WHARTON BOARD OF EDUCATION

Wharton Borough Board of Education
Wharton, New Jersey

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

Annual Comprehensive Financial Report

of the

WHARTON BOARD OF EDUCATION

Wharton, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

Wharton Borough Board of Education
Business Office

WHARTON BOARD OF EDUCATION
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025

INTRODUCTORY SECTION (Unaudited)

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

FINANCIAL SECTION 8

Independent Auditors' Report 9

Required Supplementary Information 12
Management's Discussion and Analysis 13

Basic Financial Statements (Sections A. and B.) 21

A. District-Wide Financial Statements 22
A-1 Statement of Net Position 23
A-2 Statement of Activities 24

B. Fund Financial Statements 26
B-1 Balance Sheet – Governmental Funds 27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds 28
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 29
B-4 Statement of Net Position – Proprietary Funds 30
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds 31
B-6 Statement of Cash Flows – Proprietary Funds 32

Notes to the Basic Financial Statements 33

Required Supplementary Information 73

L Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions 74
L-1 Schedule of District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System 74
L-2 Schedule of District Contributions – Public Employees Retirement System 75
L-3 Schedule of State's Proportionate Share of the Net Pension Liability Associated with the District – Teachers' Pension and Annuity Fund 76
L-4 Schedule of State Contributions - Teachers' Pension and Annuity Fund 77
L-5 Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios 78
Notes to Required Supplementary Information 79

WHARTON BOARD OF EDUCATION
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

FINANCIAL SECTION (Cont'd)

C. Budgetary Comparison Schedules 80
C-1 Budgetary Comparison Schedule – General Fund 81
C-2 Budgetary Comparison Schedule - Special Revenue Fund 93
C-3 Required Supplementary Information - Budgetary Comparison Schedule – Note to RSI 94

Other Supplementary Schedules (D.-I.)

D. School Level Schedules (Not Applicable) 95

E. Special Revenue Fund 96
E-1 Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis 97
E-2 Preschool Aid Schedule of Expenditures – Budgetary Basis 100

F. Capital Projects Fund 101
F-1 Summary Schedule of Revenue, Expenditures and Changes in Fund Balance – Budgetary Basis 102
F-1a Schedule of Project Revenue, Expenditures, Project Balances, and Project Status – Budgetary Basis – Duffy Elementary School - Various Upgrades 103
F-1b Schedule of Project Revenue, Expenditures, Project Balances, and Project Status – Budgetary Basis – Duffy Elementary School - Corridor Ceramic Tile Replacement 104

G. Proprietary Funds 105
Enterprise Fund:
G-1 Statement of Net Position 106
G-2 Statement of Revenue, Expenses and Changes in Fund Net Position 107
G-3 Statement of Cash Flows 108

H. Fiduciary Activities (Not Applicable) 109

I. Long-Term Liabilities (Not Applicable) 110

J. Statistical Section (Unaudited) 111
J-1 Net Position by Component 112
J-2 Changes in Net Position 113
J-3 Fund Balances - Governmental Funds 115
J-4 Changes in Fund Balances - Governmental Funds 116
J-5 General Fund - Other Local Revenue by Source 117
J-6 Assessed Value and Actual Value of Taxable Property 118
J-7 Direct and Overlapping Property Tax Rates 119
J-8 Principal Property Tax Payers 120
J-9 Property Tax Levies and Collections 121
J-10 Ratios of Outstanding Debt by Type 122
J-11 Ratios of Net General Bonded Debt Outstanding 123
J-12 Ratios of Overlapping Governmental Activities Debt 124
J-13 Legal Debt Margin Information 125
J-14 Demographic and Economic Statistics 126

WHARTON BOARD OF EDUCATION
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

J. Statistical Section (Unaudited) (Cont'd)
- J-15 Principal Employers....127
- J-16 Full-Time Equivalent District Employees by Function/Program....128
- J-17 Operating Statistics....129
- J-18 School Building Information....130
- J-19 Schedule of Required Maintenance for School Facilities....131
- J-20 Insurance Schedule....132

K. Single Audit Section....133
- K-1 Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With *Government Auditing Standards*....134
- K-2 Independent Auditors' Report on Compliance For Each Major Federal and State Program and Report on Internal Control over Compliance Required by the Uniform Guidance and NJOMB 15-08....136
- K-3 Schedule of Expenditures of Federal Awards....139
- K-4 Schedule of Expenditures of State Awards....141
- K-5 Notes to the Schedules of Expenditures of Federal and State Awards....143
- K-6 Schedule of Findings and Questioned Costs....145
- K-7 Summary Schedule of Prior Audit Findings....147

INTRODUCTORY SECTION
(UNAUDITED)

Wharton Borough Public Schools

137 E Central Ave, Wharton, NJ

"Learn to Thrive In a Dynamic World"

Dr. Connie Sánchez
Superintendent

Sandy Cammarata
Business Administrator

November 25, 2025

The Honorable President and Members
of the Board of Education
Wharton Board of Education
County of Morris, New Jersey

Dear Honorable President and Board Members:

The annual comprehensive financial report of the Wharton Board of Education (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 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.

As the academic and social impact of the pandemic continue to mend, the District is tasked with the dual challenge of increasing achievement towards mastery of New Jersey Learning Standards and providing necessary social learning opportunities and mental health supports. The district has continued the implementation and enhancement benchmarking assessments in core academic areas. Also, the schools, through the guidance department and contracted mental health clinicians, are tracking common issues and root causes of mental health distress and related issues. This will provide the District data to most effectively target specific challenges.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the 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:

The Wharton Board of Education 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 Wharton Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular as well as special education for handicapped youngsters. The District completed the 2024-25 fiscal year with an enrollment of 701 students, which is a decrease of 9 students from the previous year's enrollment.

2) ECONOMIC CONDITION AND OUTLOOK:

The Borough continues to seek new business to the area to improve the industrial and commercial tax base.

3) MAJOR INITIATIVES:

The District's key initiatives this year include:

- Identified a new math curriculum and expanding literacy initiatives with DIBELS screening for all grades.
- Continuing shared service agreements to achieve cost savings
- Infusing technology to support instruction and operations
- Providing targeted professional development for staff
- Increasing access to state and federal grants to enhance resources
- Addressing student and staff mental health needs through coordinated supports

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

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

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, and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6) ACCOUNTING SYSTEM AND REPORTS**:**

The District's accounting records reflect generally accepted accounting principles (GAAP), 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", No. 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.

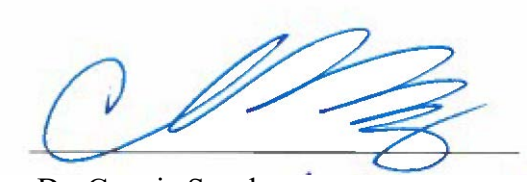
8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Business Administrator oversees risk management for the District. A Schedule of Insurance Coverage is found on 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. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The Auditors' Report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The Auditors' Reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Wharton Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of the financial and accounting staff.

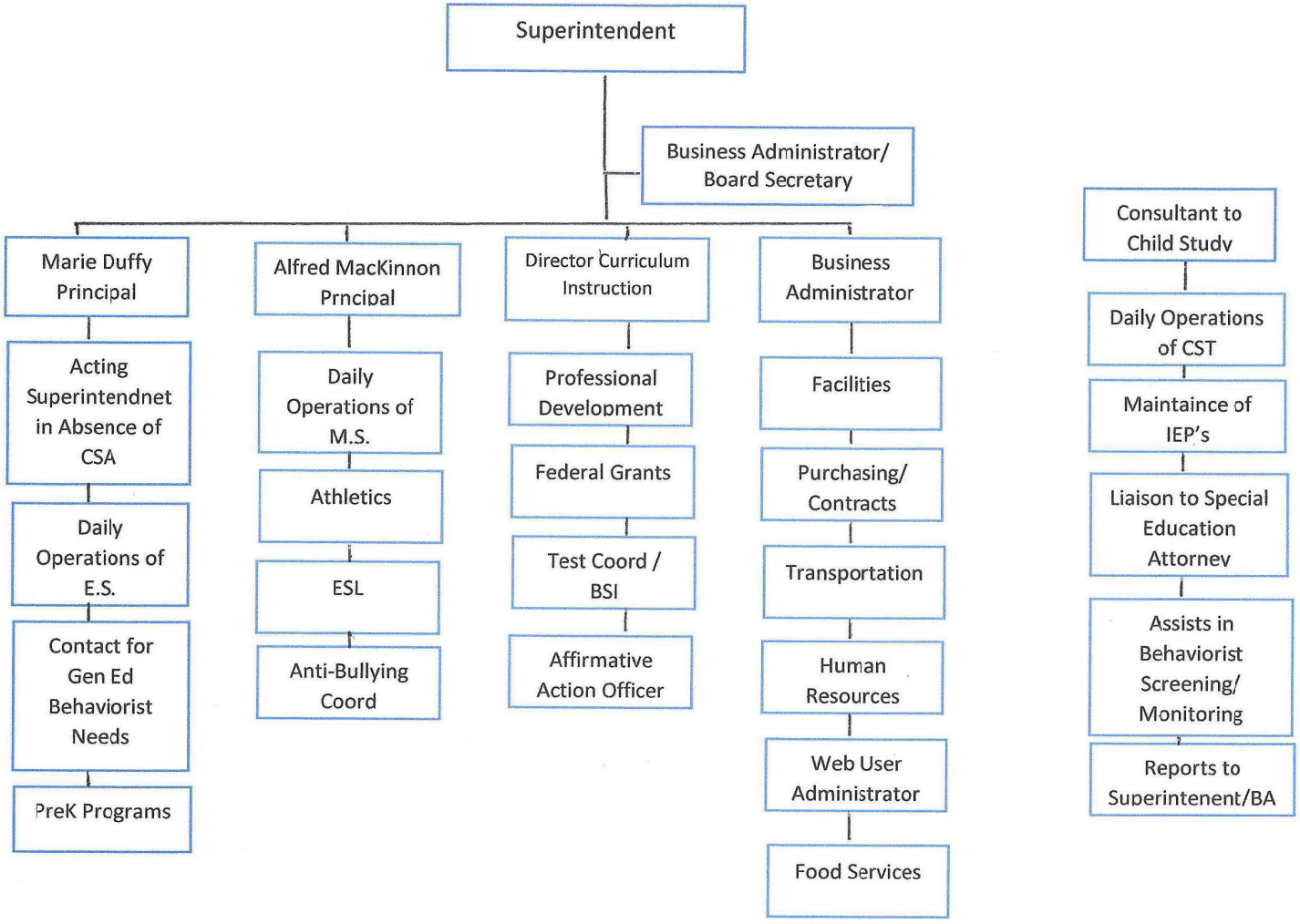


Dr. Connie Sanchez
Superintedent



Sandy Cammarata
Business Administrator/Board Secretary

WHARTON BOARD OF EDUCATION
ORGANIZATION CHART



WHARTON BOARD OF EDUCATION
ROSTER OF OFFICIALS
JUNE 30, 2025

Members of the Board of Education	Expiration of Term
Robin Ghebreal, President	2025
Kelly Elardo, Vice President	2025
Anthony Astrologo	2026
Satwant Banga	2025
Alexander Berniz	2025
Jennifer Hobbs	2027
Pamela Schiele	2026

Other Officials	Title
Christopher Herdman	Superintendent (From 7/1/2024 To 3/1/2025)
Kenneth Russo	Interim Superintendent (From 3/2/2025 To 3/29/2025)
Dr. Connie Sanchez	Superintendent (From 4/1/2025 To Present)
Sandy Cammarata	Business Administrator/Board Secretary
Diana Spina	Treasurer of School Monies

WHARTON BOARD OF EDUCATION
Consultants and Advisors

Audit Firm
Nisivoccia LLP
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, NJ 07856
and
Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860
and
1140 Route 22 East, Suite 203
Bridgewater, New Jersey 08807

Attorney
Methfessel & Werbel, ESQS
2025 Lincoln Highway
Suite 3012
Edison, NJ 08818

Architect
Coppa Montalbano Architects
97 Lackawanna Ave
Totowa, NJ 07512

Insurance Agent
Arthur J Gallagher
163 Spring Street
2nd Floor
Newton, NJ 07860

Official Depository
TD Bank
240 Route 10 West
Succasunna, NJ 07876

FINANCIAL SECTION

NISIVOCCIA
ASSURANCE · TAX · ADVISORY

Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ
973.298.8500
nisivoccia.com
Independent Member
BKR International

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Wharton Board of Education
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 Wharton Board of Education (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 aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position, and, where applicable cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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.

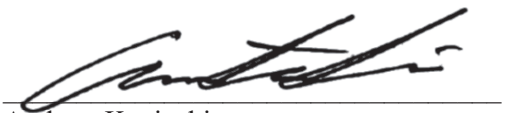
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 November 25, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

November 25, 2025
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

Wharton Board of Education
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2025

This section of Wharton Board of Education's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Overview of the Financial Statements

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

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

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

Figure A-1
Organization of Wharton Board of Education's Financial Report

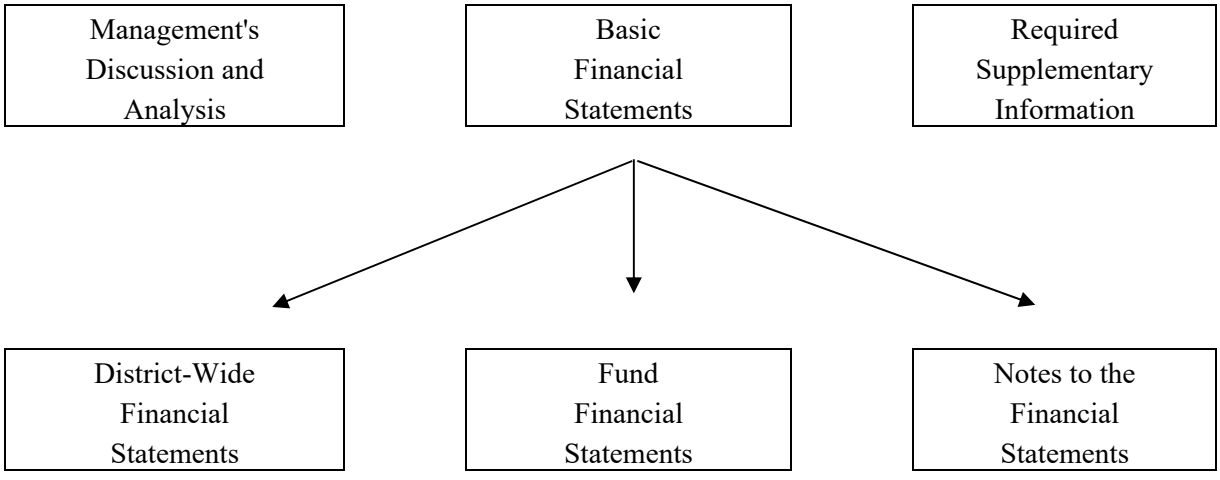


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services
Required Financial Statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenue, expenditures, and changes in fund balances	• Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets, subscription assets, or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

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

Notes to the basic financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

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

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

Figure A-3
Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
Current/Other Assets	$ 16,649,235	$ 14,199,359	$ 95,884	$ 70,725	$ 16,745,119	$ 14,270,084	
Capital Assets	12,242,223	11,958,545	121,652	139,489	12,363,875	12,098,034	
Total Assets	28,891,458	26,157,904	217,536	210,214	29,108,994	26,368,118	10.39%
Deferred Outflows of Resources	251,676	322,877			251,676	322,877	-22.05%
Other Liabilities	1,155,232	1,115,038	60,352	4,124	1,215,584	1,119,162	
Long-term Liabilities	1,666,384	1,823,214			1,666,384	1,823,214	
Total Liabilities	2,821,616	2,938,252	60,352	4,124	2,881,968	2,942,376	-2.05%
Deferred Inflows of Resources	251,011	262,984			251,011	262,984	-4.55%
Net Position:							
Net Investment in Capital Assets	12,242,223	11,958,545	121,652	139,489	12,363,875	12,098,034	
Restricted	15,979,192	13,246,661			15,979,192	13,246,661	
Unrestricted/(Deficit)	(2,150,908)	(1,925,661)	35,532	66,601	(2,115,376)	(1,859,060)	
Total Net Position	$ 26,070,507	$ 23,279,545	$ 157,184	$ 206,090	$ 26,227,691	$ 23,485,635	11.68%

Changes in Net position. The District's *combined* net position was $26,227,691 on June 30, 2025, or 11.68% more than the year before. (See Figure A-3). Net investment in capital assets increased due to the maturity of serial bonds payable and capital assets additions, offset by current year depreciation. Restricted net position increased primarily due to the transfer of excess surplus to the capital reserve. Unrestricted net position decreased primarily due to the changes in the net pension liability and related deferred outflows and inflows of resources.

Figure A-4
Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
Revenue:							
Program Revenue:							
Fees for Services	$ 61,801	$ 67,166	$ 105,466	$ 107,386	$ 167,267	$ 174,552	-4.17%
Operating Grants/ Contributions	4,838,276	5,826,970	338,702	282,096	5,176,978	6,109,066	-15.26%
General Revenue:							
Property Taxes	10,268,862	10,227,155			10,268,862	10,227,155	0.41%
Unrestricted Federal/State Aid	8,339,887	7,052,028			8,339,887	7,052,028	18.26%
Other	425,983	458,079	1,355	3,582	427,338	461,661	-7.43%
Total Revenue	23,934,809	23,631,398	445,523	393,064	24,380,332	24,024,462	1.48%
Expenses:							
Instruction	12,221,350	11,816,288			12,221,350	11,816,288	3.43%
Pupil/Instruction Services	5,262,462	5,833,107			5,262,462	5,833,107	-9.78%
Administration/ Business	1,719,495	1,717,897			1,719,495	1,717,897	0.09%
Maintenance and Operations	1,267,893	1,305,706			1,267,893	1,305,706	-2.90%
Transportation	619,244	833,638			619,244	833,638	-25.72%
Other	53,403	45,000	494,429	426,153	547,832	471,153	16.27%
Total Expenses	21,143,847	21,551,636	494,429	426,153	21,638,276	21,977,789	-1.54%
Increase/(Decrease) in Net Position	$ 2,790,962	$ 2,079,762	$ (48,906)	$ (33,089)	$ 2,742,056	$ 2,046,673	33.98%

Governmental Activities

The financial position of the District has increased significantly over the course of the year. Through careful budgeting, the District has managed to maintain programs including extra-curricular activities, in spite of increased special education, salary and fringe benefit costs.

Careful management of expenses remains essential for the District to sustain its financial health. It is crucial that the District constantly monitors all expenses throughout the fiscal year.

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

Figure A-5
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024/25	2023/24	2024/25	2023/24
Instruction	$ 12,221,350	$ 11,816,288	$ 9,238,678	$ 8,735,000
Pupil and Instruction Services	5,262,462	5,833,107	3,567,713	3,333,420
Administration and Business	1,719,495	1,717,897	1,560,185	1,467,298
Maintenance and Operations	1,267,893	1,305,706	1,267,893	1,305,706
Transportation	619,244	833,638	555,898	771,076
Other	53,403	45,000	53,403	45,000
Total	$ 21,143,847	$ 21,551,636	$ 16,243,770	$ 15,657,500

Business-Type Activities

Net position from the District's business-type activity decreased $48,906. This is attributable to the increased cost of repairs and supply purchases in the enterprise fund. (Refer to Figure A-4).

Financial Analysis of the District's Funds

Significant changes in the student population and difficult economic times have added pressure to the District's budget. Special education costs continue to escalate with several pupils with disabilities placed in out-of-district programs. These pupils are profoundly disabled and require complex educational and related services our District does not have capacity or personnel to provide.

Fringe benefit costs for all staff continue to increase dramatically.

The District has historically utilized funds from the unassigned balance to maintain a 2% tax levy and appropriate funds into the Capital Reserve to continually make upgrades to the buildings.

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

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into the following category:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Assets

The District's capital assets increased $265,841. This is due to the purchase of $1,071,710 of capital assets offset by $805,869 of current year depreciation.

Figure A-6
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
Sites (Land)	$ 164,279	$ 164,279			$ 164,279	$ 164,279	0.00%
Construction in Progress		960,006				960,006	-100.00%
Site Improvements	896,824	1,000,856			896,824	1,000,856	-10.39%
Buildings/Bldg. Improvements	10,742,377	9,309,382			10,742,377	9,309,382	15.39%
Furniture, Machinery & Equipment	438,743	524,022	$ 121,652	$ 139,489	560,395	663,511	-15.54%
Total	$ 12,242,223	$ 11,958,545	$ 121,652	$ 139,489	$ 12,363,875	$ 12,098,034	2.20%

Long-term Liabilities

The District's long-term liabilities decreased $156,830 or 8.6% as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements.)

Figure A-7
Outstanding Long-Term Liabilities

	Total School District		Percentage Change
	2024/25	2023/24	2024/25
Net Pension Liability	$ 940,025	$ 1,078,736	-12.86%
Compensated Absences Payable	726,359	744,478	-2.43%
	$ 1,666,384	$ 1,823,214	-8.60%

- Net pension liability decreased by $138,711.
- Compensated absences decreased by $18,119 during the year.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could significantly affect its financial health in the future. Many factors were considered by the District's administration during the process of developing the fiscal year budget. The primary factors were the District's projected student population, anticipated state and federal aid, as well as increasing salaries and related benefit costs.

While many factors influence the District's future, the availability of funding for special education needs will have the most impact on educational and fiscal decision making in the future.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 137 East Central Avenue, Wharton, New Jersey 07885.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WHARTON BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 1,688,105	$ 22,164	$ 1,710,269
Internal Balances	(35,772)	35,772	
Receivable from State Government	236,252	996	237,248
Receivable from Federal Government	111,296	15,209	126,505
Receivable from Other Governments	10,162		10,162
Other Accounts Receivable		15,146	15,146
Inventories		6,597	6,597
Restricted Cash and Cash Equivalents	14,639,192		14,639,192
Capital Assets, Net:			
Sites (Land) and Construction in Progress	164,279		164,279
Depreciable Site Improvements, Buildings, Building Improvements, and Furniture, Machinery & Equipment	12,077,944	121,652	12,199,596
Total Assets	28,891,458	217,536	29,108,994
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	251,676		251,676
Total Deferred Outflows of Resources	251,676		251,676
LIABILITIES			
Accounts Payable	653,085	53,334	706,419
Payable to State Government	25,021		25,021
Unearned Revenue	477,126	7,018	484,144
Noncurrent Liabilities:			
Due Beyond One Year	1,666,384		1,666,384
Total Liabilities	2,821,616	60,352	2,881,968
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions	251,011		251,011
Total Deferred Inflows of Resources	251,011		251,011
NET POSITION			
Net Investment in Capital Assets	12,242,223	121,652	12,363,875
Restricted for:			
Capital Projects	12,632,187		12,632,187
Maintenance	590,012		590,012
Emergency	250,000		250,000
Excess Surplus	1,340,000		1,340,000
Unemployment Compensation	1,118,857		1,118,857
Student Activities	48,136		48,136
Unrestricted/(Deficit)	(2,150,908)	35,532	(2,115,376)
Total Net Position	$ 26,070,507	$ 157,184	$ 26,227,691

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

WHARTON BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	$ 7,887,146		$ 1,275,530	$ (6,611,616)		$ (6,611,616)
Special Education	3,608,194		1,615,264	(1,992,930)		(1,992,930)
Other Instruction	726,010		91,878	(634,132)		(634,132)
Support Services:						
Tuition	545,859			(545,859)		(545,859)
Student & Instruction Related Services	4,716,603	$ 61,801	1,632,948	(3,021,854)		(3,021,854)
General Administration Services	607,430		55,233	(552,197)		(552,197)
School Administration Services	634,440		62,936	(571,504)		(571,504)
Central Services	364,016		41,141	(322,875)		(322,875)
Administrative Information Technology	113,609			(113,609)		(113,609)
Plant Operations and Maintenance	1,267,893			(1,267,893)		(1,267,893)
Pupil Transportation	619,244		63,346	(555,898)		(555,898)
Charter School	49,001			(49,001)		(49,001)
Capital Outlay	4,402			(4,402)		(4,402)
Total Governmental Activities	21,143,847	61,801	4,838,276	(16,243,770)		(16,243,770)
Business-Type Activities:						
Food Service	494,429	105,466	338,702		$ (50,261)	(50,261)
Total Business-Type Activities	494,429	105,466	338,702		(50,261)	(50,261)
Total Primary Government	$ 21,638,276	$ 167,267	$ 5,176,978	(16,243,770)	(50,261)	(16,294,031)

WHARTON BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenue:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	$ 10,268,862		$ 10,268,862
Federal and State Aid not Restricted	8,339,887		8,339,887
Investment Earnings	373,871	$ 1,355	375,226
Miscellaneous Income	52,112		52,112
Total General Revenue	19,034,732	1,355	19,036,087
Change in Net Position	2,790,962	(48,906)	2,742,056
Net Position - Beginning	23,279,545	206,090	23,485,635
Net Position - Ending	$ 26,070,507	$ 157,184	$ 26,227,691

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

FUND FINANCIAL STATEMENTS

WHARTON BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS:				
Cash and Cash Equivalents	$ 1,354,892	$ 315,375	$ 17,838	$ 1,688,105
Receivables from Federal Government		111,296		111,296
Receivables from State Government	236,252			236,252
Other Accounts Receivable		10,162		10,162
Restricted Cash and Cash Equivalents	14,591,056	48,136		14,639,192
Total Assets	$16,182,200	$ 484,969	$ 17,838	$ 16,685,007
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 469,790	$ 65,295		$ 535,085
Interfund Payable	35,772			35,772
Payable to State Government	25,021			25,021
Unearned Revenue		477,126		477,126
Total Liabilities	530,583	542,421		1,073,004
Fund Balances:				
Restricted for:				
Capital Reserve	12,632,187			12,632,187
Maintenance Reserve	590,012			590,012
Emergency Reserve	250,000			250,000
Excess Surplus for 2025-2026	670,000			670,000
Excess Surplus for 2026-2027	670,000			670,000
Unemployment Compensation	1,118,857			1,118,857
Student Activities		48,136		48,136
Committed			$ 17,838	17,838
Unassigned/(Deficit)	(279,439)	(105,588)		(385,027)
Total Fund Balances/ (Deficit)	15,651,617	(57,452)	17,838	15,612,003
Total Liabilities and Fund Balances	$16,182,200	$ 484,969	$ 17,838	$ 16,685,007

Amounts Reported for G*overnmental Activities* in the Statement of Net Position (A-1) are different because:	
Total Fund Balances - Governmental Funds (Above)	$ 15,612,003
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	12,242,223
Long-Term Liabilities, including Net Pension Liability for PERS, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(1,666,384)
Certain amounts related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and not reported in the Governmental Funds:	
Deferred Outflows of Resources	133,676
Deferred Inflows of Resources	(251,011)
Net Position of Governmental Activities	$ 26,070,507

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

WHARTON BOARD OF EDUCATION
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUE:				
Local Sources:				
Local Tax Levy	$ 10,268,862			$ 10,268,862
Restricted Miscellaneous Revenue	7,481	$ 61,801		69,282
Unrestricted Miscellaneous Revenue	418,502			418,502
Total - Local Sources	10,694,845	61,801		10,756,646
State Sources	12,938,323	1,032,622		13,970,945
Federal Sources	33,122	1,115,332		1,148,454
Total Revenue	23,666,290	2,209,755		25,876,045
EXPENDITURES:				
Instruction:				
Regular Instruction	4,795,253	416,381		5,211,634
Special Education Instruction	2,114,710	232,482		2,347,192
Other Instruction	462,105			462,105
Support Services and Undistributed Costs:				
Tuition	545,859			545,859
Student & Instruction Related Services	2,401,747	1,651,619		4,053,366
General Administration Services	440,529			440,529
School Administration Services	419,912			419,912
Central Services	248,473			248,473
Administrative Information Technology	86,561			86,561
Plant Operations and Maintenance	1,194,356			1,194,356
Pupil Transportation	595,603			595,603
Unallocated Benefits	6,669,496			6,669,496
Capital Outlay	1,070,776	67,594		1,138,370
Transfer of Funds to Charter Schools	49,001			49,001
Total Expenditures	21,094,381	2,368,076		23,462,457
Excess/(Deficiency) of Revenue over/ (under) Expenditures	2,571,909	(158,321)		2,413,588
OTHER FINANCING SOURCES/(USES):				
Transfers	(172,302)	172,302		
Total Other Financing Sources/(Uses)	(172,302)	172,302		
Net Change in Fund Balances	2,399,607	13,981		2,413,588
Fund Balance/(Deficit) - July 1	13,252,010	(71,433)	$ 17,838	13,198,415
Fund Balance/(Deficit) - June 30	$ 15,651,617	$ (57,452)	$ 17,838	$ 15,612,003

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

WHARTON BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds (from B-2)		$ 2,413,588
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays differ from depreciation in the period.		
Depreciation Expense	$ (788,032)	
Capital Outlays	1,071,710	
		283,678
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		18,119
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		138,711
Changes in Deferred Outflows of Resources Related to Pension		(75,107)
Changes in Deferred Inflows of Resources Related to Pension		11,973
Change in Net Position - Governmental Activities (from A-2)		$ 2,790,962

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

WHARTON BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-type Activities - Enterprise Funds
	Food Service
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	$ 22,164
Interfund Receivable	35,772
Intergovernmental Accounts Receivable:	
Federal	15,209
State	996
Other Accounts Receivable	15,146
Inventories	6,597
Total Current Assets	95,884
Non-Current Assets:	
Capital Assets	198,521
Less: Accumulated Depreciation	(76,869)
Total Non-Current Assets	121,652
Total Assets	217,536
LIABILITIES:	
Current Liabilities:	
Accounts Payable - Vendors	53,334
Unearned Revenue - Prepaid Sales	3,428
Unearned Revenue - Donated Commodities	3,590
Total Current Liabilities	60,352
Total Liabilities	60,352
NET POSITION:	
Net Investment in Capital Assets	121,652
Unrestricted	35,532
Total Net Position	$ 157,184

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

WHARTON BOARD OF EDUCATION
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 - Reimbursable Programs	$ 88,212
Daily Sales - Non-reimbursable Programs	6,764
Miscellaneous Revenue	10,490
Total Operating Revenue	105,466
Operating Expenses:	
Cost of Sales - Reimbursable Programs	194,056
Cost of Sales - Non-Reimbursable Programs	14,880
Salaries	129,701
Benefits & Payroll Taxes	40,161
Management Fee	15,000
Miscellaneous Expenses	82,794
Depreciation Expense	17,837
Total Operating Expenses	494,429
Operating (Loss)	(388,963)
Non-Operating Income:	
Local Sources:	
Interest Income	1,355
State Sources:	
State School Lunch Program	16,447
State School Breakfast Program	2,020
Federal Sources:	
School Breakfast Program	37,531
National School Lunch Program	239,738
Local Food for School Lunches	739
Summer-EBT Reimbursement	643
Food Distribution Program	41,584
Total Non-Operating Income	340,057
Change in Net Position	(48,906)
Net Position - Beginning of Year	206,090
Net Position - End of Year	$ 157,184

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

WHARTON BOARD OF EDUCATION
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	$ 94,975
Payments to Employees	(286,910)
Payments to Food Service Vendor	(37,444)
Payments to Suppliers	(56,040)
Net Cash (Used for) Operating Activities	(285,419)
Cash Flows from Noncapital and Related Financing Activities:	
Local Sources:	
Interest Revenue	1,355
State Sources:	
State School Lunch Program	14,244
State School Breakfast Program	1,746
Federal Sources:	
National School Lunch Program	206,875
School Breakfast Program	31,963
Local Food for School Lunches	739
Summer-EBT Reimbursement	643
Net Cash Provided by Noncapital and Related Financing Activities	257,565
Net (Decrease) in Cash and Cash Equivalents	(27,854)
Cash and Cash Equivalents, July 1	50,018
Cash and Cash Equivalents, June 30	$ 22,164
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities:	
Operating (Loss)	$ (388,963)
Adjustment to Reconcile Operating (Loss) to Cash (Used for) Operating Activities:	
Depreciation	17,837
Food Distribution Program	41,584
Changes in Assets and Liabilities:	
(Decrease) in Inventory	(404)
Increase in Unearned Revenue - Donated Commodities	786
(Increase) in Other Accounts Receivable	(12,599)
Increase in Unearned Revenue - Prepaid Sales	2,108
Increase in Accounts Payable	53,334
Increase in Interfund Payable	898
Net Cash Used for Operating Activities	$ (285,419)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received USDA Donated Commodities through the Food Distribution Program valued at $42,370 and utilized U.S.D.A Commodities valued at $41,584 for the fiscal year ended June 30, 2025.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

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

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

B. Basis of Presentation: (Cont'd)

Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses in the 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 governmental 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 fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by Board Resolution.

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

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, 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.

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

B. Basis of Presentation: (Cont'd)

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 are reported as other financing sources.

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

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for 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.

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

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

All 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 budget during the year).

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

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

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

The Capital Projects budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grants. Grants are recognized in full the year the grants are awarded on the budgetary basis; but, are not recognized on the GAAP basis until they are expended and submitted for reimbursement.

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	$ 23,820,512	$ 2,139,483
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue while the GAAP basis does not.		
Prior Year Encumbrances		67,635
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	777,828	108,225
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(932,050)	(105,588)
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	$ 23,666,290	$ 2,209,755

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

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

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	$ 21,094,381	$ 2,300,441
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.		67,635
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 21,094,381	$ 2,368,076

	Capital Projects Fund
Committed Fund Balance - Budgetary Basis	$ 34,104
Reconciliation to Governmental Funds Statements (GAAP):	
SDA Grant Receivable not Recognized on GAAP Basis	(16,266)
Fund Balance per Governmental Funds (GAAP)	$ 17,838

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

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.

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

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

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 Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise funds.

Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

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

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

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.

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary changes 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.

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.

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

	Estimated Useful Life
Buildings and Building Improvements	50 years
Site Improvements	20 years
Furniture, Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

L. Lease Assets

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

M. Subscription Assets

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

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

N. Long Term Liabilities:

In the government-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, governmental fund types recognize bond premiums as revenue in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages:

The District does allow certain employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year. As of June 30, 2025, the amount earned by these employees but not disbursed was $287,906.

P. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service. These employee contracts/agreements permit employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's applicable employee contracts/agreements.

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

Q. Lease Payable

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

R. Subscription Payable

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

S. Unearned Revenue:

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

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

T. Fund Balance Appropriated:

General Fund: Of the $15,651,617 General Fund fund balance at June 30, 2025, $12,632,187 is restricted in the capital reserve account; $590,012 is restricted in the maintenance reserve account; $1,118,857 is restricted for unemployment compensation; $250,000 is restricted in the emergency reserve; $670,000 is prior year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2026; $670,000 is restricted as current year excess surplus and will be appropriated and included in the budget for the fiscal year ending June 30, 2027; $0 is assigned for encumbrances which is $115,139 more than the encumbrances on a GAAP basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2026; and ($279,439) is unassigned which is $816,911 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 deficit in fund balance of $57,452 in the Special Revenue Fund at June 30, 2025, $48,136 is restricted for Student Activities; and there is a deficit in unassigned fund balance of $105,588 at June 30, 2025 in the Special Revenue Fund on a GAAP basis due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2026.

Capital Projects Fund: The $17,838 Capital Projects Fund fund balance as of June 30, 2025 is committed.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701) the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District has excess surplus at June 30, 2025 as noted above.

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

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 and inflows of resources related to pensions at June 30, 2025.

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

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

U. Net Position: (Cont'd)

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

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

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

V. Fund Balance Restrictions, Commitments and Assignments:

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

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

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 in the General Fund on the budgetary basis at June 30, 2025.

W. Deficit Fund Balance/Net Position:

The District has a deficit in unrestricted net position of $2,150,908 in governmental activities, which is primarily due to net pension liability and the related deferred inflows and outflows and compensated absences. The District has a deficit in unassigned fund balance of $279,439 in the General Fund and $105,588 in the Special Revenue Fund, as well as, a deficit in total fund balance of $57,452 in the Special Revenue Fund as of June 30, 2025. This is a result of the last two state aid payments that are not recognized on a GAAP basis. These deficits do not mean that the District is facing financial difficulties and is a permitted practice by generally accepted accounting principles.

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 year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Y. Operating Revenue and Expenses:

Operating revenues 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.

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 District'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 on the section of this note on investments.

Custodial Credit Risk – The District does not have a policy with respect to custodial credit risk. However, 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 at least 5% of the average daily balance of collected public funds on deposit.

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

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

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

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;

(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

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

Investments: (Cont'd)

(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 Equivalent		
	Unrestricted	Restricted	Total
Checking & Savings Accounts	$ 1,699,952	$ 14,639,192	$ 16,339,144
New Jersey Cash Management Fund	10,317		10,317
	$ 1,710,269	$ 14,639,192	$ 16,349,461

During the period ended June 30, 2025, the District did not hold any investments. The carrying amount of the District's cash and cash equivalents at June 30, 2025, was $16,349,461 and the bank balance was $17,235,628.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board 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.

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year end of any unanticipated revenue or unexpended line item appropriations, 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.

Balance at June 30, 2024	$	9,918,481
Increased by:		
Board Resolution June 2025		3,802,397
Unexpended Withdrawal Returned to Capital Reserve		183,401
Decreased by Budgeted Withdrawal		(1,272,092)
Balance at June 30, 2025	$	12,632,187

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

NOTE 5. CAPITAL ASSETS

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

	Balance 6/30/2024	Increases	Adjustments/ Decreases	Balance 6/30/2025
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	$ 164,279			$ 164,279
Construction in Progress	960,006		$ (960,006)	
Total Capital Assets not Being Depreciated	1,124,285		(960,006)	164,279
Capital Assets Being Depreciated:				
Site Improvements	1,828,969			1,828,969
Buildings and Building Improvements	17,051,062	$ 1,066,374	960,006	19,077,442
Machinery and Equipment	800,217	5,336		805,553
Total Capital Assets Being Depreciated	19,680,248	1,071,710	960,006	21,711,964
Governmental Activities Capital Assets	20,804,533	1,071,710		21,876,243
Less Accumulated Depreciation for:				
Site Improvements	(828,113)	(104,032)		(932,145)
Buildings and Building Improvements	(7,741,680)	(593,385)		(8,335,065)
Machinery and Equipment	(276,195)	(90,615)		(366,810)
Total Accumulated Depreciation	(8,845,988)	(788,032)		(9,634,020)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	$ 11,958,545	$ 283,678	$ - 0 -	$ 12,242,223
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	$ 198,521			$ 198,521
Less Accumulated Depreciation	(59,032)	$ (17,837)		(76,869)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	139,489	(17,837)	$ - 0 -	121,652
GRAND TOTAL	$ 12,098,034	$ 265,841	$ - 0 -	$ 12,363,875

NOTE 5. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	$	330,974
Special Education		149,726
Other Instruction		23,641
Student and Instruction Related Services		110,324
General Administration		31,521
School Administration		23,641
Central Services		15,761
Administrative Information Technology		7,880
Plant Operations and Maintenance		70,923
Pupil Transportation		23,641
	$	788,032

NOTE 6. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2025 the District did not make any transfers to capital outlay accounts.

NOTE 7. LONG-TERM LIABILITIES:

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

	Balance 6/30/2024	Retired	Balance 6/30/2025	Due Within One Year
Governmental Activities:				
Compensated Absences Payable	$ 744,478	$ 18,119	$ 726,359	
Net Pension Liability	1,078,736	138,711	940,025	
	$ 1,823,214	$ 156,830	$ 1,666,384	$ -0-

NOTE 7. LONG-TERM LIABILITIES (Cont'd)

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 would be retired through the Debt Service Fund.

The District did not have any bonds payable at June 30, 2025.

B. Bonds Authorized But Not Issued:

As of June 30, 2025, the Board has no bonds authorized but not issued.

C. Financed Purchase Payable:

The District did not have any financed purchases payable at June 30, 2025.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability and will be liquidated by the General Fund. The current portion of the compensated absences balance of the governmental funds is $0 and is separated from the long-term portion of $726,359.

E. 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 $940,025. See Note 8 for further information on the PERS.

NOTE 8. 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.

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided

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

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

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

Contributions

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

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

District contributions to PERS amounted to $94,136 for fiscal year 2025. During the fiscal year ended June 30, 2024, the State of New Jersey contributed $3,031 to PERS for normal pension benefits on behalf of the District.

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

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

Special Funding Situation

Under N.J.SA. 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.

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

At June 30, 2025, the District reported a liability of $940,025 for its proportionate share of the net pension liability, for PERS, 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 0.0069% for PERS, which was a decrease of -0.0005% as of June 30, 2023.

NOTE 8. 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)

For the fiscal year ended June 30, 2025, the District recognized an actual pension expense of $18,580 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 $3,031 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2025 financial statements.

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2020	5.16		$ (6,831)
	2021	5.13	$ 1,168	
	2022	5.04		(3,864)
			1,168	(10,695)
Changes in Proportion	2020	5.16	6,433	
	2021	5.13	1,650	
	2022	5.04		(129,643)
	2023	5.08	105,595	
	2024	5.08		(64,584)
			113,678	(194,227)
Net Difference Between Projected and Actual	2021	5.00		(64,526)
Investment Earnings on Pension Plan Investments	2022	5.00		102,361
	2023	5.00		(26,544)
	2024	5.00		(54,877)
				(43,586)
Difference Between Expected and Actual	2020	5.16	381	
Experience	2021	5.13		(929)
	2022	5.04		(1,574)
	2023	5.08	4,835	
	2024	5.08	13,614	
			18,830	(2,503)
District Contribution Subsequent to the Measurement Date	2024	1.00	118,000	
			$ 251,676	$ (251,011)

NOTE 8. 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)

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

Fiscal Year Ending June 30,	Total
2025	$ (77,117)
2026	(14,021)
2027	(1,850)
2028	(23,346)
2029	(1,001)
	$ (117,335)

Actuarial Assumptions

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

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

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

June 30, 2024	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	$ 1,249,062	$ 940,025	$ 677,036

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. The following represents the membership tiers for TPAF:

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

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. 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 $2,321,604 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required benefit of ($97,329).

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

At June 30, 2025, the District reported a liability of $26,681,102 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 0.0540% which was an increase of 0.0014% as of June 30, 2023.

District's Proportionate Share of the Net Pension Liability	$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		26,681,102
Total	$	26,681,102

For the fiscal year ended June 30, 2024, the State recognized a pension benefit on behalf of the District in the amount of $97,329 and the District recognized pension benefit and revenue for $97,329 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:

NOTE 8. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	8.30		$ 480,199,664
	2018	8.29		1,060,765,245
	2019	8.04		1,016,333,107
	2020	7.99	$ 603,633,698	
	2021	7.93		7,317,559,989
	2022	7.83	67,989,902	
			671,623,600	9,874,858,005
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
			436,488,877	266,879,466
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2021	5.00		888,658,452
	2022	5.00		(1,659,667,329)
	2023	5.00		357,972,332
	2024	5.00		816,400,864
				403,364,319
			$ 1,108,112,477	$ 10,545,101,790

NOTE 8. PENSION PLANS (Cont'd)

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

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

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: will be amortized over 5 years.

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

Actuarial Assumptions

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

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

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate – TPAF

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

June 30, 2024	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	$ 31,714,267	$ 26,681,102	$ 23,810,126

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of $15,812 for the fiscal year ended June 30, 2025. Employee contributions to DCRP amounted to $22,300 for the fiscal year ended June 30, 2025.

NOTE 9. 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. The District obtains its health benefit coverage through the NJ State Health Benefits Plan.

Property and Liability

The District maintains coverage for student accident and surety bonds. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The District is a member of School Alliance Insurance Fund ("SAIF") and the New Jersey Schools Insurance Group ("NJSIG"). The SAIF provides the District with comprehensive general liability, automobile liability, property, and boiler and machinery insurance. The NJSIG provides the District with workers' compensation insurance.

The SAIF and NJSIG are risk-sharing public entity risk pools that are insured and self-administered groups 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 SAIF and NJSIG are elected.

As a member of the SAIF and NJSIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF and NJSIG were to be exhausted, members would become responsible for their respective shares of the SAIF and NJSIG liabilities. The SAIF and NJSIG 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 summarized financial information for SAIF is as follows:

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

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

Risk and Loss Managers Inc.
51 Everett Drive Suite 40B
West Windsor, NJ 08550
(609) 275-1140

NOTE 9. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

Selected financial information for NJSIG as of June 30, 2025 was not available at the time of audit. Selected, summarized financial information as of June 30, 2024 are as follows:

	NJ Schools Insurance Group
Total Assets	$ 452,862,436
Net Position	$ 208,313,945
Total Revenue	$ 187,698,949
Total Expenses	$ 178,093,729
Change in Net Position	$ 7,005,220
Members Dividends	$ 2,600,000

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

6000 Midlantic Drive
Suite 300 North
Mount Laurel, New Jersey 08054
(609) 386-6060

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 unemployment compensation restricted fund balance 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 interest earnings and District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's unemployment compensation restricted fund balance for the current and previous two years:

Fiscal Year	Interest Earnings	Employee Contributions	Amount Reimbursed	Ending Balance
2024-2025	$ 30,229	$ -0-	$ 22,748	$ 1,118,857
2023-2024	41,714	-0-	-0-	1,111,376
2022-2023	13,876	19,562	-0-	1,069,661

NOTE 10. 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 11. DEFERRED COMPENSATION

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

AXA Equitable	Lincoln National Insurance
Metropolitan Life Insurance	VALIC

NOTE 12. CONTINGENT LIABILITIES

Litigation

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

Grant Programs

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

Encumbrances

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

	Governmental Funds	
	General Fund	Total
Vendors	$ 115,139	$ 115,139

On the District's Governmental Funds Balance Sheet as of June 30, 2025, $0 is assigned for year-end encumbrances in the General Fund, which is $115,139 less than the actual year-end encumbrances on a budgetary basis due to the final two state aid payments not recognized on a GAAP basis.

NOTE 13. 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 municipality and are remitted to the local school district on a predetermined, agreed-upon schedule.

NOTE 14. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of $104,000 was established by inclusion of $104,000 in the 2009-2010 budget. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building. Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account.

In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget.

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

Balance at June 30, 2024	$	590,012
Balance at June 30, 2025	$	590,012

NOTE 15. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution by inclusion of $250,000 for the accumulation of funds for use as unanticipated general fund expenditures in subsequent fiscal years. The emergency reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

The emergency reserve is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated General Fund expenditures required for a through and efficient education. The maximum balance permitted at any time in this reserve is the greater of $250,000 or 1% of the General Fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution between June 1st and June 30th of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or for a withdrawal is included in the original budget certified for taxes to finance school security improvements pursuant to N.J.SA. 18A:7G-6(c)1. The balance as of June 30, 2025 is $250,000.

NOTE 16. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2025:

	Governmental Funds			District Contribution		Business-Type Activities
	General Fund	Special Revenue Fund	Total Governmental Funds	Subsequent to the Measure-ment Date	Total Governmental Activities	Proprietary Funds
Vendors	$ 15,422	$ 65,295	$ 80,717		$ 80,717	$ 53,334
Payroll Deductions and Withholdings	166,462		166,462		166,462	
Accrued Salaries & Wages	287,906		287,906		287,906	
Due State of New Jersey				$ 118,000	118,000	
	$469,790	$ 65,295	$ 535,085	$ 118,000	$ 653,085	$ 53,334

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

NOTE 17. 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)

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 local education employers.

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

Employees Covered by Benefit Terms

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

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	153,556
Active Plan Members	219,185
Total	372,741

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

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

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

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

Mortality Rates

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

Health Care Trend Assumptions

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

Discount Rate

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

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

	Total OPEB Liability
Balance at June 30, 2023	$ 26,062,468
Changes for Year:	
Service Cost	1,034,396
Interest on the Total OPEB Liability	1,020,792
Difference between Actual and Expected Experiences	1,325,731
Changes of Assumptions	2,319,996
Gross Benefit Payments by the State	26,694
Contributions from Members	(779,595)
Net Changes	4,948,014
Balance at June 30, 2024	$ 31,010,482

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

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

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

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

	June 30, 2024		
	At 1% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
Total OPEB Liability Attributable to the District	$ 36,319,916	$ 31,010,482	$ 26,693,807

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

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

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	$ 25,831,957	$ 31,010,482	$ 37,755,852

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

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of $1,164,475 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 Statement 75, in which there is a special funding situation.

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

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

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

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

	Year of Deferral	Original Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		$ 594,708
	2018	9.51		726,041
	2019	9.29	$ 114,549	
	2020	9.24	2,954,866	
	2021	9.24	17,454	
	2022	9.13		4,742,273
	2023	9.30	43,067	
	2024	9.33	2,071,337	
			5,201,273	6,063,022
Differences Between Expected and Actual Experience	2018	9.51		686,334
	2019	9.29		1,348,252
	2020	9.24	2,754,051	
	2021	9.24		3,356,515
	2022	9.13	488,386	
	2023	9.30		400,081
	2024	9.33	73,769	
			3,316,206	5,791,182
Changes in Proportion	N/A	N/A	2,218,990	272,140
			$ 10,736,469	$ 12,126,344

N/A - Not Available

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

Fiscal Year Ending June 30,	Total
2025	$ (1,099,977)
2026	(922,338)
2027	(438,081)
2028	115,135
2029	(799,415)
Thereafter	(192,049)
	$ (3,336,725)

NOTE 18. TAX ABATEMENTS

As of December 31, 2024, the Borough provides a tax abatement to a redeveloper for its 248 residential apartment unit property in the Borough pursuant to N.J.S.A 40A:20-1 et seq., the Long Term Tax Exemption Law, and a financial agreement between the Borough and the redeveloper. The agreement is for a period of 30 years. 2011 was the first year in which the payments under this agreement were effective. In consideration of the Borough granting the redeveloper this tax abatement the developer will be required to pay to the Borough an annual service charge as follows: Stage One (years 1-15) – the annual service charge will be the greater of the minimum annual service charge or 10% of gross revenue; Stage Two (years 16-21) – the annual service charge as defined in Stage One or 20% of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater; Stage 3 (years 22-27) – the annual service charge as defined in Stage One or 40% of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater; Stage 4 (years 28-29) – the annual service charge as defined in Stage One or 60% of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater; Stage 5 (year 30) – the annual service charge as defined in Stage One or 80% of the amount of taxes otherwise due on the value of the land and improvements, whichever is greater.

The minimum annual service charge per the agreement shall be the amount of total taxes levied against all real property in the area covered under this tax abatement in the last full tax year in which that area was subject to taxation, and the minimum annual service charge shall be paid in each year in which the other provisions of the financial agreement would result in less than the minimum annual service charge being paid. In the event that the net profits on the redevelopment property exceed the allowable net profits for such period the redeveloper shall pay such excess net profits to the Borough as an additional service charge. Additionally, the Borough shall remit to the County of Morris on a quarterly basis, 5% of the Annual Service Charge received from the redeveloper in accordance with N.J.S.A. 40A:20-12b. The Borough recognized revenue in the amount of $745,157 from this annual service charge or payment in lieu of taxes recorded as miscellaneous revenue not anticipated in the Current Fund. The taxes which would have been paid on this property for 2024 without the abatement would have been $948,673 of which $363,250 would have been for the local District school tax.

In the event that the redeveloper fails to make the required Annual Service Charge payment within the required period of time which would constitute a breach of the agreement, the Borough has the right as one of the allowable remedies to proceed against the redeveloper pursuant to the In-Rem Foreclosure Act. Upon the termination or expiration of this agreement the property under this agreement shall be assessed and taxed as applicable to other taxable property within the Borough.

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

WHARTON BOARD OF EDUCATION
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	2021	2022	2023	2024	2025
District's proportion of the net pension liability	0.0064729489%	0.0064692621%	0.0068389966%	0.0069669858%	0.0071304218%	0.0080522908%	0.0080865586%	0.0064026110%	0.0074475847%	0.0069180263%
District's proportionate share of the net pension liability	$ 1,453,047	$ 1,916,010	$ 1,592,009	$ 1,371,765	$ 1,284,794	$ 1,313,118	$ 957,974	$ 966,242	$ 1,078,736	$ 940,025
District's covered employee payroll	423,928	458,576	421,918	374,542	490,840	530,714	522,827	525,362	540,979	647,278
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	342.76%	417.82%	377.33%	366.25%	261.75%	247.42%	183.23%	183.92%	199.40%	145.23%
Plan fiduciary net position as a percentage of the total pension liability	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%	68.22%

WHARTON BOARD OF EDUCATION
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	2021	2022	2023	2024	2025
Contractually required contribution	$ 55,650	$ 58,632	$ 65,685	$ 70,022	$ 70,208	$ 88,088	$ 94,703	$ 80,740	$ 99,539	$ 94,136
Contributions in relation to the contractually required contribution	(55,650)	(58,632)	(65,685)	(70,022)	(70,208)	(88,088)	(94,703)	(80,740)	(99,539)	(94,136)
Contribution deficiency/(excess)	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-
District's covered employee payroll	$ 458,576	$ 421,918	$ 374,542	$ 490,840	$ 530,714	$ 522,827	$ 525,362	$ 540,979	$ 647,278	$ 649,624
Contributions as a percentage of covered employee payroll	12.14%	13.90%	17.54%	14.27%	13.23%	16.85%	18.03%	14.92%	15.38%	14.49%

WHARTON BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
State's proportion of the net pension liability attributable to the District	0.0496142880%	0.0536104240%	0.0558708368%	0.0556483733%	0.0564506103%	0.0557136940%	0.0536294429%	0.0537506625%	0.0525331102%	0.0539828925%
State's proportionate share of the net pension liability attributable to the District	$ 31,358,349	$ 42,173,373	$ 37,670,151	$ 35,402,298	$ 34,644,272	$ 36,686,797	$ 25,782,456	$ 27,732,340	$ 26,809,049	$ 26,681,102
District's covered employee payroll	$ 5,282,418	$ 5,608,402	$ 5,638,943	$ 5,956,268	$ 5,871,431	$ 6,145,514	$ 5,925,235	$ 6,209,185	$ 6,484,772	$ 6,957,084
State's proportionate share of the net pension liability attributable to the district as a percentage of the District's covered employee payroll	593.64%	751.97%	668.04%	594.37%	590.05%	596.97%	435.13%	446.63%	413.42%	383.51%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%	37.99%

WHARTON BOARD OF EDUCATION
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	2021	2022	2023	2024	2025
Contractually required contribution	$ 1,914,710	$ 3,168,742	$ 2,609,597	$ 2,063,830	$ 2,043,412	$ 2,281,341	$ 606,673	$ 746,355	$ 658,620	$ (97,329)
Contributions in relation to the contractually required contribution	(429,226)	(604,464)	(819,504)	(1,110,248)	(1,222,015)	(1,558,943)	(2,212,729)	(2,147,586)	(2,300,391)	(2,321,604)
Contribution deficiency/(excess)	$ 1,485,484	$ 2,564,278	$ 1,790,093	$ 953,582	$ 821,397	$ 722,398	$ (1,606,056)	$ (1,401,231)	$ (1,641,771)	$ (2,418,933)
District's covered employee payroll	$ 5,608,402	$ 5,638,943	$ 5,956,268	$ 5,871,431	$ 6,145,514	$ 5,925,235	$ 6,209,185	$ 6,484,772	$ 6,957,084	$ 7,242,082
Contributions as a percentage of covered employee payroll	10.72%	13.76%	18.91%	19.88%	19.88%	26.31%	35.64%	33.12%	33.07%	32.06%

WHARTON BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	$ 1,137,954	$ 947,043	$ 816,826	$ 858,851	$ 1,558,966	$ 1,352,232	$ 1,035,231	$ 1,034,396
Interest on the Total OPEB Liability	833,055	965,390	858,804	719,736	768,041	660,255	917,888	1,020,792
Change of Benefit Terms					(31,513)			
Difference between Expected and Actual Experiences		(3,493,475)	(3,064,560)	6,157,223	(5,359,664)	611,108	(165,447)	1,325,731
Changes in Assumptions	(3,471,269)	(2,486,660)	297,949	6,069,518	29,210	(6,683,472)	52,531	2,319,996
Contributions from Members	22,428	20,026	18,184	17,533	19,635	20,981	23,522	26,694
Gross Benefit Payments by the State	(609,080)	(579,429)	(613,421)	(578,463)	(605,001)	(654,002)	(715,509)	(779,595)
Net Change in Total OPEB Liability	(2,086,912)	(4,627,105)	(1,686,218)	13,244,398	(3,620,326)	(4,692,898)	1,148,216	4,948,014
Total OPEB Liability - Beginning	28,383,313	26,296,401	21,669,296	19,983,078	33,227,476	29,607,150	24,914,252	26,062,468
Total OPEB Liability - Ending	$ 26,296,401	$ 21,669,296	$ 19,983,078	$ 33,227,476	$ 29,607,150	$ 24,914,252	$ 26,062,468	$ 31,010,482
District's Covered Employee Payroll *	$ 5,706,346	$ 6,066,978	$ 6,060,861	$ 6,330,810	$ 6,362,271	$ 6,676,228	$ 6,448,062	$ 6,734,547
Total OPEB Liability as a Percentage of Covered Employee Payroll	461%	357%	330%	525%	465%	373%	404%	460%

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

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

WHARTON BOARD OF EDUCATION
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

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	$ 10,268,862		$ 10,268,862	$ 10,268,862	
Unrestricted Miscellaneous Revenues	65,000		65,000	418,502	$ 353,502
Other Restricted Miscellaneous Revenues				7,481	7,481
Total Revenues from Local Sources	10,333,862		10,333,862	10,694,845	360,983
Revenues from State Sources:					
School Choice Aid	435,465		435,465	435,465	
Categorical Transportation Aid	63,433		63,433	63,433	
Extraordinary Aid				183,579	183,579
Categorical Special Education Aid	831,019		831,019	831,019	
Equalization Aid	7,718,763		7,718,763	7,718,763	
Categorical Security Aid	288,318		288,318	288,318	
TPAF Post Retirement Contributions (Non-Budgeted)				686,778	686,778
TPAF Pension Contributions (Non-Budgeted)				2,321,604	2,321,604
TPAF Non-Contributory Insurance (Non-Budgeted)				28,758	28,758
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,080	1,080
Reimbursed TPAF Social Security Contributions				533,748	533,748
Total Revenues from State Sources	9,336,998		9,336,998	13,092,545	3,755,547
Revenues from Federal Sources:					
Medicaid Reimbursement	34,386		34,386	33,122	(1,264)
Total Revenues from Federal Sources	34,386		34,386	33,122	(1,264)
TOTAL REVENUE	19,705,246		19,705,246	23,820,512	4,115,266

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	$ 326,238	$ (9,858)	$ 316,380	$ 245,006	$ 71,374
Grades 1-5 - Salaries of Teachers	2,346,248		2,346,248	2,226,874	119,374
Grades 6-8 - Salaries of Teachers	1,706,150		1,706,150	1,582,248	123,902
Regular Programs - Home Instruction:					
Salaries of Teachers	13,000		13,000	8,677	4,323
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	73,742		73,742	70,844	2,898
Purchased Professional-Educational Services	120,000		120,000	99,223	20,777
Purchased Technical Services	73,000		73,000	65,986	7,014
Other Purchased Services (400-500 series)	409,000		409,000	149,278	259,722
General Supplies	697,508		697,508	279,861	417,647
Textbooks	245,000		245,000	67,256	177,744
Total Regular Programs - Instruction	6,009,886	(9,858)	6,000,028	4,795,253	1,204,775
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	166,495		166,495	95,436	71,059
General Supplies	7,000		7,000	1,684	5,316
Total Learning and/or Language Disabilities	173,495		173,495	97,120	76,375
Multiple Disabilities:					
Salaries of Teachers	167,066	(13,636)	153,430	140,623	12,807
Other Salaries for Instruction	212,042	(12,396)	199,646	165,686	33,960
General Supplies	9,000		9,000	741	8,259
Total Multiple Disabilities	388,108	(26,032)	362,076	307,050	55,026

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	$ 1,542,804	$ 44,192	$ 1,586,996	$ 1,499,851	$ 87,145
Other Salaries for Instruction	66,287		66,287	33,654	32,633
General Supplies	45,000		45,000	22	44,978
Total Resource Room/Resource Center	1,654,091	44,192	1,698,283	1,533,527	164,756
Preschool Disabilities - Full-Time:					
Salaries of Teachers	101,058	(6,818)	94,240	91,974	2,266
Other Salaries for Instruction	72,010	14,120	86,130	81,136	4,994
Purchased Professional-Educational Services	3,000		3,000	572	2,428
Other Purchased Services (400-500 series)	900		900		900
General Supplies	6,300		6,300	3,331	2,969
Total Preschool Disabilities - Full-Time	183,268	7,302	190,570	177,013	13,557
Total Special Education - Instruction	2,398,962	25,462	2,424,424	2,114,710	309,714
Bilingual Education - Instruction:					
Salaries of Teachers	344,324		344,324	339,627	4,697
General Supplies	1,000		1,000		1,000
Total Bilingual Education - Instruction	345,324		345,324	339,627	5,697
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	71,997		71,997	42,607	29,390
Supplies and Materials	4,500		4,500	401	4,099
Other Objects	3,750		3,750		3,750
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	80,247		80,247	43,008	37,239

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Athletics - Instruction:					
Salaries	$ 43,800		$ 43,800	$ 24,018	$ 19,782
Purchased Services (300-500 series)	20,000		20,000	10,000	10,000
Supplies and Materials	22,017		22,017	19,861	2,156
Other Objects	5,000		5,000		5,000
Total School-Sponsored Athletics - Instruction	90,817		90,817	53,879	36,938
Before/After School Programs - Instruction:					
Salaries of Teachers	51,000		51,000	9,637	41,363
Total Before/after School Programs - Instruction	51,000		51,000	9,637	41,363
Total Before/after School Programs	51,000		51,000	9,637	41,363
Other Instructional Programs - Instruction:					
Salaries	36,877		36,877	15,954	20,923
Purchased Services (300-500 series)	28,000		28,000		28,000
Other Objects	5,000		5,000		5,000
Total Other Instructional Programs - Instruction	69,877		69,877	15,954	53,923
TOTAL INSTRUCTION	9,046,113	$ 15,604	9,061,717	7,372,068	1,689,649
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	84,000	(2,619)	81,381		81,381
Tuition to Other LEAs Within the State-Special	153,139		153,139		153,139
Tuition to Priv. Sch. for the Handicap. W/I State	689,251	259,267	948,518	545,859	402,659
Total Undistributed Expenditures - Instruction	926,390	256,648	1,183,038	545,859	637,179

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attend. & Social Work:					
Salaries	$ 20,020	$ 1,816	$ 21,836	$ 21,000	$ 836
Salaries of Family Liaisons/Comm. Parent Inv. Spec.	74,598	972	75,570	75,570	
Salaries of Community/School Coordinators	87,550		87,550	87,550	
Total Undist. Expend. - Attendance and Social Work	182,168	2,788	184,956	184,120	836
Undistributed Expenditures - Health Services:					
Salaries	100,434	(6,026)	94,408	66,940	27,468
Purchased Professional and Technical Services	88,000	5,210	93,210	89,017	4,193
Supplies and Materials	3,500	(1,000)	2,500	1,977	523
Total Undist. Expenditures - Health Services	191,934	(1,816)	190,118	157,934	32,184
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	272,187	(8,788)	263,399	258,340	5,059
Purchased Professional - Educational Services	44,187	(26,078)	18,109	2,420	15,689
Supplies and Materials	2,786		2,786	648	2,138
Total Undist. Expend. - Speech, OT, PT, Related Svcs	319,160	(34,866)	284,294	261,408	22,886
Undist.Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	95,427		95,427	73,708	21,719
Total Undist. Expend. - Other Supp. Srvs. Students - Extra. Serv.	95,427		95,427	73,708	21,719
Undist.Expend.-Guidance:					
Salaries of Other Professional Staff	165,246		165,246	162,315	2,931
Salaries of Secretarial and Clerical Assistants	62,493	(6,243)	56,250	40,985	15,265
Other Purchased Prof. and Tech. Services	268,000	8,970	276,970	276,970	
Other Purchased Services (400-500 series)	100		100		100
Supplies and Materials	1,600		1,600	333	1,267
Total Undist Expend. - Guidance	497,439	2,727	500,166	480,603	19,563

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	$ 128,309		$ 128,309	$ 105,842	$ 22,467
Salaries of Secretarial and Clerical Assistants	42,805	$ 6,223	49,028	46,734	2,294
Purchased Professional - Educational Services	690,367		690,367	611,156	79,211
Other Purchased Prof. and Tech. Services	140,622		140,622	49,487	91,135
Other Purchased Services (400-500 series)	1,140		1,140	965	175
Supplies and Materials	11,219		11,219	5,327	5,892
Other Objects	600		600	65	535
Total Undist Expend. - Child Study Team	1,015,062	6,223	1,021,285	819,576	201,709
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	119,203	7,000	126,203	126,203	
Salaries of Other Professional Staff	27,400	(7,000)	20,400		20,400
Salaries of Secretarial and Clerical Assistants	17,561		17,561	17,561	
Purchased Professional - Educational Services	11,585		11,585	10,550	1,035
Other Purchased Prof. and Tech. Services	530	(450)	80		80
Supplies and Materials	350		350	24	326
Other Objects	1,300	450	1,750	1,750	
Total Undist. Expend.-Improv. of Inst. Serv.	177,929		177,929	156,088	21,841
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	91,029	454	91,483	86,798	4,685
Salaries of Technology Coordinators	71,177	10,000	81,177	78,677	2,500
Purchased Professional and Technical Services	5,000		5,000	3,336	1,664
Other Purchased Services (400-500 series)	9,000		9,000	4,321	4,679
Supplies and Materials	32,801	(10,972)	21,829	3,189	18,640
Total Undist Expend-Edu. Media Serv./Sch. Library	209,007	(518)	208,489	176,321	32,168

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist.Expend.-Instructional Staff Training Services:					
Purchased Professional - Educational Service	$ 2,000		$ 2,000	$ 200	$ 1,800
Other Purchased Services (400-500 series)	145,000		145,000	91,669	53,331
Supplies and Materials	3,000		3,000	120	2,880
Total Undist.Expend.-Instructional Staff Training Services	150,000		150,000	91,989	58,011
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	280,050	$ (18,862)	261,188	261,188	
Legal Services	36,000		36,000	19,668	16,332
Audit Fees	41,000	(7,520)	33,480	33,480	
Architectural/Engineering Services	12,000	27,835	39,835	38,805	1,030
Other Purchased Professional Services	11,802		11,802	11,545	257
Communications / Telephone	49,000	3,125	52,125	23,406	28,719
BOE Other Purchased Services	5,000	5,000	10,000	5,641	4,359
Other Purch. Serv. (400-500 series other than 530 & 585)	43,450	(9,578)	33,872	32,289	1,583
General Supplies	2,000		2,000	1,701	299
Judgments Against The School District	30,000		30,000		30,000
Miscellaneous Expenditures	3,200	(500)	2,700	2,655	45
BOE Membership Dues and Fees	10,028	500	10,528	10,151	377
Total Undist. Expend.-Support Serv.-Gen. Admin.	523,530		523,530	440,529	83,001
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	297,617	1	297,618	297,618	
Salaries of Secretarial and Clerical Assistants	82,492	12,863	95,355	95,059	296
Purchased Professional and Technical Services	5,700	22,840	28,540	20,350	8,190
Other Purchased Services (400-500 series)	2,200	(1,647)	553		553
Supplies and Materials	14,800	(9,047)	5,753	5,305	448
Other Objects	2,700	290	2,990	1,580	1,410
Total Undist. Expend.-Support Serv.-School Adm.	405,509	25,300	430,809	419,912	10,897

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services:					
Salaries	$ 198,500	$ 9,757	$ 208,257	$ 194,551	$ 13,706
Purchased Professional Services	56,805	(9,315)	47,490	47,489	1
Miscellaneous Purchased Services (400-500 series other than 594)	9,695	(442)	9,253	3,549	5,704
Supplies and Materials	4,166		4,166	2,884	1,282
Total Undist. Expend. - Central Services	269,166		269,166	248,473	20,693
Undist. Expend. - Admin. Info. Technology:					
Salaries	56,650		56,650	56,650	
Purchased Technical Services	37,000	(5,300)	31,700	29,911	1,789
Other Purchased Services (400-500 series)	20,000	(20,000)			
Supplies and Materials	8,000		8,000		8,000
Total Undist. Expend. - Admin. Info. Technology	121,650	(25,300)	96,350	86,561	9,789
Undist. Expend.-Required Maintenance for School Facilities:					
Cleaning, Repair, and Maintenance Services	553,081	(53,880)	499,201	154,697	344,504
General Supplies	20,000		20,000	4,859	15,141
Other Objects	12,000		12,000		12,000
Total Undist. Expend.- Required Maint. for School Facilities	585,081	(53,880)	531,201	159,556	371,645
Undist. Expend.-Custodial Services:					
Salaries	6,680	3,513	10,193	7,671	2,522
Purchased Professional and Technical Services	532,527	54,580	587,107	582,502	4,605
Cleaning, Repair, and Maintenance Services	9,000	1,200	10,200	9,682	518
Other Purchased Property Services	40,000		40,000	25,622	14,378
Insurance	89,563	(11,700)	77,863	77,863	
Miscellaneous Purchased Services	8,760	(2,500)	6,260		6,260
General Supplies	13,450	(1,200)	12,250	3,687	8,563

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services: (Cont'd)					
Energy (Natural Gas)	$ 150,000		$ 150,000	$ 120,714	$ 29,286
Energy (Electricity)	175,000	$ 14,200	189,200	144,176	45,024
Total Undist. Expend.-Custodial Services	1,024,980	58,093	1,083,073	971,917	111,156
Care and Upkeep of Grounds:					
Cleaning, Repair, and Maintenance Services	25,000		25,000	12,100	12,900
General Supplies	4,000	(783)	3,217		3,217
Other Objects	10,000	(4,213)	5,787		5,787
Total Care And Upkeep Of Grounds	39,000	(4,996)	34,004	12,100	21,904
Security:					
Purchased Professional and Technical Services	50,000	783	50,783	50,783	
Total Security	50,000	783	50,783	50,783	
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	1,699,061		1,699,061	1,194,356	504,705
Undist. Expend.-Student Transportation Serv.:					
Cleaning, Repair, and Maint. Services	1,000	2,000	3,000	1,057	1,943
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	30,000	(2,000)	28,000	11,770	16,230
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	68,500		68,500	57,085	11,415
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAs	850,000		850,000	525,691	324,309
General Supplies	290		290		290
Transportation Supplies	2,000		2,000		2,000
Total Undist. Expend.-Student Trans. Serv.	951,790		951,790	595,603	356,187

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS					
Social Security Contributions	$ 188,801		$ 188,801	$ 141,951	$ 46,850
Other Retirement Contributions - PERS	114,094		114,094	94,136	19,958
Other Retirement Contributions - Regular	28,000		28,000	15,812	12,188
Unemployment Compensation	120,000		120,000		120,000
Workers Compensation	107,521		107,521	55,118	52,403
Health Benefits	2,585,392		2,585,392	2,542,134	43,258
Tuition Reimbursement	40,000		40,000	11,120	28,880
Other Employee Benefits	371,000		371,000	237,257	133,743
TOTAL UNALLOCATED BENEFITS	3,554,808		3,554,808	3,097,528	457,280
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				686,778	(686,778)
TPAF Pension Contributions (Non-Budgeted)				2,321,604	(2,321,604)
TPAF Non-Contributory Insurance (Non-Budgeted)				28,758	(28,758)
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,080	(1,080)
Reimbursed TPAF Social Security Contributions				533,748	(533,748)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				3,571,968	(3,571,968)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	3,554,808		3,554,808	6,669,496	(3,114,688)
TOTAL UNDISTRIBUTED EXPENDITURES	11,290,030	$ 231,186	11,521,216	12,602,536	(1,081,320)
TOTAL GENERAL CURRENT EXPENSE	20,336,143	246,790	20,582,933	19,974,604	608,329

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY					
Facilities Acquisition and Construction Serv.:					
Construction Services	$ 1,160,690	$ 527	$ 1,161,217	$ 959,901	$ 201,316
Supplies and Materials	107,000	(527)	106,473	106,473	
Assessment for Debt Service on SDA Funding	4,402		4,402	4,402	
Total Facilities Acquisition and Const. Serv.	1,272,092		1,272,092	1,070,776	201,316
TOTAL CAPITAL OUTLAY	1,272,092		1,272,092	1,070,776	201,316
Transfer of Funds to Charter Schools	46,382	2,619	49,001	49,001	
	46,382	2,619	49,001	49,001	
TOTAL EXPENDITURES	21,654,617	249,409	21,904,026	21,094,381	809,645
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(1,949,371)	(249,409)	(2,198,780)	2,726,131	4,924,911
Other Financing Sources/(Uses):					
Transfer to Special Revenue Fund - Pre-K Inclusion	(162,444)	(9,858)	(172,302)	(172,302)	
Other Financing Sources/(Uses)	(162,444)	(9,858)	(172,302)	(172,302)	
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,111,815)	(259,267)	(2,371,082)	2,553,829	4,924,911
Fund Balance, July 1	14,029,838		14,029,838	14,029,838	
Fund Balance, June 30	$ 11,918,023	$ (259,267)	$ 11,658,756	$ 16,583,667	$ 4,924,911

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus - Restricted For 2026-2027				$ 670,000	
Excess Surplus - Restricted For 2025-2026				670,000	
Capital Reserve				12,632,187	
Maintenance Reserve				590,012	
Emergency Reserve				250,000	
Unemployment Compensation				1,118,857	
Assigned Fund Balance:					
Year End Encumbrances				115,139	
Unassigned Fund Balance				537,472	
				16,583,667	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(932,050)	
Fund Balance per Governmental Funds (GAAP)				$ 15,651,617	

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenue:					
Local Sources	$ 5,000	$ 56,801	$ 61,801	$ 61,801	
State Sources	1,507,071		1,507,071	1,029,944	$ (477,127)
Federal Sources	1,287,561	(74,507)	1,213,054	1,047,738	(165,316)
Total Revenue	2,799,632	(17,706)	2,781,926	2,139,483	(642,443)
Other Financing Sources:					
Transfer In - Board Contribution - General Fund		172,302	172,302	172,302	
Total Revenues and Other Financing Sources	2,799,632	154,596	2,954,228	2,311,785	(642,443)
Expenditures:					
Instruction:					
Salaries of Teachers	246,485	(144,462)	102,023	102,023	
Purchased Professional - Technical Services	68,745	(24,693)	44,052	17,138	26,914
Other Purchased Services	715,078	(318,298)	396,780	381,339	15,441
Tuition to Other LEAs Within State- Regular	180,920	(17,872)	163,048	135,029	28,019
General Supplies		41,220	41,220	13,334	27,886
Total Instruction	1,211,228	(464,105)	747,123	648,863	98,260
Support Services:					
Salaries of Other Professional Staff	50,162	228,946	279,108	249,731	29,377
Personal Services - Employee Benefits		65,295	65,295	65,295	
Purchased Professional - Technical Services	35,748	(24,510)	11,238	4,672	6,566
Purchased Education Services	1,217,071		1,217,071	1,018,355	198,716
Cleaning, Repair & Maintenance Services	50,000		50,000		50,000
Other Purchased Services	15,000	34,971	49,971	34,971	15,000
Miscellaneous Purchased Services	65,000		65,000		65,000
Supplies and Materials	150,423	189,604	340,027	228,097	111,930
Student Activities	5,000	56,801	61,801	50,457	11,344
Total Support Services	1,588,404	551,107	2,139,511	1,651,578	487,933
Facilities Acquisition and Construction Services:					
Instructional Equipment		67,594	67,594		67,594
Total Facilities Acquisition and Construction Services		67,594	67,594		67,594
Total Expenditures	2,799,632	154,596	2,954,228	2,300,441	653,787
Excess (Deficiency) of Revenue and Other Financing Sources (Under) Expenditures	$ -0-	$ -0-	$ -0-	$ 11,344	$ 11,344

WHARTON BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
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	$ 23,820,512	$ 2,139,483
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue while the GAAP basis does not:		
Prior Year Encumbrances Paid		67,635
Current Year Encumbrances		
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	777,828	108,225
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(932,050)	(105,588)
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	$ 23,666,290	$ 2,209,755
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	$ 21,094,381	$ 2,300,441
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.		67,635
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 21,094,381	$ 2,368,076

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget 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)l. 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 budgets during the year).

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

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

WHARTON BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FISCAL YEAR ENDED JUNE 30, 2025

	Elementary and Secondary Education Act				
	Title I	Title II A	Title III	Title III Immigrant	Title IV
REVENUE:					
Local Sources					
State Sources					
Federal Sources	$ 172,038	$ 25,189	$ 15,169	$ 3,079	$ 17,632
Total Revenue	172,038	25,189	15,169	3,079	17,632
Other Financing Sources:					
Transfer In - Board Contribution - General Fund					
Total Revenue and Other Financing Sources	172,038	25,189	15,169	3,079	17,632
EXPENDITURES:					
Instruction:					
Salaries of Teachers	102,023				
Purchased Professional - Technical Services	3,383				
Other Purchased Services		6,189			
Tuition to Other LEAs Within State- Regular					
General Supplies	495		2,919		
Total Instruction	105,901	6,189	2,919		
Support Services:					
Salaries of Other Professional Staff	842	19,000	12,250	3,079	17,407
Personal Services - Employee Benefits	65,295				
Purchased Professional - Technical Services					
Purchased Education Services					
Other Purchased Services					
Supplies and Materials					225
Student Activities					
Total Support Services	66,137	19,000	12,250	3,079	17,632
Total Expenditures	$ 172,038	$ 25,189	$ 15,169	$ 3,079	$ 17,632

WHARTON BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FISCAL YEAR ENDED JUNE 30, 2025

		ARP			
	ESSER III	Learning Acceleration	Summer Learning	Beyond the School Day	Mental Health
REVENUE:					
Local Sources					
State Sources					
Federal Sources	$ 531,265	$ 9,728	$ 19,689	$ 20,504	$ 963
Total Revenue	531,265	9,728	19,689	20,504	963
Other Financing Sources:					
Transfer In - Board Contribution - General Fund					
Total Revenue and Other Financing Sources	531,265	9,728	19,689	20,504	963
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional - Technical Services	13,755				
Other Purchased Services	142,668				
Tuition to Other LEAs Within State- Regular					
General Supplies	9,920				
Total Instruction	166,343				
Support Services:					
Salaries of Other Professional Staff	107,340	9,728	19,689	20,504	
Personal Services - Employee Benefits					
Purchased Professional - Technical Services	4,672				
Purchased Education Services					
Other Purchased Services	34,971				
Supplies and Materials	217,939				963
Student Activities					
Total Support Services	364,922	9,728	19,689	20,504	963
Total Expenditures	$ 531,265	$ 9,728	$ 19,689	$ 20,504	$ 963

WHARTON BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FISCAL YEAR ENDED JUNE 30, 2025

	Preschool Education Aid	IDEA Part B Basic	IDEA Part B Preschool	Student Activities Fund	Total
REVENUE:					
Local Sources				$ 61,801	$ 61,801
State Sources	$ 1,029,944				1,029,944
Federal Sources		$ 224,478	$ 8,004		1,047,738
Total Revenue	1,029,944	224,478	8,004	61,801	2,139,483
Other Financing Sources:					
Transfer In - Board Contribution - General Fund	172,302				172,302
Total Revenue and Other Financing Sources	1,202,246	224,478	8,004	61,801	2,311,785
EXPENDITURES:					
Instruction:					
Salaries of Teachers					102,023
Purchased Professional - Technical Services					17,138
Other Purchased Services		224,478	8,004		381,339
Tuition to Other LEAs Within State- Regular	135,029				135,029
General Supplies					13,334
Total Instruction	135,029	224,478	8,004		648,863
Support Services:					
Salaries of Other Professional Staff	39,892				249,731
Personal Services - Employee Benefits					65,295
Purchased Professional - Technical Services					4,672
Purchased Education Services	1,018,355				1,018,355
Other Purchased Services					34,971
Supplies and Materials	8,970				228,097
Student Activities				50,457	50,457
Total Support Services	1,067,217			50,457	1,651,578
Total Expenditures	$ 1,202,246	$ 224,478	$ 8,004	$ 50,457	$ 2,300,441

WHARTON BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Tuition	$ 172,302	$ 135,029	$ 37,273
Total instruction	172,302	135,029	37,273
Support services:			
Salaries of Other Professional Staff	40,000	39,892	108
Purchased Educational Services	1,217,070	1,018,355	198,715
Cleaning, Repair & Maintenance Services	50,000		50,000
Other Purchased Services	15,000		15,000
Miscellaneous Purchased Services	65,000		65,000
Supplies and Materials	120,000	8,970	111,030
Total Support Services	1,507,070	1,067,217	439,853
Total Expenditures	$ 1,679,372	$ 1,202,246	$ 477,126

State Grant Expenditures	$ 1,029,944
Local Expenditures	172,302
	$ 1,202,246

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2024-25 Preschool Education Allocation	$ 1,055,886
Actual Preschool Education Aid Carryover (June 30, 2024)	451,184
Add: Budgeted Transfer from General Fund	172,302
Total Preschool Aid Funds Available for 2024-25 Budget	1,679,372
Less: 2024-25 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	(1,679,372)
Available & Unbudgeted Preschool Aid Funds as of June 30, 2025	-0-
Add: 2024-25 Unexpended Preschool Education Aid	477,126
2024-25 Actual Carryover - Preschool Education Aid	$ 477,126
Available for Budgeting for Preschool Programs - State Portion	477,126.00
Available for Budgeting for Preschool Programs in - Local Portion	-0-
State Funding Deduction of 25% of Carryover Funds	$ -0-

CAPITAL PROJECTS FUND

WHARTON BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Fund Balance - Beginning Balance	$	34,104
Fund Balance - Ending Balance	$	34,104
Recapitulation:		
Committed Fund Balance	$	34,104
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Grant Receivable not Recognized on GAAP Basis		(16,266)
Fund Balance per Governmental Funds (GAAP)	$	17,838

WHARTON BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS
BUDGETARY BASIS
DUFFY ELEMENTARY SCHOOL - VARIOUS UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Total	Authorized Cost
Revenue and Other Financing Sources:			
SDA Grant			$ 270,336
Transfer from Capital Outlay	$ 24,136	$ 24,136	288,821
Total Revenues and Other Financing Sources	24,136	24,136	559,157
Expenditures:			
Purchased Professional and Technical Services			328,800
Construction Services			20,000
Equipment Purchases			210,357
Total Expenditures			559,157
Excess of Revenue and Other Financing Sources Over Expenditures	$ 24,136	$ 24,136	$ -0-

Additional Project Information:

Project Numbers	SP#5770-040-09-1001
Authorization Date	5/11/2009
State Share	$ 270,336
Local Share	288,821
Original Authorized Cost	559,157
Additional Authorized Cost	-0-
Revised Authorized Cost	$ 559,157
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100.00%
Original Target Completion Date	6/30/2014

WHARTON BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS
BUDGETARY BASIS
DUFFY ELEMENTARY SCHOOL - CORRIDOR CERAMIC TILE REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Total	Revised Authorized Cost
Revenue and Other Financing Sources:			
SDA Grant	$ 16,266	$ 16,266	$ 16,266
Capital Outlay	18,447	18,447	18,447
Transfer from Capital Reserve	77,592	77,592	77,592
Total Revenues and Other Financing Sources	112,305	112,305	112,305
Expenditures :			
Purchased Professional and Technical Services	21,986	21,986	27,713
Construction Services	80,351	80,351	84,592
Total Expenditures	102,337	102,337	112,305
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	$ 9,968	$ 9,968	$ -0-

Additional Project Information:

Project Numbers	SP#5770-040-09-1002
Authorization Date	5/11/2009
State Share	$ 16,266
Local Share	18,447
Original Authorized Cost	34,713
Additional Authorized Cost - Capital Reserve	77,592
Revised Authorized Cost	$ 112,305
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	91%
Original Target Completion Date	6/30/2014
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

WHARTON BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS:		
Current Assets:		
Cash and Cash Equivalents	$	22,164
Interfund Receivable		35,772
Intergovernmental Accounts Receivable:		
Federal		15,209
State		996
Other Accounts Receivable		15,146
Inventories		6,597
Total Current Assets		95,884
Non-Current Assets:		
Capital Assets		198,521
Less: Accumulated Depreciation		(76,869)
Total Non-Current Assets		121,652
Total Assets		217,536
LIABILITIES:		
Current Liabilities:		
Accounts Payable - Vendors		53,334
Unearned Revenue - Prepaid Sales		3,428
Unearned Revenue - Donated Commodities		3,590
Total Current Liabilities		60,352
Total Liabilities		60,352
NET POSITION:		
Net Investment in Capital Assets		198,521
Unrestricted		35,532
Total Net Position	$	234,053

WHARTON BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Operating Revenue:		
Local Sources:		
Daily Sales - Reimbursable Programs	$	88,212
Daily Sales - Non-Reimbursable Programs		6,764
Miscellaneous Revenue		10,490
Total Operating Revenue		105,466
Operating Expenses:		
Cost of Sales - Reimbursable Programs		194,056
Cost of Sales - Non-Reimbursable Programs		14,880
Salaries		129,701
Benefits & Payroll Taxes		40,161
Management Fee		15,000
Miscellaneous		82,794
Depreciation Expense		17,837
Total Operating Expenses		494,429
Operating (Loss)		(388,963)
Non-Operating Revenue:		
Local Sources:		
Interest Revenue		1,355
State Sources:		
State School Lunch Program		16,447
State School Breakfast Program		2,020
Federal Sources:		
School Breakfast Program		37,531
National School Lunch Program		239,738
Local Food for School Lunches		739
Summer-EBT Reimbursement		643
Food Distribution Program		41,584
Total Non-Operating Revenue		340,057
Change in Net Position		(48,906)
Net Position - Beginning of Year		206,090
Net Position - End of Year	$	157,184

WHARTON BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Cash Flows from Operating Activities:		
Receipts from Customers	$	94,975
Payments to Employees		(286,910)
Payments to Food Service Vendor		(37,444)
Payments to Suppliers		(56,040)
Net Cash (Used for) Operating Activities		(285,419)
Cash Flows from Noncapital and Related Financing Activities:		
Local Sources:		
Interest Revenue		1,355
State Sources:		
State School Lunch Program		14,244
State School Breakfast Program		1,746
Federal Sources:		
National School Lunch Program		206,875
School Breakfast Program		31,963
Local Food for School Lunches		739
Summer-EBT Reimbursement		643
Net Cash Provided by Noncapital and Related Financing Activities		257,565
Net (Decrease) in Cash and Cash Equivalents		(27,854)
Cash and Cash Equivalents, July 1		50,018
Cash and Cash Equivalents, June 30	$	22,164
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities:		
Operating (Loss)	$	(388,963)
Adjustment to Reconcile Operating (Loss) to Cash (Used for) Operating Activities:		
Depreciation		17,837
Food Distribution Program		41,584
Changes in Assets and Liabilities:		
(Decrease) in Inventory		(404)
Increase in Unearned Revenue - Donated Commodities		786
(Increase) in Other Accounts Receivable		(12,599)
Increase in Unearned Revenue - Prepaid Sales		2,108
Increase in Accounts Payable		53,334
Increase in Interfund Payable		898
Net Cash (Used for) Operating Activities	$	(285,419)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received USDA Donated Commodities through the Food Distribution Program valued at $42,370 and utilized U.S.D.A Commodities valued at $41,584 for the fiscal year ended June 30, 2025.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES
(NOT APPLICABLE)

STATISTICAL SECTION
(Unaudited)

This part of the School'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 School's overall financial health.

Contents

	Exhibit
Financial Trends	
These schedules contain trend information to help the reader understand how the School'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 School'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 School's current levels of outstanding debt and the School'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 School'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 School's operations and resources to help the reader understand how the School's financial information relates to the services the School 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.

WHARTON BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
Net Investment in Capital Assets	$ 4,979,520	$ 5,537,678	$ 6,104,371	$ 6,262,066	$ 6,781,065	$ 7,324,039	$ 7,965,340	$ 8,570,497	$ 11,958,545	$ 12,242,223
Restricted	5,558,458	5,478,489	5,965,733	7,506,318	9,267,375	11,071,331	12,757,969	14,300,792	13,246,661	15,979,192
Unrestricted/(Deficit)	(1,430,055)	(1,501,803)	(1,785,845)	(1,808,134)	(1,495,954)	(1,791,542)	(1,555,717)	(1,671,506)	(1,925,661)	(2,150,908)
Total Governmental Activities Net Position	$ 9,107,923	$ 9,514,364	$ 10,284,259	$ 11,960,250	$ 14,552,486	$ 16,603,828	$ 19,167,592	$ 21,199,783	$ 23,279,545	$ 26,070,507
Business-Type Activities:										
Investment in Capital Assets					$ 6,445	$ 13,027	$ 16,806	$ 74,749	$ 139,489	$ 121,652
Unrestricted	$ 144,175	$ 87,641	$ 99,570	$ 79,762	137,695	117,882	208,139	164,430	66,601	35,532
Total Business-Type Activities Net Position	$ 144,175	$ 87,641	$ 99,570	$ 79,762	$ 144,140	$ 130,909	$ 224,945	$ 239,179	$ 206,090	$ 157,184
District-Wide:										
Net Investment in Capital Assets	$ 4,979,520	$ 5,537,678	$ 6,104,371	$ 6,262,066	$ 6,787,510	$ 7,337,066	$ 7,982,146	$ 8,645,246	$ 12,098,034	$ 12,363,875
Restricted	5,558,458	5,478,489	5,965,733	7,506,318	9,267,375	11,071,331	12,757,969	14,300,792	13,246,661	15,979,192
Unrestricted/(Deficit)	(1,285,880)	(1,414,162)	(1,686,275)	(1,728,372)	(1,358,259)	(1,673,660)	(1,347,578)	(1,507,076)	(1,859,060)	(2,115,376)
Total District-Wide Net Position	$ 9,252,098	$ 9,602,005	$ 10,383,829	$ 12,040,012	$ 14,696,626	$ 16,734,737	$ 19,392,537	$ 21,438,962	$ 23,485,635	$ 26,227,691

Source: Borough of Wharton School District Financial Reports.

WHARTON BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental Activities:										
Instruction:										
Regular	$ 7,511,041	$ 8,178,991	$ 8,711,712	$ 7,805,295	$ 7,241,936	$ 7,150,135	$ 7,484,046	$ 7,181,627	$ 7,323,969	$ 7,887,146
Special Education	2,997,502	3,928,950	4,209,197	3,694,463	3,407,458	3,239,032	2,891,879	3,203,750	3,718,168	3,608,194
Other Instruction	422,908	531,035	548,488	552,791	490,367	399,027	542,859	470,758	774,151	726,010
Support Services:										
Tuition	240,662	414,885	410,281	315,147	359,002	372,202	595,355	842,075	913,491	545,859
Student & Instruction Related Services	1,775,976	1,742,506	1,833,008	1,761,267	2,925,496	3,936,653	4,061,032	3,965,495	4,919,616	4,716,603
General Administration Services	503,252	424,627	484,372	442,054	603,181	569,236	550,517	568,971	587,568	607,430
School Administration Services	517,485	612,901	698,412	639,633	559,754	611,035	584,713	565,930	627,649	634,440
Central Services	208,324	258,598	291,044	260,317	339,335	385,031	374,976	371,029	397,898	364,016
Plant Operations and Maintenance	795,040	896,478	817,351	862,300	1,081,010	1,003,479	959,363	1,203,360	1,305,706	1,267,893
Pupil Transportation	277,677	365,199	143,428	229,219	247,932	230,708	370,813	539,119	833,638	619,244
Administrative Information Technology	110,181	164,230	286,039	158,415	145,473	152,872	110,137	109,165	104,782	113,609
Interest On Long-Term Debt	18,620	34,666	29,564	24,605	19,779	15,086	10,592	6,251	2,052	
Charter School	23,603	47,616	57,045	10,152	11,147	22,553	46,658	39,143	38,546	49,001
Capital Outlay	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402	4,402
Unallocated Depreciation	270,773	358,173	340,877	382,758						
Total Governmental Activities Expenses	15,677,446	17,963,257	18,865,220	17,142,818	17,436,272	18,091,451	18,587,342	19,071,075	21,551,636	21,143,847
Expenses:										
Business-Type Activities:										
Food Service	318,046	417,167	351,643	378,985	285,603	233,474	412,896	383,388	426,153	494,429
Total Business-Type Activities Expenses	318,046	417,167	351,643	378,985	285,603	233,474	412,896	383,388	426,153	494,429
Total District-Wide Expenses	$ 15,995,492	$ 18,380,424	$ 19,216,863	$ 17,521,803	$ 17,721,875	$ 18,324,925	$ 19,000,238	$ 19,454,463	$ 21,977,789	$ 21,638,276
Program Revenues:										
Governmental Activities:										
Charges for Services	$ 157,392	$ 106,559	$ 243,623	$ 140,817	$ 99,901	$ 82,402	$ 35,524	$ 36,860	$ 67,166	$ 61,801
Operating Grants and Contributions	2,551,518	2,718,920	3,063,126	5,223,918	5,034,378	5,839,363	5,965,043	5,180,921	5,826,970	4,838,276
Total Governmental Activities Program Revenues	2,708,910	2,825,479	3,306,749	5,364,735	5,134,279	5,921,765	6,000,567	5,217,781	5,894,136	4,900,077
Business-Type Activities:										
Charges for Services:										
Food Service	97,213	104,560	112,544	116,731	83,977	6,083	1,430	118,838	107,386	105,466
Operating Grants and Contributions	267,125	255,899	250,504	242,199	229,743	214,053	505,351	275,695	282,096	338,702
Total Business Type Activities Program Revenues	364,338	360,459	363,048	358,930	313,720	220,136	506,781	394,533	389,482	444,168
Total District-Wide Program Revenues	3,073,248	3,185,938	3,669,797	5,723,665	5,447,999	6,141,901	6,507,348	5,612,314	6,283,618	5,344,245
Net Expenses/(Revenue):										
Governmental Activities	$ 12,968,536	$ 15,137,778	$ 15,558,471	$ 11,778,083	$ 12,301,993	$ 12,169,686	$ 12,586,775	$ 13,853,294	$ 15,657,500	$ 16,243,770
Business-Type Activities	(46,292)	56,708	(11,405)	20,055	(28,117)	13,338	(93,885)	(11,145)	36,671	50,261
Total District-Wide Net (Expenses)/Revenue	$ 12,922,244	$ 15,194,486	$ 15,547,066	$ 11,798,138	$ 12,273,876	$ 12,183,024	$ 12,492,890	$ 13,842,149	$ 15,694,171	$ 16,294,031

WHARTON BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	$ 8,634,852	$ 8,807,549	$ 8,983,700	$ 9,163,374	$ 9,346,641	$ 9,533,574	$ 9,676,578	$ 9,870,110	$ 10,067,512	$ 10,268,862
Taxes Levied for Debt Service	232,014	228,115	216,392	205,441	198,979	188,222	160,724	170,039	159,643	
Federal and State Aid Not Restricted	5,275,776	6,479,445	7,043,101	4,011,533	4,249,757	4,478,310	5,274,757	5,494,405	7,052,028	8,339,887
Investment Earnings	3,761	3,476	9,645	52,729	47,812	13,467	14,558	254,981	409,527	373,871
Miscellaneous Income	35,310	25,634	75,528	20,997	2,198	7,455	23,922	95,950	48,552	52,112
Total Governmental Activities General Revenues & Other Changes in Net Position	14,181,713	15,544,219	16,328,366	13,454,074	13,845,387	14,221,028	15,150,539	15,885,485	17,737,262	19,034,732
Business-Type Activities:										
Investment Earnings	93	174	524	247	581	107	151	3,089	3,582	1,355
Cancellation of Prior Year Interfund					35,680					
Total Business-Type Activities General Revenues & Other Changes in Net Position	93	174	524	247	36,261	107	151	3,089	3,582	1,355
Total District-Wide General Revenues & Other Changes in Net Position	$ 14,181,806	$ 15,544,393	$ 16,328,890	$ 13,454,321	$ 13,881,648	$ 14,221,135	$ 15,150,690	$ 15,888,574	$ 17,740,844	$ 19,036,087
Change in Net Position:										
Governmental Activities	$ 1,213,177	$ 406,441	$ 769,895	$ 1,675,991	$ 1,543,394	$ 2,051,342	$ 2,563,764	$ 2,032,191	$ 2,079,762	$ 2,790,962
Business-Type Activities	46,385	(56,534)	11,929	(19,808)	64,378	(13,231)	94,036	14,234	(33,089)	(48,906)
Total District-Wide Change in Net Position	$ 1,259,562	$ 349,907	$ 781,824	$ 1,656,183	$ 1,607,772	$ 2,038,111	$ 2,657,800	$ 2,046,425	$ 2,046,673	$ 2,742,056

Source: Borough of Wharton School District Financial Reports.

WHARTON BOARD OF EDUCATION
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	$ 5,524,466	$ 5,444,497	$ 5,931,741	$ 6,522,214	$ 9,220,582	$11,033,181	$12,716,872	$14,267,934	$13,209,869	$15,931,056
Assigned	165,483	199,615	94,225	73,170	543,237	56,013	67,136	35,163	42,141	
Unassigned/(Deficit)		14,706				152,249	208,324			(279,439)
Total General Fund	$ 5,689,949	$ 5,658,818	$ 6,025,966	$ 6,595,384	$ 9,763,819	$11,241,443	$12,992,332	$14,303,097	$13,252,010	$15,651,617
All Other Governmental Funds:										
Restricted	$ 16,154	$ 16,154	$ 16,154	$ 16,154	$ 46,793	$ 38,150	$ 41,097	$ 32,858	$ 36,792	$ 48,136
Committed	17,838	17,838	17,838	967,950	22,259	22,259	22,259	22,259	17,838	17,838
Unassigned/(Deficit)	(17,703)	(13,666)	(51,103)	(43,892)	(88,097)	(102,576)	(121,500)	(123,817)	(108,225)	(105,588)
Total All Other Governmental Funds/(Deficit)	$ 16,289	$ 20,326	$ (17,111)	$ 940,212	$ (19,045)	$ (42,167)	$ (58,144)	$ (68,700)	$ (53,595)	$ (39,614)
Total Governmental Funds:										
Restricted	$ 5,524,466	$ 5,444,497	$ 5,931,741	$ 6,522,214	$ 8,218,533	$11,071,331	$12,757,969	$14,300,792	$13,246,661	$15,979,192
Committed	17,838	17,838	17,838	17,838	22,259	22,259	22,259	22,259	17,838	17,838
Assigned	202,591	199,615	94,225	94,225	543,237	56,013	67,136	35,163	42,141	
Unassigned/(Deficit)	(17,703)	1,040	(51,103)	(43,892)	(88,097)	49,673	86,824	(123,817)	(108,225)	(385,027)
Total All Governmental Funds	$ 5,706,238	$ 5,679,144	$ 6,008,855	$ 7,535,596	$ 9,744,774	$11,199,276	$12,934,188	$14,234,397	$13,198,415	$15,612,003

Source: Borough of Wharton School District Financial Reports.

WHARTON BOARD OF EDUCATION
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	$ 8,866,866	$ 9,035,664	$ 9,200,092	$ 9,368,815	$ 9,545,620	$ 9,721,796	$ 9,837,302	$ 10,040,149	$ 10,227,155	$ 10,268,862
Tuition Charges	157,392	106,559	243,623	140,817	99,901	68,765	3,146		5,251	
Interest on Capital Reserve	3,761	3,476	9,645	15,078	22,268	5,263	8,265			
Miscellaneous	35,310	25,634	75,528	58,648	27,742	29,296	62,593	387,791	519,994	487,784
State Sources	5,772,212	6,050,229	6,787,151	7,444,168	7,829,424	8,885,383	10,753,992	10,617,199	12,509,964	13,970,945
Federal Sources	569,599	585,858	467,152	467,650	694,530	807,481	942,313	1,244,220	1,936,748	1,148,454
Total Revenue	15,405,140	15,807,420	16,783,191	17,495,176	18,219,485	19,517,984	21,607,611	22,289,359	25,199,112	25,876,045
Expenditures:										
Instruction:										
Regular Instruction	4,566,042	4,503,745	4,734,653	4,810,764	4,395,576	4,320,802	4,705,431	4,700,605	5,288,671	5,211,634
Special Education Instruction	1,888,117	2,097,789	2,148,105	2,120,140	2,007,874	1,947,468	1,833,854	2,091,405	2,181,052	2,347,192
Other Instruction	224,155	270,771	266,734	279,773	269,347	220,045	324,660	289,004	444,433	462,105
Support Services:										
Tuition	240,662	414,885	410,281	315,147	359,002	372,202	595,355	842,075	913,491	545,859
Student & Instruction Related Services	1,486,320	1,415,009	1,372,131	1,366,733	2,257,703	3,186,802	3,496,526	3,412,047	4,090,800	4,053,366
General Administrative Services	436,974	346,574	397,662	367,653	345,233	366,329	364,593	389,721	372,864	440,529
School Administrative Services	332,075	339,205	338,830	333,903	370,315	383,022	363,140	360,838	373,193	419,912
Central Services	152,653	198,524	196,535	224,556	261,807	255,111	239,719	246,350	254,264	248,473
Administrative Information Technology	95,236	132,426	111,695	130,466	115,063	131,457	87,638	92,098	77,679	86,561
Plant Operations And Maintenance	785,764	810,199	889,223	923,817	941,137	966,688	919,219	1,154,198	1,255,450	1,194,356
Pupil Transportation	277,424	364,354	285,790	227,503	229,968	169,585	357,434	523,703	818,222	595,603
Unallocated Benefits	3,281,481	3,839,856	4,363,823	4,337,187	4,258,790	4,758,475	5,491,221	5,657,523	6,218,078	6,669,496
Capital Outlay	1,063,114	747,895	585,409	240,036	964,408	705,857	805,659	958,189	3,690,299	1,138,370
Debt Service:										
Principal	271,000	271,000	266,000	256,000	252,000	242,000	231,000	226,000	216,000	
Interest And Other Charges	29,746	34,666	29,564	24,605	19,779	15,086	10,592	6,251	2,052	
Transfer of funds to Charter Schools	23,603	47,616	57,045	10,152	11,147	22,553	46,658	39,143	38,546	49,001
Total Expenditures	15,130,763	15,834,514	16,453,480	15,968,435	17,059,149	18,063,482	19,872,699	20,989,150	26,235,094	23,462,457
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	$ 274,377	$ (27,094)	$ 329,711	$ 1,526,741	$ 1,160,336	$ 1,454,502	$ 1,734,912	$ 1,300,209	$ (1,035,982)	$ 2,413,588
Net Change In Fund Balances	$ 274,377	$ (27,094)	$ 329,711	$ 1,526,741	$ 1,160,336	$ 1,454,502	$ 1,734,912	$ 1,300,209	$ (1,035,982)	$ 2,413,588
Debt Service as a Percentage of Noncapital Expenditures	2.14%	2.03%	1.86%	1.78%	1.69%	1.48%	1.27%	1.16%	0.97%	0.00%

Source: Borough of Wharton School District Financial Reports.

WHARTON BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(M*odified Accrual Basis of Accounting)*

Fiscal Year Ended June 30,	Interest on Investments	Tuition	Other Misc.	Total
2016	$ 3,761	$ 157,392	$ 35,310	$ 196,463
2017	3,476	106,559	25,634	135,669
2018	9,645	243,623	75,528	328,796
2019	15,078	140,817	58,648	214,543
2020	47,812	99,901	2,198	149,911
2021	13,467	68,765	7,455	89,687
2022	15,771	3,146	22,709	41,626
2023	254,981		95,950	350,931
2024	409,527	5,251	48,552	463,330
2025	373,871		52,112	425,983

Source: Borough of Wharton School District Financial Reports.

WHARTON BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	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	$ 11,789,600	$ 427,569,800	$ 580,400	$ 92,610,400	$ 97,716,600	$ 21,914,000	$ 652,180,800	$ -0-	$ 652,180,800	$ 96,632,800	$ 1.36	$ 673,503,608
2016	12,991,500	431,891,600	581,100	92,517,600	96,320,200	22,465,700	656,767,700	-0-	656,767,700	97,154,200	1.40	663,528,365
2017	12,993,400	434,199,800	581,100	92,741,300	98,448,800	22,649,900	661,618,300	-0-	668,396,422	101,972,200	1.35	663,528,365
2018	12,873,400	446,757,300	598,200	93,118,800	105,321,100	22,772,700	681,441,500	-0-	681,445,500	102,182,300	1.35	675,041,790
2019	13,857,600	460,137,300	616,300	94,940,200	105,912,700	23,065,000	698,529,100	-0-	698,529,100	102,579,700	1.37	716,029,500
2020	15,400,200	478,323,300	632,700	98,332,800	111,845,100	23,475,200	728,009,300	-0-	728,009,300	110,236,300	1.34	747,194,562
2021	14,406,400	498,177,500	659,100	100,490,100	115,222,600	26,040,200	754,995,900	-0-	754,995,900	109,439,100	1.30	763,011,808
2022	17,090,900	526,093,300	342,600	102,671,000	119,543,000	28,343,900	794,084,700	-0-	794,084,700	107,614,600	1.26	809,127,099
2023	18,497,300	557,759,300	355,900	106,336,200	124,763,400	29,980,300	837,692,400	-0-	837,692,400	116,904,500	1.26	888,911,552
2024	29,678,800	607,638,200	380,300	106,383,500	127,560,400	36,431,800	908,074,000	-0-	908,074,000	130,740,500	1.13	902,054,211

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 value.

Source: Morris County Abstract of Ratables and Municipal Tax Assessor.

WHARTON BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per $100 of Assessed Value)

Year Ended December 31,	Wharton Board of Education Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate [a]	General Obligation Debt [b]	Total Direct	Regional School	Borough of Wharton	Morris County	
2015	$ 1.32	$ 0.04	$ 1.36	$ 0.67	$ 0.61	$ 0.26	$ 2.89
2016	1.37	0.03	1.40	0.63	0.61	0.26	2.90
2017	1.32	0.03	1.35	0.68	0.62	0.26	2.91
2018	1.32	0.03	1.35	0.68	0.61	0.26	2.90
2019	1.34	0.03	1.37	0.68	0.61	0.27	2.92
2020	1.31	0.03	1.34	0.75	0.61	0.27	2.96
2021	1.28	0.02	1.30	0.78	0.57	0.24	2.89
2022	1.24	0.02	1.26	0.72	0.58	0.26	2.83
2023	1.20	0.02	1.22	0.77	0.59	0.27	2.85
2024	1.13	0.00	1.13	0.74	0.69	0.25	2.80

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

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

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

Source: Borough of Wharton Tax Collector and School Business Administrator.

WHARTON BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

2025			2016		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
			TA Wharton LLC	$ 55,711,800	6.60%
N/A			The Realty Associates Fund VIII LP	32,223,900	3.82%
			Glass Paramus	19,433,900	2.30%
			Costco Wholesale	17,842,300	2.11%
			CCKK, LLC	12,115,400	1.44%
			Bayview Gardens	8,700,000	1.03%
			Wharton Mall	8,273,700	0.98%
			Brentwood Associates	6,528,500	0.77%
			Wharton Apartments	4,000,000	0.47%
			Waltann Greenbrook, LLC	3,863,700	0.46%
			Total	$ 168,693,200	19.98%

N/A - Not Available

Source: Borough of Wharton Tax Assessor.

WHARTON BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy [a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	$ 8,866,866	$ 8,866,866	100.00%	-0-
2017	9,035,664	9,035,664	100.00%	-0-
2018	9,200,092	9,200,092	100.00%	-0-
2019	9,368,815	9,368,815	100.00%	-0-
2020	9,545,620	9,545,620	100.00%	-0-
2021	9,721,796	9,721,796	100.00%	-0-
2022	9,837,302	9,837,302	100.00%	-0-
2023	10,040,149	10,040,149	100.00%	-0-
2024	10,227,155	10,227,155	100.00%	-0-
2025	10,268,862	10,268,862	100.00%	-0-

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

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

WHARTON BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds	Governmental Activities: Loans Payable	Governmental Activities: Financed Purchases	Total District	Percentage of Personal Income [a]	Per Capita [a]
2016	$ 1,960,000	$ -0-	$ -0-	$ 1,960,000	0.33%	$ 300.80
2017	1,689,000	-0-	-0-	1,689,000	0.28%	260.05
2018	1,423,000	-0-	-0-	1,423,000	0.23%	220.89
2019	1,167,000	-0-	-0-	1,167,000	0.18%	183.38
2020	915,000	-0-	-0-	915,000	0.14%	141.58
2021	673,000	-0-	-0-	673,000	0.08%	92.97
2022	442,000	-0-	-0-	442,000	0.06%	61.01
2023	216,000	-0-	-0-	216,000	0.03%	29.40
2024	-0-	-0-	-0-	-0-	0.00%	-0-
2025	-0-	-0-	-0-	-0-	0.00%	-0-

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

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

Source: Borough of Wharton School District Financial Reports.

WHARTON BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2016	$ 1,960,000	$ -0-	$ 1,960,000	0.30%	$ 300.80
2017	1,689,000	-0-	1,689,000	0.26%	260.05
2018	1,423,000	-0-	1,423,000	0.21%	220.89
2019	1,167,000	-0-	1,167,000	0.17%	183.38
2020	915,000	-0-	915,000	0.13%	141.58
2021	673,000	-0-	673,000	0.09%	92.97
2022	442,000	-0-	442,000	0.06%	61.01
2023	216,000	-0-	216,000	0.03%	29.40
2024	-0-	-0-	-0-	0.00%	-0-
2025	-0-	-0-	-0-	0.00%	-0-

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

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

[b] Population data can be found on Exhibit J-14. This ratio is calculated using valuation data for the prior calendar year

Source: Borough of Wharton School District Financial Reports.

WHARTON BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2024
UNAUDITED

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Other Debt:			
Morris County General Obligation Debt	$ 324,225,727	0.930%	$ 3,015,480
Morris Hills Regional District Debt	14,075,000	8.005%	1,126,688
Subtotal, Overlapping Debt			4,142,168
Borough of Wharton School District Direct Debt			-0-
Total Direct And Overlapping Debt			$ 4,142,168

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

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

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

WHARTON BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2025

Equalized Valuation Basis	Wharton Borough
2024	$ 1,017,906,064
2023	897,849,303
2022	884,774,039
	$ 2,800,529,406
Average Equalized Valuation of Taxable Property	$ 933,509,802
Debt Limit (3% of Average Equalization Value) [a]	$ 28,005,294
Net Bonded School Debt as of June 30, 2025	-0-
Legal Debt Margin	$ 28,005,294

	June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	$ 20,412,829	$ 19,935,913	$ 19,856,492	$ 20,454,907	$ 21,210,567	$ 22,093,386	$ 23,021,744	$ 24,469,028	$ 25,864,090	$ 28,005,294
Total Net Debt Applicable to Limit	1,960,000	1,689,000	1,423,000	1,167,000	915,000	673,000	442,000	216,000	-0-	-0-
Legal Debt Margin	$ 18,452,829	$ 18,246,913	$ 18,433,492	$ 19,287,907	$ 20,295,567	$ 21,420,386	$ 22,579,744	$ 24,253,028	$ 25,864,090	$ 28,005,294
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	9.60%	8.47%	7.17%	5.71%	4.31%	3.05%	1.92%	0.88%	0.00%	0.00%

[a] Limit set by NJSA 18A:24-19 for a K through 8 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.

WHARTON BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year Ended December 31,	Borough Population [a]		Morris County Per Capita Personal Income [b]		Borough Personal Income [c]		Borough Unemployment Rate [d]
2016	6,516		$ 91,252		$ 594,598,032		3.80%
2017	6,495		93,544		607,568,280		4.60%
2018	6,442		97,244		626,445,848		4.20%
2019	6,364		99,140		630,926,960		4.20%
2020	6,463		102,227		660,693,101		11.00%
2021	7,239		111,597		807,850,683		7.20%
2022	7,245		107,767		780,771,915		4.30%
2023	7,346		115,850		851,034,100		4.70%
2024	7,444		115,850	**	862,387,400	***	3.70%
2025	7,444	*	115,850	**	862,387,400	***	N/A

* - Latest Morris County population available (2024) was used for calculation purposes.
** - Latest Morris County per capita personal income available (2023) was used for calculation purposes.
***- Latest available population data (2024) and latest Morris County per capita personal income (2023) was used for calculation purposes
N/A - Not Available

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 2000 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.

WHARTON BOARD OF EDUCATION
PRINCIPAL EMPLOYERS - MORRIS COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

2025			2016		
Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Atlantic Health Systems	10,581	4.02%	US Army Armament Research & Development	5,841	N/A
Picatinny Arsenal	6,200	2.36%	Novartis	5,035	N/A
Novartis	6,178	2.35%	Atlantic Health Systems	4,463	N/A
Barclays	4,320	1.64%	ADP, Inc.	2,060	N/A
ADP, Inc.	2,600	0.99%	Bayer Healthcare, LLC	1,900	N/A
Accenture	2,134	0.81%	County of Morris	1,674	N/A
PricewaterhouseCoopers	1,911	0.73%	Wyndham Worldwide	1,653	N/A
Bayer	1,730	0.66%	St. Clare's	1,642	N/A
Cigna	1,629	0.62%	BASF Corporation	1,500	N/A
Deloitte & Touche	1,627	0.62%	Accenture	1,480	N/A
Total	38,910	14.80%		27,248	0.00%
Total County Labor Force	262,898			N/A	

Source: Morris County Treasurer's Office

WHARTON BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction:										
Regular	56.1	56.1	56.1	56.1	56.1	55.7	50.2	50.2	50.2	52.1
Special Education	16.5	16.5	16.5	16.5	16.5	17.0	21.4	21.4	21.4	21.3
Other Special Education	15.0	15.0	15.0	15.0	15.0	14.1	16.4	16.4	16.4	16.4
Other Instruction	3.0	2.3	2.5	2.5	2.5	2.5	2.5	3.5	3.5	3.5
Support Services:										
Student & Instruction Related Services	16.1	16.1	16.1	14.6	14.6	14.0	15.2	14.8	14.8	14.8
General Administration	5.5	5.5	5.5	5.0	5.0	3.4	3.5	3.5	3.5	3.5
School Administrative Services	4.7	4.7	5.0	5.0	5.0	4.3	5.9	5.7	5.7	5.7
Other Administrative Services							1.0	1.0	1.0	1.0
Central Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Plant Operations and Maintenance	0.3	0.3	0.3	0.3	0.3	1.0				
Pupil Transportation	0.2	0.2	0.2							
Other Support Services	2.4	3.3	3.0	3.0	3.0	2.4				
Food Service	1.0	1.0	1.0	0.8	0.8	0.8	0.8	0.8	0.8	1.0
Total	122.8	123.0	123.2	120.81	120.81	117.17	118.80	119.28	119.28	121.32

Source: Borough of Wharton District Personnel Records.

WHARTON BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil [b]	Percentage Change	Teaching Staff [c]	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) [d]	Average Daily Attendance (ADA) [d]	% Change In Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle				
2016	786	$ 13,766,903	$ 17,515	2.54%	78	9.1	10.4	786	754	2.16%	95.93%
2017	781	14,712,351	18,838	7.55%	78	9.0	10.5	782	751	0.51%	95.59%
2018	741	14,485,324	19,548	3.77%	78	10.2	8.8	745	710	4.97%	95.30%
2019	744	15,447,794	20,763	6.21%	78	10.3	8.4	744	704	0.13%	94.59%
2020	750	15,822,962	21,097	1.61%	80	10.0	11.0	752	729	-1.10%	96.94%
2021	740	17,100,539	23,109	9.53%	81	10.2	11.1	689	675	9.19%	97.51%
2022	704	18,825,448	26,741	15.72%	81	8.8	11.0	694	646	-0.72%	93.18%
2023	691	19,798,710	28,652	7.15%	81	9.8	11.0	691	650	0.43%	94.08%
2024	710	22,326,743	31,446	9.75%	87	7.9	8.1	697	660	-0.86%	94.08%
2025	701	22,324,087	31,846	1.27%	89	10.5	11.0	706	669	-1.27%	94.75%

Note: Enrollment based on annual October District count.

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

[b] Costs per pupil is calculated based upon enrollment and operating expenditures as presented and may not be the same as other cost per pupil calculations.

[c] Teaching staff includes only full-time equivalents of certificated staff.

[d] Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: Borough of Wharton School District records.

WHARTON BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

District Buildings	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Elementary										
Marie V. Duffy Elementary (1962)										
Square Feet	35,173	35,173	35,173	35,173	35,173	35,173	35,173	35,173	35,173	35,173
MacKinnon North Wing (1974)										
Square Feet	36,291	36,291	36,291	36,291	36,291	36,291	36,291	36,291	36,291	36,291
Combined Capacity (Students)	617	617	617	617	617	617	617	617	617	617
Combined Enrollment	478	478	470	469	456	469	431	431	425	436
Middle										
MacKinnon Middle School (2000)										
Square Feet	28,654	28,654	28,654	28,654	28,654	28,654	28,654	28,654	28,654	28,654
Capacity (Students)	259	259	259	259	259	259	273	273	259	259
Enrollment	213	213	266	271	294	271	273	273	266	265
Other										
Child Study Team Addition (1994)	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469
Maint. Garage/Recreation Annex(1982)	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561

Number of Schools at June 30, 2025:
Elementary = 1
Middle = 1

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

Source: Wharton Board of Education Facilities Office.

WHARTON BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures:
Required Maintenance for School Facilities*
11-000-261-XXX

School Facilities	Fiscal Year Ended June 30, 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Wharton Public Schools	$ 118,613	$ 141,921	$ 186,551	$ 187,430	$ 186,682	$ 151,564	$ 132,592	$ 265,790	$ 369,528	$ 159,556

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

Source: Borough of Wharton School District Reports.

WHARTON BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED

	Coverage		Deductible
School Alliance Insurance Fund:			
School Package Policy:	$ 500,000,000	Occurrence	
Building & Personal Property			$ 2,500
Auto Physical Damage			1,000
General Liability including Auto, Employee Benefits	5,000,000		
Each Occurrence			
General Aggregate	Agreed upon based on membership		
Product/Completed Ops			
Personal Injury			
Fire Damage	2,500,000		
Medical Expenses(excluding students taking part in athletics)	10,000		
Automobile Coverage			
Combined Single Limit			
Hired/Non-owned			
Security Guard Liability	Included		
Environmental Impairment Liability	1,000,000		1,000
excludes mold/fungi/fungus/legionella	25,000,000 Fund Agg.		
	100,000		
Crime Coverage	50,000 Inside/Outside		1,000
Blanket Dishonesty Bond	500,000		1,000
Boiler & Machinery	100,000,000		2,500
Excess Liability (AL/GL)	5,000,000		
School Board Legal Liability(SLPL)	5,000,000		10,000
Cyber Liability	200,000 per Occurrence/Agg		10,000
NJSIG:			
Workers Compensation - Employer's Liability	2,000,000		
Supplemental Indenmity	Statutory waiting period 7 days		
Selective Insurance:			
Surety Bonds:			
Treasurer	200,000		
Board Secretary/Business Administrator	200,000		
Bollinger Insurance			
Student Accident	All students		1,000,000

Source: Borough of Wharton School District Records.

SINGLE AUDIT SECTION

NISIVOCCIA
ASSURANCE · TAX · ADVISORY

Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ

973.298.8500
nisivoccia.com

Independent Member
BKR International

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
Wharton Board of Education
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 Wharton Board of Education, 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 November 25, 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.

Report on Compliance and Other Matters

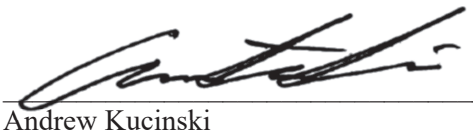
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

November 25, 2025
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

NISIVOCCIA
ASSURANCE · TAX · ADVISORY

Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ

973.298.8500
nisivoccia.com

Independent Member
BKR International

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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Wharton Board of Education
County of Morris, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Wharton Board of Education (the "District's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2025. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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.

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.

November 25, 2025
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

WHARTON BOARD OF EDUCATION
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 Project Number	Grant Period	Award Amount	Balance at June 30, 2024 Budgetary Accounts Receivable	Balance at June 30, 2024 Budgetary Unearned Revenue	Cash Received	Budgetary Expenditures	Balance June 30, 2025 Budgetary Accounts Receivable	Balance June 30, 2025 Budgetary Unearned Revenue	Amount Paid to Subrecipients
U.S. Department of Agriculture											
Passed-through State Department of Agriculture:											
Child Nutrition Cluster:											
Federal Food Distribution Program	10.555	N/A	7/1/23-6/30/24	$ 23,662		$ 2,804		$ (2,804)			
Federal Food Distribution Program	10.555	N/A	7/1/24-6/30/25	42,370			$ 42,370	(38,780)		$ 3,590	
School Breakfast Program	10.553	N/A	7/1/23-6/30/24	31,037	$ (1,624)		1,624				
School Breakfast Program	10.553	N/A	7/1/24-6/30/25	37,531			35,230	(37,531)	$ (2,301)		
National School Lunch Program	10.555	N/A	7/1/23-6/30/24	209,151	(9,593)		9,593				
National School Lunch Program	10.555	N/A	7/1/24-6/30/25	239,738			226,830	(239,738)	(12,908)		
Total Child Nutrition Cluster					(11,217)	2,804	315,647	(318,853)	(15,209)	3,590	
Summer EBT Administrative Costs	10.646	N/A	7/1/24-6/30/25	643			643	(643)			
Local Food for School Cooperative Program	10.185	N/A	7/1/24-6/30/25	739			739	(739)			
Total U.S. Department of Agriculture					(11,217)	2,804	317,029	(320,235)	(15,209)	3,590	
U.S. Department of Education											
Passed-through State Department of Education:											
Special Revenue Fund:											
Elementary and Secondary Education Act:											
Title I	84.010A	ESEA-5770-24	7/1/23-9/30/24	308,107	(66,086)		66,086				
Title I	84.010A	ESEA-5770-25	7/1/24-9/30/25	205,535			96,828	(172,038)	(75,210)		
Total Title I					(66,086)		162,914	(172,038)	(75,210)		
Title IIA	84.367A	ESEA-5770-24	7/1/23-9/30/24	44,685	(8,000)		8,000				
Title IIA	84.367A	ESEA-5770-25	7/1/24-9/30/25	40,276			15,189	(25,189)	(10,000)		
Total Title IIA					(8,000)		23,189	(25,189)	(10,000)		
Title III	84.365A	ESEA-5770-24	7/1/23-9/30/24	37,440	(2,042)		2,042				
Title III	84.365A	ESEA-5770-25	7/1/24-9/30/25	45,650			9,552	(15,169)	(5,617)		
Total Title III					(2,042)		11,594	(15,169)	(5,617)		
Title III - Immigrant	84.365A	ESEA-5770-25	7/1/24-9/30/25	8,045			3,039	(3,079)	(40)		
Total Title III - Immigrant							3,039	(3,079)	(40)		
Title IV	84.424	ESEA-5770-24	7/1/23-9/30/24	37,563	(290)		290				
Title IV	84.424	ESEA-5770-25	7/1/24-9/30/25	31,323			10,365	(17,632)	(7,267)		
Total Title IV					(290)		10,655	(17,632)	(7,267)		
Special Education Cluster: (IDEA)											
I.D.E.A. Part B, Basic	84.027	ESEA-5770-24	7/1/23-9/30/24	215,883	(3,813)		3,813				
I.D.E.A. Part B, Basic	84.027	ESEA-5770-25	7/1/24-9/30/25	244,478			211,316	(224,478)	(13,162)		
I.D.E.A. Part B, Preschool	85.173	ESEA-5770-25	7/1/24-9/30/25	8,004			8,004	(8,004)			
Subtotal Special Education Cluster (IDEA)					(3,813)		223,133	(232,482)	(13,162)		

WHARTON BOARD OF EDUCATION
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 Project Number	Grant Period	Award Amount	Balance at June 30, 2024 Budgetary Accounts Receivable	Balance at June 30, 2024 Budgetary Unearned Revenue	Cash Received	Budgetary Expenditures	Balance June 30, 2025 Budgetary Accounts Receivable	Balance June 30, 2025 Budgetary Unearned Revenue	Amount Paid to Subrecipients
U.S. Department of Education											
Passed-through State Department of Education:											
Special Revenue Fund:											
Education Stabilization Fund:											
COVID-19 - ARP:											
ESSER III	84.425U	S425U210027	3/13/20-9/30/24	$ 1,996,583	$ (252,367)		$ 783,632	$ (531,265)			
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	75,336			9,728	(9,728)			
Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(8,100)		27,789	(19,689)			
Beoynd the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(6,075)		26,579	(20,504)			
Mental Health	84.425U	S425U210027	3/13/20-9/30/24	45,000	(4,037)		5,000	(963)			
Subtotal Education Stabilization Fund					(270,579)		852,728	(582,149)			
Total U.S. Department of Education / Special Revenue Fund					(350,810)		1,287,252	(1,047,738)	$ (111,296)		
U.S. Department of Health and Human Services:											
Medicaid Cluster:											
Medicaid Assistance Program	93.778	N/A	7/1/24-6/30/25	33,122			33,122	(33,122)			
Total U.S. Department of Health and Human Services							33,122	(33,122)			
Total Federal Financial Awards					$ (362,027)	$ 2,804	$ 1,637,403	$(1,401,095)	$ (126,505)	$ 3,590	$ -0-

N/A - Not Available/Applicable

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

WHARTON BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2024 Unearned Revenue/ (Accounts Receivable)	Balance June 30, 2024 Due to Grantor	Cash Received	Budgetary Expenditures	Balance June 30, 2025 GAAP (Accounts Receivable)	Balance June 30, 2025 Budgetary Unearned Revenue	Balance June 30, 2025 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
NJ Department of Education:												
General Fund:												
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	$ 7,718,763			$ 6,948,250	$ (7,718,763)				$ (770,513)	$ 7,718,763
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	6,404,672	$ (639,201)		639,201						6,404,672
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	63,433			57,101	(63,433)				(6,332)	63,433
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	62,576	(6,245)		6,245						62,576
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	831,019			748,064	(831,019)				(82,955)	831,019
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	647,293	(64,601)		64,601						647,293
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	288,318			259,537	(288,318)				(28,781)	288,318
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	242,102	(24,163)		24,163						242,102
School Choice Aid	25-495-034-5120-068	7/1/24-6/30/25	435,465			391,996	(435,465)				(43,469)	435,465
School Choice Aid	24-495-034-5120-068	7/1/23-6/30/24	437,040	(43,618)		43,618						437,040
Extraordinary Aid	25-100-034-5120-473	7/1/24-6/30/25	183,579				(183,579)	$ (183,579)			(183,579)	183,579
Extraordinary Aid	24-100-034-5120-473	7/1/23-6/30/24	259,267	(259,267)		259,267						259,267
Reimbursed TPAF Social Security Contributions	25-495-034-5094-003	7/1/24-6/30/25	533,748			481,075	(533,748)	(52,673)			(52,673)	533,748
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	507,746	(50,254)		50,254						507,746
On-Behalf TPAF Post Retirement Contributions	25-495-034-5097-001	7/1/24-6/30/25	686,778			686,778	(686,778)					686,778
On-Behalf TPAF Pension Contributions	25-495-034-5097-002	7/1/24-6/30/25	2,321,604			2,321,604	(2,321,604)					2,321,604
On-Behalf TPAF Non-Contributory Insurance	25-495-034-5097-004	7/1/24-6/30/25	28,758			28,758	(28,758)					28,758
On-Behalf TPAF Long-Term Disability Insurance	25-495-034-5097-004	7/1/24-6/30/25	1,080			1,080	(1,080)					1,080
Total General Fund State Aid				(1,087,349)		13,011,592	(13,092,545)	(236,252)			(1,168,302)	21,653,241
Special Revenue Fund:												
Preschool Education Aid	25-495-034-5120-086	7/1/24-6/30/25	1,055,886			950,298	(578,760)		$ 477,126		(105,588)	578,760
Preschool Education Aid	24-495-034-5120-086	7/1/23-6/30/24	1,082,255	(108,225)		108,225						
Preschool Education Aid	23-495-034-5120-086	7/1/22-6/30/23	1,238,174	451,184			(451,184)					1,238,174
Total Special Revenue Fund				342,959		1,058,523	(1,029,944)		477,126		(105,588)	1,816,934

WHARTON BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2024 Unearned Revenue/ (Accounts Receivable)	Balance June 30, 2024 Due to Grantor	Cash Received	Budgetary Expenditures	Balance June 30, 2025 GAAP (Accounts Receivable)	Balance June 30, 2025 Budgetary Unearned Revenue	Balance June 30, 2025 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
NJ Department of Education:												
Capital Projects Fund:												
School Development Authority:												
Corridor Ceramic Tile Replacement Project	5770-040-09-1002	7/1/10-6/30/12	$ 16,266	$ (16,266)							$ (16,266)	$ 16,266
Total NJ Department of Education				(760,656)		$ 14,070,115	$ (14,122,489)	$ (236,252)	$ 477,126		(1,290,156)	23,486,441
NJ Department of Agriculture:												
Enterprise Fund:												
School Breakfast Program	25-100-010-3350-021	7/1/24-6/30/25	2,020			1,901	(2,020)	(119)			(119)	2,020
School Breakfast Program	24-100-010-3350-021	7/1/23-6/30/24	1,745	(101)		101						1,745
State School Lunch Program	25-100-010-3350-023	7/1/24-6/30/25	16,447			15,570	(16,447)	(877)			(877)	16,447
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	13,351	(649)		649						13,351
Total Enterprise Fund				(750)		18,221	(18,467)	(996)			(996)	33,563
Total State Awards Subject to Single Audit Determination				$ (761,406)	$ -0-	$ 14,088,336	$ (14,140,956)	$ (237,248)	$ 477,126	$ -0-	$(1,307,418)	$ 23,536,270
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Contributions	25-495-034-5097-001	7/1/24-6/30/25	686,778				$ 686,778					
On-Behalf TPAF Pension Contributions	25-495-034-5097-002	7/1/24-6/30/25	2,321,604				2,321,604					
On-Behalf TPAF Non-Contributory Insurance	25-495-034-5097-004	7/1/24-6/30/25	28,758				28,758					
On-Behalf TPAF Long-Term Disability Insurance	25-495-034-5097-004	7/1/24-6/30/25	1,080				1,080					
Subtotal - On-Behalf TPAF Pension System Contributions							3,038,220					
Total State Awards Subject to Single Audit Major Program Determination							$ (11,102,736)					

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

WHARTON BOARD OF EDUCATION
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($154,222) for the general fund, $70,272 for the special revenue fund and $0 for the capital projects fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, and special revenue funds. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented on the following page.

WHARTON BOARD OF EDUCATION
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)

	Federal	State	Total
General Fund	$ 33,122	$ 12,938,323	$ 12,971,445
Special Revenue Fund	1,115,332	1,032,622	2,147,954
Food Service Fund	320,235	18,467	338,702
	$ 1,468,689	$ 13,989,412	$ 15,458,101

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. FEDERAL AND STATE LOANS OUTSTANDING

Wharton Borough School District had no loan balances outstanding at June 30, 2025.

NOTE 7. 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. Revenue and expenditures reported under the Federal Food Distribution Program represent current year value received and current year distributions, respectively.

NOTE 8. NJ SCHOOLS DEVELOPMENT AUTHORITY (NJSDA) GRANTS

The District has an active grant in the amount of $16,266 from the New Jersey Schools Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2025, $16,266 of the grant funds have not been expended or drawn down on a GAAP basis on this grant. In the Capital Projects Fund, the District realized the full amount of the grant revenue on a budgetary basis in the year awarded and is realizing the grant revenue on a GAAP basis as it is expended and submitted for reimbursement.

WHARTON BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP.			Unmodified	
Internal control over financial reporting:				
1.) Material weakness identified?		Yes	X	No
2.) Significant deficiencies identified?		Yes	X	None reported
Noncompliance material to basic financial statements noted?		Yes	X	No

Federal Awards

Type of auditor's report issued on compliance for major programs:			Unmodified	
Internal control over major programs:				
1.) Material weakness identified?		Yes	X	No
2.) Significant deficiencies identified?		Yes	X	None reported
Noncompliance material to basic financial statements noted?		Yes	X	No
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?				
		Yes	X	No

Identification of major programs:

Program Name or Cluster	Assistance Listing No.	Grant Period Start	Grant Period End	Award Amount	Budgetary Expenditures
Educational Stabilization Aid:					
COVID-19 - ARP					
ESSER III	84.425U	3/13/20	9/30/24	$ 1,996,583	$ 531,265
Accelerated Learning Coach and Educator Support	84.425U	3/13/20	9/30/24	75,336	9,728

WHARTON BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Program Name or Cluster	Assistance Listing No.	Grant Period Start	Grant Period End	Award Amount	Budgetary Expenditures
COVID-19 - ARP (Cont'd)					
Summer Learning and Enrichment	84.425U	3/13/20	9/30/24	$ 40,000	$ 19,689
Beyond the School Day	84.425U	3/13/20	9/30/24	40,000	20,504
Mental Health	84.425U	3/13/20	9/30/24	45,000	963

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

Auditee qualified as low-risk auditee?	X	Yes		No

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

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period Start	Grant Period End	Award Amount	Budgetary Expenditures
State Aid Public:					
Equalization Aid	25-495-034-5120-078	7/1/24	6/30/25	$ 7,718,763	$ 7,718,763
Special Education Aid	25-495-034-5120-089	7/1/24	6/30/25	831,019	831,019
Security Aid	25-495-034-5120-084	7/1/24	6/30/25	288,318	288,318
School Choice Aid	25-495-034-5120-068	7/1/24	6/30/25	435,465	435,465

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

Auditee qualified as low-risk auditee?	X	Yes		No

Section II - Financial Statement Findings - N/A

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

WHARTON BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Status of Prior Year Findings:

There were no prior year audit findings.