0.61	0.02	0.63	0.56	0.99	0.30	2.48

Mendham Township

Year Ended December 31,	West Morris Regional High School						Total
	Direct Rate			Overlapping Rates			Direct
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Mendham			Overlapping Tax Rate
				Mendham Township	Township Schools	Morris County	
2015	\$ 0.52	\$ 0.03	\$ 0.55	\$ 0.39	\$ 0.83	\$ 0.26	\$ 2.03
2016	0.52	0.03	0.55	0.42	0.83	0.27	2.07
2017	0.52	0.03	0.55	0.44	0.81	0.27	2.07
2018	0.53	0.03	0.56	0.44	0.85	0.27	2.12
2019	0.53	0.03	0.56	0.45	0.88	0.27	2.16
2020	0.54	0.03	0.57	0.45	0.92	0.26	2.20
2021	0.52	0.03	0.55	0.45	0.96	0.25	2.21
2022	0.48	0.02	0.50	0.43	0.93	0.25	2.11
2023	0.48	0.02	0.50	0.41	0.92	0.26	2.09
2024	0.48	0.02	0.50	0.39	0.91	0.27	2.07

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DIRECT & OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Washington Township

Year Ended December 31,	West Morris Regional High School						Total Direct and Overlapping Tax Rate
	Direct Rate			Overlapping Rates			
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Washington			
				Washington Township	Township Schools	Morris County	
2015	\$ 0.48	\$ 0.03	\$ 0.51	\$ 0.44	\$ 1.17	\$ 0.25	\$ 2.37
2016	0.50	0.03	0.53	0.44	1.19	0.26	2.42
2017	0.53	0.03	0.56	0.45	1.22	0.27	2.50
2018	0.54	0.03	0.57	0.46	1.25	0.27	2.55
2019	0.56	0.03	0.59	0.46	1.29	0.27	2.61
2020	0.57	0.03	0.60	0.47	1.31	0.26	2.64
2021	0.58	0.03	0.61	0.48	1.33	0.26	2.68
2022	0.61	0.03	0.64	0.49	1.36	0.27	2.76
2023	0.62	0.03	0.65	0.50	1.39	0.30	2.84
2024	0.63	0.02	0.65	0.52	1.39	0.33	2.89

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

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

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

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Chester Borough

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
	DPF Chester LLC	\$ 50,160,900	10.74%	Chester Springs LLC	\$ 32,270,000	8.52%
	CPP Streets of Chester, LLC	24,307,700	5.20%	CPP Streets of Chester LLC	18,000,000	4.75%
	Savro/Chester Shopping Mall	6,903,100	1.48%	Savro/Chester Shopping Mall	6,925,000	1.83%
	Williamson Associates	3,873,100	0.83%	ARC RBCSR NJ 001	5,920,000	1.56%
	4 Mill Ridge, LLC	3,740,800	0.80%	Williamson Associates	3,900,000	1.03%
	95 West Main Associates, LLC	3,616,200	0.77%	95 West Main Associates	3,070,000	0.81%
	Global Acquisitions Co LLC	2,968,000	0.64%	DeSapio Real Estate Development LLC	2,525,000	0.67%
	Group 6 Assoc. (Little Falls Shoprite)	2,713,800	0.58%	MGHC Group LLC	2,240,000	0.59%
	Moon Street LLC	2,695,500	0.58%	Chester Franklin Associates	2,240,000	0.59%
	Old Chester Road Associates	2,130,200	0.46%	Publick House Holdings, LLC	2,225,000	0.59%
Total		<u>\$103,109,300</u>	<u>22.08%</u>	Total	<u>\$ 79,315,000</u>	<u>20.94%</u>

Source: Chester Borough Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Chester Township

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value	
	Welkind Rehabilitation Hospital, Inc.	\$ 6,476,600	0.36%	\$ 6,476,600	0.36%	
	Individual Taxpayer #1	3,739,400	0.21%	4,339,700	0.24%	
	Individual Taxpayer #2	3,008,300	0.16%	3,733,600	0.21%	
	Individual Taxpayer #3	2,968,600	0.16%	3,140,800	0.17%	
	Individual Taxpayer #4	2,836,800	0.16%	3,095,800	0.17%	
	Individual Taxpayer #5	2,742,700	0.15%	3,008,300	0.17%	
	Individual Taxpayer #6	2,716,600	0.15%	2,999,000	0.16%	
	Pottersville Road Holding LLC	2,715,400	0.15%	2,784,600	0.15%	
	Individual Taxpayer #7	2,593,400	0.14%	2,661,000	0.15%	
	Alstede Farms	2,445,500	0.13%	2,621,700	0.14%	
	Total	\$ 32,243,300	1.77%	\$ 34,861,100	1.92%	

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Chester Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Mendham Borough

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value	
	V-Fee Realty Shopping Center	\$ 22,000,000	1.74%	\$ 22,000,000	1.71%	
	Escada LLC	8,564,900	0.68%	9,955,300	0.78%	
	Roxiticus Golf Club Inc.	8,003,900	0.63%	8,558,600	0.67%	
	Holly Manor	6,500,000	0.51%	6,430,800	0.50%	
	Individual Taxpayer #1	5,682,500	0.45%	5,652,500	0.44%	
	Individual Taxpayer #2	5,652,500	0.45%	5,379,200	0.42%	
	Individual Taxpayer #3	5,203,600	0.41%	5,199,900	0.41%	
	Individual Taxpayer #4	5,000,000	0.40%	4,398,200	0.34%	
	Individual Taxpayer #5	4,779,400	0.38%	4,046,100	0.32%	
	Individual Taxpayer #6	4,397,900	0.35%	4,000,000	0.31%	
	Total	\$ 75,784,700	6.00%	\$ 75,620,600	5.90%	

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Mendham Borough Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Mendham Township

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
	Shemy LLC, Meryl Barer	\$ 8,445,900	0.37%	Shemy LLC, Meryl Barer	\$ 8,454,200	0.45%
	Woodland Lakes, Inc.	8,148,000	0.36%	Woodland Lakes, Inc.	7,795,500	0.42%
	Mendham Golf & Tennis Club	6,700,300	0.30%	Mendham Golf & Tennis Club	6,199,400	0.33%
	Southeast Morris County, MUA	4,870,100	0.22%	Southeast Morris County, MUA	4,870,100	0.26%
	Individual Taxpayer #1	4,099,600	0.18%	Individual Taxpayer #1	4,097,300	0.22%
	Individual Taxpayer #2	3,985,300	0.18%	Individual Taxpayer #2	3,985,600	0.21%
	Hospitality Resources-Hillandale, LLC	3,950,000	0.18%	Desiree Farm, LLC	3,850,000	0.21%
	Desiree Farm, LLC	3,850,000	0.17%	Individual Taxpayer #3	3,800,000	0.20%
	Individual Taxpayer #3	3,800,000	0.17%	Individual Taxpayer #4	3,603,300	0.19%
	Individual Taxpayer #4	3,704,000	0.16%	Individual Taxpayer #5	3,560,600	0.19%
	Total	\$ 51,553,200	2.29%	Total	\$ 50,216,000	2.68%

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Mendham Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Washington Township

	2024			2015		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
	Heath Village	\$ 27,853,200	0.78%	Heath Village	\$ 21,761,200	0.77%
	Target Corp	13,650,000	0.48%	Target Corporation	15,900,000	0.57%
	Hackettstown 57 MP RK6 LLC	11,694,100	0.41%	2085 Realty Partners, LLC	12,519,100	0.45%
	Peachtree Village	10,250,000	0.36%	Peachtree Village, LP	10,250,000	0.36%
	Bay Ridge Motor Sales	7,940,000	0.28%	Bay Ridge Motor Sales	7,940,000	0.28%
	GPT Hackettstown Owner LLC	6,841,200	0.24%	Transistor Devices, Inc.	7,605,500	0.27%
	Amerace ESNA Corp	6,178,400	0.22%	Amerace ESNA Corporation	6,178,400	0.26%
	Columbia Gas Transmission	5,872,300	0.21%	Black Oak Golf Club	6,036,500	0.22%
	Long Valley Shopping Center	4,800,000	0.17%	Columbia Gas Transmission Corporation	5,872,300	0.21%
	100 Mile Northeast LLC	4,570,800	0.16%	Long Valley Shopping Center	5,500,000	0.20%
Total		\$ 99,650,000	3.31%	Total	\$ 99,563,000	3.59%

Source: Washington Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 2,132,052	\$ 2,132,052	100.00%	\$ - 0 -
2017	1,708,775	1,708,775	100.00%	- 0 -
2018	2,011,072	2,011,072	100.00%	- 0 -
2019	2,128,812	2,128,812	100.00%	- 0 -
2020	2,078,486	2,078,486	100.00%	- 0 -
2021	2,341,706	2,341,706	100.00%	- 0 -
2022	2,172,729	2,171,330	99.94%	1,399
2023	2,253,939	2,253,939	100.00%	- 0 -
2024	2,101,715	2,101,715	100.00%	- 0 -
2025	2,096,349	2,096,349	100.00%	- 0 -

Chester Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 10,079,678	\$ 10,079,678	100.00%	\$ - 0 -
2017	10,612,283	10,612,283	100.00%	- 0 -
2018	9,934,236	9,934,236	100.00%	- 0 -
2019	10,572,990	10,572,990	100.00%	- 0 -
2020	10,340,820	10,340,820	100.00%	- 0 -
2021	10,576,288	10,576,288	100.00%	- 0 -
2022	11,341,675	11,334,371	99.94%	7,304
2023	11,643,985	11,643,985	100.00%	- 0 -
2024	12,759,725	12,759,725	100.00%	- 0 -
2025	12,340,967	12,340,967	100.00%	- 0 -

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 6,864,576	\$ 6,864,576	100.00%	\$ - 0 -
2017	7,147,715	7,147,715	100.00%	- 0 -
2018	7,520,243	6,924,505	92.08%	595,738
2019	7,366,776	6,782,674	92.07%	584,102
2020	7,532,942	6,935,175	92.06%	597,767
2021	8,115,979	7,471,402	92.06%	644,577
2022	7,738,952	7,733,968	99.94%	4,984
2023	8,322,375	8,322,375	100.00%	- 0 -
2024	8,227,716	8,227,716	100.00%	- 0 -
2025	8,174,173	8,174,173	100.00%	- 0 -

Mendham Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 10,414,087	\$ 10,414,087	100.00%	\$ - 0 -
2017	10,228,121	9,418,648	92.09%	809,473
2018	10,356,695	10,356,695	100.00%	- 0 -
2019	10,477,898	10,477,898	100.00%	- 0 -
2020	10,719,500	10,719,500	100.00%	- 0 -
2021	10,534,742	9,698,065	92.06%	836,677
2022	9,942,954	9,936,550	99.94%	6,404
2023	9,891,266	9,101,327	92.01%	789,939
2024	10,237,332	10,237,332	100.00%	- 0 -
2025	10,521,482	9,670,077	91.91%	851,405

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 14,400,932	\$ 14,400,932	100.00%	\$ - 0 -
2017	15,331,216	15,331,216	100.00%	- 0 -
2018	16,062,330	16,062,330	100.00%	- 0 -
2019	16,213,947	16,213,947	100.00%	- 0 -
2020	16,868,044	16,868,044	100.00%	- 0 -
2021	16,762,218	15,430,950	92.06%	1,331,268
2022	17,663,754	16,243,889	91.96%	1,419,865
2023	18,369,359	16,902,339	92.01%	1,467,020
2024	18,420,846	16,947,848	92.00%	1,472,998
2025	19,025,002	17,485,485	91.91%	1,539,517

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2016	\$ 721,349	\$ - 0 -	\$ 6,305	\$ 727,654	0.50%	\$ 440.47
2017	503,015	- 0 -	3,318	506,333	0.34%	307.24
2018	508,197	- 0 -	159,026	667,223	0.43%	406.84
2019	448,658	- 0 -	187,977	636,635	0.41%	392.26
2020	351,954	- 0 -	171,314	523,268	0.33%	323.00
2021	301,853	- 0 -	359,904	661,757	0.37%	395.79
2022	184,988	- 0 -	322,679	507,667	0.28%	303.08
2023	92,871	- 0 -	309,808	402,679	0.21%	239.98
2024	1,162,981	- 0 -	219,272	1,382,253	0.70%	815.49
2025	1,014,655	- 0 -	183,404	1,198,059	0.61%	706.82

Chester Township

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2016	\$ 3,410,315	\$ - 0 -	\$ 29,810	\$ 3,440,125	0.48%	\$ 439.58
2017	3,123,955	- 0 -	20,606	3,144,561	0.43%	402.99
2018	2,510,374	- 0 -	785,553	3,295,927	0.44%	425.17
2019	2,228,312	- 0 -	933,608	3,161,920	0.42%	412.73
2020	1,751,030	- 0 -	852,315	2,603,345	0.33%	341.69
2021	1,363,315	- 0 -	1,625,503	2,988,818	0.36%	387.71
2022	965,643	- 0 -	1,684,390	2,650,033	0.31%	343.31
2023	479,775	- 0 -	1,600,487	2,080,262	0.23%	269.95
2024	6,008,029	- 0 -	1,331,223	7,339,252	0.81%	943.83
2025	5,973,156	- 0 -	1,079,677	7,052,833	0.78%	907.00

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2016	\$ 2,322,531	\$ - 0 -	\$ 20,301	\$ 2,342,832	0.54%	\$ 473.78
2017	2,104,085	- 0 -	13,879	2,117,964	0.48%	430.13
2018	1,900,360	- 0 -	594,666	2,495,026	0.54%	509.19
2019	1,552,586	- 0 -	650,496	2,203,082	0.47%	454.71
2020	1,275,567	- 0 -	620,883	1,896,450	0.40%	392.15
2021	1,046,174	- 0 -	1,247,370	2,293,544	0.43%	461.20
2022	658,903	- 0 -	1,149,338	1,808,241	0.33%	364.71
2023	342,912	- 0 -	1,143,926	1,486,838	0.26%	299.16
2024	4,294,155	- 0 -	858,398	5,152,553	0.89%	1,030.51
2025	3,956,385	- 0 -	715,136	4,671,521	0.81%	934.30

Mendham Township

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2016	\$ 3,523,457	\$ - 0 -	\$ 30,798	\$ 3,554,255	0.67%	\$ 612.27
2017	3,010,869	- 0 -	19,860	3,030,729	0.56%	524.71
2018	2,617,130	- 0 -	818,959	3,436,089	0.62%	599.67
2019	2,208,271	- 0 -	925,211	3,133,482	0.56%	553.52
2020	1,815,152	- 0 -	883,526	2,698,678	0.47%	479.08
2021	1,357,959	- 0 -	1,619,118	2,977,077	0.46%	495.68
2022	846,554	- 0 -	1,476,662	2,323,216	0.35%	386.30
2023	407,557	- 0 -	1,359,573	1,767,130	0.25%	295.06
2024	5,103,667	- 0 -	1,068,061	6,171,728	0.88%	1,018.94
2025	5,092,506	- 0 -	920,496	6,013,002	0.86%	992.74

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2016	\$ 4,872,348	\$ - 0 -	\$ 42,589	\$ 4,914,937	0.30%	\$ 265.36
2017	4,513,076	- 0 -	29,768	4,542,844	0.27%	245.41
2018	4,058,939	- 0 -	1,270,135	5,329,074	0.31%	290.35
2019	3,417,173	- 0 -	1,431,712	4,848,885	0.28%	267.30
2020	2,856,297	- 0 -	1,390,303	4,246,600	0.24%	235.41
2021	2,160,699	- 0 -	2,576,238	4,736,937	0.24%	260.76
2022	1,503,912	- 0 -	2,623,303	4,127,215	0.21%	227.21
2023	756,885	- 0 -	2,524,903	3,281,788	0.16%	180.20
2024	9,478,168	- 0 -	1,921,848	11,400,016	0.54%	620.78
2025	9,208,298	- 0 -	1,664,446	10,872,744	0.51%	592.07

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

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ 721,349	- 0 -	\$ 721,349	0.182%	\$ 436.65
2017	503,015	- 0 -	503,015	0.126%	305.23
2018	508,197	- 0 -	508,197	0.127%	309.88
2019	448,658	- 0 -	448,658	0.113%	276.44
2020	351,954	- 0 -	351,954	0.087%	217.26
2021	301,853	- 0 -	301,853	0.075%	180.53
2022	184,988	- 0 -	184,988	0.043%	110.44
2023	92,871	- 0 -	92,871	0.021%	55.35
2024	1,162,981	- 0 -	1,162,981	0.249%	686.12
2025	1,014,655	- 0 -	1,014,655	0.217%	598.62

Chester Township

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ 3,410,315	\$ - 0 -	\$ 3,410,315	0.187%	\$ 435.77
2017	3,123,955	- 0 -	3,123,955	0.171%	400.35
2018	2,510,374	- 0 -	2,510,374	0.137%	323.84
2019	2,228,312	- 0 -	2,228,312	0.122%	290.86
2020	1,751,030	- 0 -	1,751,030	0.096%	229.82
2021	1,363,315	- 0 -	1,363,315	0.075%	176.85
2022	965,643	- 0 -	965,643	0.053%	125.10
2023	479,775	- 0 -	479,775	0.026%	62.26
2024	6,008,029	- 0 -	6,008,029	0.329%	772.64
2025	5,973,156	- 0 -	5,973,156	0.328%	768.15

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation		Net General Bonded Debt	Percentage of Net Valuation	
	Bonds	Deductions	Outstanding	Taxable ^a	Per Capita ^b
2016	\$ 2,322,531	\$ - 0 -	\$ 2,322,531	0.181%	\$ 469.67
2017	2,104,085	- 0 -	2,104,085	0.164%	427.31
2018	1,900,360	- 0 -	1,900,360	0.148%	387.83
2019	1,552,586	- 0 -	1,552,586	0.122%	320.45
2020	1,275,567	- 0 -	1,275,567	0.100%	263.76
2021	1,046,174	- 0 -	1,046,174	0.083%	210.37
2022	658,903	- 0 -	658,903	0.052%	132.90
2023	342,912	- 0 -	342,912	0.027%	69.00
2024	4,294,155	- 0 -	4,294,155	0.340%	858.83
2025	3,956,385	- 0 -	3,956,385	0.313%	791.28

Mendham Township

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation		Net General Bonded Debt	Percentage of Net Valuation	
	Bonds	Deductions	Outstanding	Taxable ^a	Per Capita ^b
2016	\$ 3,523,457	\$ - 0 -	\$ 3,523,457	0.188%	\$ 606.97
2017	3,010,869	- 0 -	3,010,869	0.160%	521.27
2018	2,617,130	- 0 -	2,617,130	0.140%	456.74
2019	2,208,271	- 0 -	2,208,271	0.118%	390.08
2020	1,815,152	- 0 -	1,815,152	0.097%	322.24
2021	1,357,959	- 0 -	1,357,959	0.073%	226.10
2022	846,554	- 0 -	846,554	0.043%	140.76
2023	407,557	- 0 -	407,557	0.020%	68.05
2024	5,103,667	- 0 -	5,103,667	0.226%	842.61
2025	5,092,506	- 0 -	5,092,506	0.226%	840.76

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable ^a	Per Capita ^b
	General Obligation Bonds	Deductions			
2016	\$ 4,872,348	\$ - 0 -	\$ 4,872,348	0.173%	\$ 263.06
2017	4,513,076	- 0 -	4,513,076	0.160%	243.81
2018	4,058,939	- 0 -	4,058,939	0.144%	221.15
2019	3,417,173	- 0 -	3,417,173	0.121%	188.38
2020	2,856,297	- 0 -	2,856,297	0.101%	158.34
2021	2,160,699	- 0 -	2,160,699	0.077%	118.94
2022	1,503,912	- 0 -	1,503,912	0.053%	82.79
2023	756,885	- 0 -	756,885	0.027%	41.56
2024	9,478,168	- 0 -	9,478,168	0.335%	516.13
2025	9,208,298	- 0 -	9,208,298	0.325%	501.43

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

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

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2024
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Borough of Chester	\$ 3,020,330	100.00%	\$ 3,020,330
Township of Chester	11,669,018	100.00%	11,669,018
Borough of Mendham	1,462,577	100.00%	1,462,577
Township of Mendham	19,225,976	100.00%	19,225,976
Township of Washington	11,524,100	100.00%	11,524,100
County of Morris General Obligation Debt (all constituent municipalities)	422,752,707	7.91%	<u>33,423,057</u>
Subtotal, Overlapping Debt			80,325,058
West Morris Regional School District Direct Debt			<u>25,245,000</u>
Total Direct and Overlapping Debt			<u>\$ 105,570,058</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping units that is borne by the residents and businesses of the municipalities comprising the West Morris Regional High School District. This process recognizes that when considering the District's ability to issue and repay long-term, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping unit.

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

Source: Assessed value data used to estimate applicable percentages provided by the Morris County Board of Taxation; Debt outstanding data provided by each governmental unit.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt Limit	\$ 253,032,514	\$ 254,342,414	\$ 254,406,183	\$ 254,843,729	\$ 253,898,898
Total Net Debt Applicable to Limit	14,850,000	13,255,000	11,595,000	9,855,000	8,050,000
Legal Debt Margin	<u>\$ 238,182,514</u>	<u>\$ 241,087,414</u>	<u>\$ 242,811,183</u>	<u>\$ 244,988,729</u>	<u>\$ 245,848,898</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.87%	5.21%	4.56%	3.87%	3.17%

	Fiscal Year				
	2021	2022	2023	2024	2025
Debt Limit	\$ 251,755,855	\$ 252,497,211	\$ 260,436,455	\$ 276,347,223	\$ 298,277,380
Total Net Debt Applicable to Limit	6,230,000	4,160,000	2,080,000	26,047,000	25,245,000
Legal Debt Margin	<u>\$ 245,525,855</u>	<u>\$ 248,337,211</u>	<u>\$ 258,356,455</u>	<u>\$ 250,300,223</u>	<u>\$ 273,032,380</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.47%	1.65%	0.80%	9.43%	8.46%

Legal Debt Margin Calculation for Fiscal Year 2025

Year Ended December 31,	Chester Borough	Chester Township	Mendham Borough	Mendham Township	Washington Township	Equalized Valuation Basis
2022	\$ 436,300,822	\$2,015,694,740	\$1,420,959,847	\$2,084,590,216	\$ 3,247,787,610	\$ 9,205,333,235
2023	468,024,010	2,149,044,151	1,536,565,684	2,235,807,170	3,486,343,391	9,875,784,406
2024	550,234,539	2,295,589,072	1,600,615,677	2,510,282,285	3,789,898,741	10,746,620,314
	<u>\$ 1,454,559,371</u>	<u>\$6,460,327,963</u>	<u>\$4,558,141,208</u>	<u>\$6,830,679,671</u>	<u>\$10,524,029,742</u>	<u>\$29,827,737,955</u>
Average Equalized Valuation of Taxable Property						<u>\$ 9,942,579,318</u>
Debt Limit ^a (3% of Average Equalization Value)						\$ 298,277,380
Net Bonded School Debt						25,245,000
Legal Debt Margin						<u>\$ 273,032,380</u>

^a - Limit set by NJSA 18A:24-19 for a regional high school district; other % limits would be applicable for other districts.

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Year	Borough Population ^a	Morris County Per Capita Personal Income ^b	Borough Personal Income ^c	Borough Unemployment Rate ^d
2016	1,652	\$ 87,984	\$ 145,349,568	3.30%
2017	1,648	90,256	148,741,888	3.40%
2018	1,640	93,695	153,659,800	2.30%
2019	1,623	96,774	157,064,202	2.00%
2020	1,620	98,875	160,177,500	5.60%
2021	1,672	107,135	179,129,720	3.90%
2022	1,675	109,057	182,670,475	2.60%
2023	1,678	115,850	194,396,300	3.50%
2024	1,695	115,850 *	196,365,750 ***	3.40%
2025	1,695 **	115,850 *	196,365,750 ***	N/A

Chester Township

Year	Township Population ^a	Morris County Per Capita Personal Income ^b	Township Personal Income ^c	Township Unemployment Rate ^d
2016	7,826	\$ 87,984	\$ 714,138,152	3.40%
2017	7,803	90,256	729,923,832	3.20%
2018	7,752	93,695	753,835,488	3.00%
2019	7,661	96,774	759,511,540	2.50%
2020	7,619	98,875	778,867,513	5.90%
2021	7,709	107,135	830,775,803	4.50%
2022	7,719	109,057	861,417,243	2.90%
2023	7,706	115,850	892,740,100	3.40%
2024	7,776	115,850 *	900,849,600 ***	3.60%
2025	7,776 **	115,850 *	900,849,600 ***	N/A

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Year	Borough Population ^a	Morris County Per Capita Personal Income ^b	Borough Personal Income ^c	Borough Unemployment Rate ^d
2016	4,945	\$ 87,984	\$ 435,080,880	3.80%
2017	4,924	90,256	444,420,544	3.50%
2018	4,900	93,695	459,105,500	3.10%
2019	4,845	96,774	468,870,030	2.70%
2020	4,836	98,875	478,159,500	7.50%
2021	4,973	107,135	532,782,355	5.30%
2022	4,958	109,057	540,704,606	3.10%
2023	4,970	115,850	575,774,500	3.50%
2024	5,000	115,850 *	579,250,000 ***	3.70%
2025	5,000 **	115,850 *	579,250,000 ***	N/A

Mendham Township

Year	Township Population ^a	Morris County Per Capita Personal Income ^b	Township Personal Income ^c	Township Unemployment Rate ^d
2016	5,805	\$ 87,984	\$ 529,717,860	3.20%
2017	5,776	90,256	540,310,144	3.10%
2018	5,730	93,695	557,208,120	2.40%
2019	5,661	96,774	561,231,540	2.40%
2020	5,633	98,875	575,844,691	5.30%
2021	6,006	107,135	647,248,602	3.90%
2022	6,014	109,057	671,144,358	2.70%
2023	5,989	115,850	693,825,650	3.20%
2024	6,057	115,850 **	701,703,450 ***	3.00%
2025	6,057 *	115,850 **	701,703,450 ***	N/A

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

<u>Year</u>	<u>Township Population ^a</u>	<u>Morris County Per Capita Personal Income ^b</u>	<u>Township Personal Income ^c</u>	<u>Township Unemployment Rate ^d</u>
2016	18,522	\$ 87,984	\$ 1,629,639,648	3.50%
2017	18,511	90,256	1,670,728,816	3.40%
2018	18,354	93,695	1,719,678,030	3.20%
2019	18,140	96,774	1,755,480,360	2.70%
2020	18,039	98,875	1,783,606,125	6.60%
2021	18,166	107,135	1,946,214,410	4.80%
2022	18,165	109,057	1,981,020,405	3.10%
2023	18,212	115,850 *	2,109,860,200	3.50%
2024	18,364	115,850 *	2,127,469,400 ***	3.70%
2025	18,364 **	115,850 *	2,127,469,400 ***	N/A

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

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

Sources:

- a Population information provided by the NJ Department of Labor and Workforce Development.
- b Per capita personal income by municipality estimated based upon the 2020 Census published by the US Bureau of Economic Analysis.
- c Personal income has been estimated based upon the municipal population and per capita personal income presented.
- d Unemployment data provided by the NJ Department of Labor and Workforce Development.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - MORRIS COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2024		2015			
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
	Atlantic Health System	10,552	4.02%	U.S Army Armament Reseach & Development	5,841	2.25%
	Norvartis Corporation	6,500	2.47%	Norvartis Corporation	5,035	1.94%
	U.S Army Armament Reseach & Development	6,000	2.28%	Atlantic Health System	4,463	1.72%
	Barclays	3,374	1.28%	Automatic Data Processing, Inc.	2,060	0.79%
	Bayer Healthcare, LLC	2,713	1.03%	Bayer Healthcare, LLC	1,900	0.73%
	Automatic Data Processing, Inc.	2,400	0.91%	County of Morris	1,674	0.64%
	Accenture	2,344	0.89%	Wyndham Worldwide Corporation	1,653	0.64%
	PricewaterhouseCoopers	2,095	0.80%	St. Clare's	1,642	0.63%
	Cigna	1,686	0.64%	BASF Corporation	1,500	0.58%
	Deloitte & Touche	1,646	0.63%	Accenture	1,480	0.57%
		39,310	14.96%		27,248	10.49%
		262,719			259,759	
	Total Employment *					

* - Employment data provided by the NJ Department of Labor and Workforce Development.

Source: Morris County Treasurer's Office.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction:										
Regular	174.40	169.40	169.80	168.60	167.00	161.40	149.00	145.00	145.00	138.00
Special Education	41.20	37.80	36.40	38.90	35.80	37.80	40.80	38.40	38.40	49.00
Support Services:										
Student & Instruction-Related Services	51.60	56.80	57.60	57.08	60.20	59.20	57.90	57.40	57.38	45.20
General Administration	8.00	7.00	7.20	5.90	5.90	6.20	6.20	6.20	6.20	9.00
School Administration	21.30	21.60	19.60	19.30	20.80	18.50	17.50	18.50	18.50	18.00
Administrative Information Technology	5.00	7.00	7.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00
Plant Operations/Maintenance	30.10	30.00	31.00	30.00	30.00	30.00	31.50	28.50	28.50	30.00
Student Transportation	2.80	2.80	2.80	2.90	2.80	2.90	4.20	6.30	6.30	8.30
Total	334.40	332.40	331.40	330.68	329.50	323.00	314.10	307.30	307.28	304.50

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Enrollment	Operating Expenditures ^a	Costs per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Senior High	School				
2016	2,663	\$ 52,351,934	\$ 19,659	6.01%	236	11.3:1		2,598	2,477	-2.29%	95.34%
2017	2,635	52,236,601	19,824	0.84%	231	11.4:1		2,574	2,438	-0.92%	94.72%
2018	2,524	53,188,541	21,073	6.30%	228	11.1:1		2,462	2,353	-4.35%	95.57%
2019	2,495	55,271,300	22,153	5.12%	226	11.0:1		2,428	2,310	-1.38%	95.14%
2020	2,431	56,100,949	23,077	4.17%	225	10.8:1		2,364	2,247	-2.64%	95.05%
2021	2,241	58,406,745	26,063	12.94%	217	10.3:1		2,217	2,136	-6.22%	96.35%
2022	2,239	63,451,797	28,339	22.80%	208	10:8:1		2,178	2,067	-1.76%	94.90%
2023	2,138	63,779,311	29,831	5.26%	207	10:8:1		2,059	1,956	-5.46%	95.00%
2024	2,114	65,516,064	30,992	3.89%	205	10.0:1		2,040	1,938	-0.92%	95.00%
2025	2,030	64,720,173	31,882	2.87%	195	9:8:1		2,032	1,912	-0.39%	94.09%

Note: Enrollment based on annual October District count (ASSA full-time students on roll).

^a Operating expenditures equal total expenditures less debt service and capital outlay.

^b Teaching staff includes only full-time equivalents of certificated staff.

^c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

^d Costs per pupil is calculated based upon the operating costs and enrollment presented which may differ from other per pupil cost calculations.

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

<u>District Buildings</u>	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
West Morris Central High School (1958, 2008)										
Square Feet	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605
Capacity (Students)	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455
Enrollment	1,304	1,318	1,260	1,251	1,193	1,099	1,114	1,017	1,017	995
West Morris Mendham High School (1970, 2008)										
Square Feet	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553
Capacity (Students)	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308
Enrollment	1,359	1,317	1,264	1,244	1,238	1,142	1,125	1,097	1,097	1,035
Administration\ Building (1975)										
Square Feet	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840
West Morris Central Field House (1990)										
Square Feet	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
West Morris Mendham Field House (1990)										
Square Feet	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
West Morris Central Maintenance Garage #1 (2000)										
Square Feet	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080
West Morris Central Maintenance Garage #2 (2001)										
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
West Morris Central Storage Building (1985)										
Square Feet	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128
West Morris Mendham Maintenance Garage (1970)										
Square Feet	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960
West Morris Mendham Storage Building (1980)										
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Number of Schools at June 30, 2025:

High Schools = 2

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October District count.

Source: West Morris Regional High School District Business Office.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities*

Account # 11-000-261-xxx

Fiscal Year Ended June 30	Central High School	Mendham High School	Total School Facilities*
2016	\$ 104,388	\$ 115,870	\$ 220,258
2017	122,955	128,078	251,033
2018	147,438	161,108	308,546
2019	162,994	126,134	289,128
2020	120,920	130,756	251,676
2021	199,506	196,074	395,580
2022	276,474	200,093	476,567
2023	260,363	261,750	522,113
2024	200,184	242,401	442,585
2025	255,156	345,581	600,737

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED

Type of Policy	Insurance Company	Policy Limits	Deductible
PROPERTY:	American Alternative Ins. Co.		
Property - Blanket and Contents			
School Limit Per Statement of Values		\$ 145,820,649	\$ 5,000
Flood:			
Zones C + Unshaded X	aggregate	50,000,000	50,000
Per Event		10,000,000	
Earthquake		5,000,000	100,000
Business Income and Extra Expense		5,000,000	(72 Hours)
Contractors Equipment (\$10,000 Per Item Limit)		250,000	1,000
Musical Instruments, Athletic Equipment,			
Band Uniforms and Theatrical Equipment		250,000	500
Valuable Papers		250,000	1,000
Electronic Data Processing Equipment		2,500,000	5,000
Accounts Receivable		250,000	1,000
BOILER & MACHINERY:	American Alternative Ins. Co.		
Property Damage (Blanket)		150,000,000	5,000
GENERAL LIABILITY:	National Union Fire Ins. Co.		
General Aggregate		1,000,000	
Each Occurrence		1,000,000	
COMMERCIAL AUTOMOBILE LIABILITY:	National Union Fire Ins. Co.		
Liability		1,000,000	
Comprehensive			1,000
Collision			1,000
COMMERCIAL UMBRELLA	National Union Fire Ins. Co.	10,000,000	10,000
EXCESS COMMERCIAL UMBRELLA	Upland Speciality/Evanston		
(Note: Shared Limits)			
Per Occurrence		15,000,000	
Aggregate		15,000,000	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED

Type of Policy	Insurance Company	Policy Limits	Deductible
EXCESS COMMERCIAL LIABILITY (Cont'd) (Note: Unshared Limits) Aggregate	Allied/Hudson/Evanston	\$ 40,000,000	
CYBER & TECHNOLOGY LIABILITY	Cowbell	1,000,000 5,000,000 agg	\$ 25,000
WORKERS' COMPENSATION: Limit of Indemnity Per Occurrence: (1) Part-One Workers' Compensation (2) Part-Two - Employer's Liability	Morris Essex Insurance Group Self-Insured up to \$500,000 Star Insurance Group for excess of 500,000	Statutory 5,000,000	
CRIME: Employee Theft Forgery and Alterations	American Alternative Ins. Co.	500,000 250,000	5,000 5,000
SCHOOL BOARD LEGAL AND EMPLOYMENT PRACTICES LIABILITY: Aggregate School Board Legal Liability	XL Catlin	1,000,000	10,000 20,000
INDIVIDUAL SURETY BONDS: Business Administrator/Board Secretary Treasurer	Selective Insurance Company Selective Insurance Company	500,000 300,000	

Source: West Morris Regional High School District records.

SINGLE AUDIT SECTION

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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the West Morris Regional High School District, in the County of Morris (the "District") as of, and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 31, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 2

Report on Compliance and Other Matters

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

Purpose of this Report

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

October 31, 2025
Mount Arlington, New Jersey

Nisivoccia, LLP

NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

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

Basis for Opinion on Each Major State Program

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

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

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 2

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 2

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

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 or New Jersey's OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

October 31, 2025
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period		Program or Award Amount	June 30, 2024 (Accounts Receivable)	Cash Received	Budgetary Expenditures	June 30, 2025		Amount Provided to Sub- recipients
			From	To					(Accounts Receivable)	Grantor	
US Department of Treasury:											
Passed-through State Department of Education:											
Special Revenue Fund:											
American Rescue Plan - Coronavirus											
State and Local Fiscal Recovery Funds:											
COVID-19 ACSERS											
Total US Department of Treasury											
US Department of Education:											
Passed-through State Department of Education:											
Special Revenue Fund:											
Education Stabilization Fund:											
COVID-19 ESSER:											
Accelerated Learning Coaching & Educator Support											
Evidence-Based Comprehensive Beyond the School Day Activities											
NJTSS Mental Health Support Staffing											
Total Education Stabilization Fund											
Elementary and Secondary Education Act:											
Title I											
Subtotal Title I											
Title II - Parts A and D											
Title II - Parts A and D											
Subtotal Title II - Parts A and D											
Title III - Immigrant											
Title III - Immigrant											
Subtotal Title III - Immigrant											
Title IV - Drug Free Schools											
Title IV - Drug Free Schools											
Subtotal Title IV - Drug Free Schools											
Total Elementary and Secondary Education Act											

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period		Program or Award Amount	June 30, 2024 (Accounts Receivable)	Cash Received	Budgetary Expenditures	June 30, 2025		Amount Provided to Sub- recipients
			From	To					(Accounts Receivable)	Due to Grantor	
Special Education Cluster:											
I.D.E.A. - Part B, Basic	84.027	IDEA-5660-25	7/1/24	9/30/25	\$ 519,763		\$ 418,867	\$ (488,594)	\$ (69,727)		
I.D.E.A. - Part B, Basic	84.027	IDEA-5660-24	7/1/23	9/30/24	518,791	\$ (102,097)	102,097				
Total Special Education Cluster						(102,097)	520,964	(488,594)	(69,727)		
Total US Department of Education						(391,189)	813,086	(504,743)	(82,846)		
Total Special Revenue Fund						(460,686)	891,218	(504,743)	(82,846)	\$ 8,635	\$ - 0 -
U.S. Department of Health and Human Services - Passed-through State Department of Human Services:											
Medicaid Cluster:											
Medical Assistance Program (SEMI)	93.778	N/A	7/1/24	6/30/25	5,005		5,005	(5,005)			
Total Total U.S. Department of Health and Human Services/Medicaid Cluster							5,005	(5,005)			
US Department of Homeland Security:											
Passed-through State Department of Law and Public Safety											
General Fund:											
Disaster Grants - Public Assistance - FEMA:											
COVID-19 Pandemic	97.036	N/A	3/13/20	3/11/23	67,234		67,234	(67,234) *			
Total US Department of Homeland Security							67,234	(67,234)			
Total General Fund						- 0 -	72,239	(72,239)	- 0 -	- 0 -	- 0 -
TOTAL FEDERAL AWARDS						\$ (460,686)	\$ 963,457	\$ (576,982)	\$ (82,846)	\$ 8,635	\$ - 0 -

* - Prior Year Expenditures.
N/A - Not Available/Applicable.

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program/ Award Amount	June 30, 2024		Repayment of Balances	June 30, 2025		MEMO	
		From	To		Budgetary (Accounts Receivable)	Due to Grantor		GAAP (Accounts Receivable)	Due to Grantor	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
State Department of Education:											
General Fund:											
Transportation Aid	25-495-034-5120-014	7/1/24	6/30/25	\$ 1,396,979				\$ 1,265,659	\$ (1,396,979)	\$ (131,320)	\$ 1,396,979
Transportation Aid	24-495-034-5120-014	7/1/23	6/30/24	1,396,979	\$ (132,363)			132,363			
Special Education	25-495-034-5120-089	7/1/24	6/30/25	2,262,268				2,049,609	(2,262,268)	(212,659)	2,262,268
Special Education	24-495-034-5120-089	7/1/23	6/30/24	2,078,066	(196,895)			196,895			
Security Aid	25-495-034-5120-084	7/1/24	6/30/25	213,804				193,706	(213,804)	(20,098)	213,804
Security Aid	24-495-034-5120-084	7/1/23	6/30/24	213,804	(20,258)			20,258			
Equalization Aid	25-495-034-5120-078	7/1/24	6/30/25	125,813				113,986	(125,813)	(11,827)	125,813
Equalization Aid	24-495-034-5120-078	7/1/23	6/30/24	125,813	(11,921)			11,921			
Extraordinary Special Education Costs	25-495-034-5120-044	7/1/24	6/30/25	770,395					(770,395)	(770,395)	770,395
Extraordinary Special Education Costs	24-495-034-5120-044	7/1/23	6/30/24	924,722	(924,722)			924,722			
Nonpublic School Transportation Costs	25-495-034-5120-014	7/1/24	6/30/25	59,645					(59,645)	(59,645)	59,645
Nonpublic School Transportation Costs	24-495-034-5120-014	7/1/23	6/30/24	48,528	(48,528)			48,528			
On-Behalf TPAF Contributions:											
Post-Retirement Medical	25-495-034-5094-001	7/1/24	6/30/25	2,117,023				2,117,023	(2,117,023)		2,117,023
Pension	25-495-034-5094-002	7/1/24	6/30/25	7,156,447				7,156,447	(7,156,447)		7,156,447
Non-Contributory Insurance	25-495-034-5094-004	7/1/24	6/30/25	88,649				88,649	(88,649)		88,649
Long-Term Disability Insurance	25-495-034-5094-004	7/1/24	6/30/25	2,923				2,923	(2,923)		2,923
Reimbursed TPAF Contributions:											
Social Security Aid	25-495-034-5094-003	7/1/24	6/30/25	1,322,459				1,316,434	(1,322,459)	(6,025)	1,322,459
Social Security Aid	24-495-034-5094-003	7/1/23	6/30/24	1,315,031	(6,791)			6,791			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program/ Award Amount	June 30, 2024		Cash Received	Budgetary Expenditures	Repayment of Balances	June 30, 2025		MEMO	
		From	To		Budgetary (Accounts Receivable)	Due to Grantor				GAAP (Accounts Receivable)	Due to Grantor	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
Special Revenue Fund:													
Total Special Revenue Fund													
Capital Projects Fund:													
New Jersey Schools Development													
Authority:													
School Development Authority -													
Educational Facilities	5660-030-23-G5UL	7/1/23	6/30/26	\$ 514,800	\$ (514,800)							(514,800)	
Construction & Financing	5660-050-23-G5UN	7/1/23	6/30/26	514,800	(514,800)							(514,800)	
	5660-030-23-G5UM	7/1/23	6/30/26	321,700	(321,700)							(321,700)	
Subtotal New Jersey Schools Development Authority													
Total Capital Projects Fund													
Total New Jersey Schools Development Authority													
TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT DETERMINATION													
				\$ (2,692,778)	\$ 6,278	\$ 15,773,327	\$ (15,643,708)	\$ (2,890)	\$ (842,275)	\$ 9,708	\$ (2,569,479)	\$ 15,643,708	

Less - State Awards Not Subject to Single Audit Major Program Determination:

On-Behalf TPAF Pension System Contributions:

Post-Retirement Medical	25-495-034-5094-001	7/1/24	6/30/25	2,117,023			\$ 2,117,023						
Pension	25-495-034-5094-002	7/1/24	6/30/25	7,156,447			7,156,447						
Non-Contributory Insurance	25-495-034-5094-004	7/1/24	6/30/25	88,649			88,649						
Long-Term Disability Insurance	25-495-034-5094-004	7/1/24	6/30/25	2,923			2,923						
Subtotal On-Behalf TPAF Pension System Contributions							9,365,042						

TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT MAJOR PROGRAM DETERMINATION

N/A - Not Available/Applicable.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting. This basis of accounting is described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the General Fund, Special Revenue Fund and Capital Projects 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 fiscal 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 final two state aid payments for the prior fiscal year and current fiscal year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, the final two state aid payments for the current fiscal year are not recognized until the subsequent budget year due to the state deferral and recording of those payments in the subsequent fiscal year and the final two state aid payments for the prior fiscal year are recognized in the current fiscal year.

The Special Revenue Fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Grant revenue in the Capital Projects Fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

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

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

The net adjustment to reconcile revenue from the budgetary basis to the GAAP basis is \$(14,467) for the General Fund and \$478 for the Special Revenue Fund (all of which is attributable to local grants and not included on the schedules of expenditures of state and federal awards). See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General, Special Revenue and Capital Projects Funds. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 72,239	\$ 15,501,938	\$15,574,177
Special Revenue Fund	<u>504,743</u>	<u>127,303</u>	<u>632,046</u>
 Total Financial Awards	 <u>\$ 576,982</u>	 <u>\$15,629,241</u>	 <u>\$16,206,223</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2025.

NOTE 7. NJ SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

The District has active grants awarded in the amount of \$1,351,300 from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act as of June 30, 2025. As of June 30, 2025, none of these funds have been expended, submitted for reimbursement or been drawn down and received. The District realizes grant revenue in the Capital Projects Fund on a GAAP basis as it is expended and submitted for reimbursement.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

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

Federal Awards

The District was not subject to the single audit provisions of the Uniform Guidance for the fiscal year ended June 30, 2025 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Uniform Guidance.

State Awards

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

Unmodified

Internal control over major programs:

1.) Material weakness identified?	_____ Yes	_____ X	No
2.) Significant deficiencies identified?	_____ Yes	_____ X	None reported
Noncompliance material to basic financial statements noted?	_____ Yes	_____ X	No
Any audit findings disclosed that are required to be reported in accordance with New Jersey's OMB Circular 15-08?			
	_____ Yes	_____ X	No

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(Continued)

State Awards (Cont'd)

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
State Aid Public:					
Transportation Aid	25-495-034-5120-014	07/01/24	06/30/25	\$ 1,396,979	\$ 1,396,979
Nonpublic School Transportation Costs	25-495-034-5120-014	07/01/24	06/30/25	59,645	59,645
Reimbursed TPAF Contributions					
Social Security Aid	25-495-034-5094-003	07/01/24	06/30/25	1,322,459	1,322,459
Dollar threshold used to distinguish between Type A and B programs				<u>\$ 750,000</u>	
Auditee qualified as low-risk auditee?		<u>X</u>	Yes		No

Section II - Financial Statement Findings - N/A

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Status of Prior Fiscal Year Findings:

There were no findings or questioned costs for the prior fiscal year ended June 30, 2024.