

**SCHOOL DISTRICT OF THE
TOWNSHIP OF WEST MILFORD
COUNTY OF PASSAIC, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Township of West Milford School District

Board of Education

West Milford, New Jersey

For the Fiscal Year Ended June 30, 2024

WEST MILFORD BOARD OF EDUCATION

West Milford, New Jersey

TOWNSHIP OF WEST MILFORD

BOARD OF EDUCATION

WEST MILFORD BOARD OF EDUCATION
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INTRODUCTORY SECTION



WEST MILFORD PUBLIC SCHOOLS

46 Highlander Drive, West Milford, New Jersey 07480
Phone: 973-697-1700 www.wmtps.org Fax: 973-697-8351

Brian Kitchin, Ed.D.
Superintendent

William Scholts, CPA, PSA
Business Administrator/Board Secretary

Daniel R. Novak
Assistant Superintendent

Derek Ressa, Ed.D.
Director of Special Services

"Success Starts Here"

Honorable President and
Members of the Board of Education
West Milford Township School District
County of Passaic, New Jersey

Dear Board Members/Citizens:

It is with pleasure that we submit the Annual Comprehensive Financial Report (ACFR) of the West Milford Township School District (District) for the fiscal year ending June 30, 2024. This ACFR includes the District's Basic Financial Statements in accordance with Governmental Accounting Standards Board Statement 34. 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 (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 financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The ACFR 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 Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information, as well as the auditor's report thereon;
- ◆ The Statistical section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District generally presented on a multi-year basis;
- ◆ The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Board of Education of the Township of West Milford is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 14. All funds and account groups of the District are included in this report. The West Milford Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12. These include regular, vocational as well as special education for the District's special needs population. The District's current instructional facilities include five elementary schools (grades Pre-Kindergarten through grade 5), one middle school (grades 6, 7 and 8), and one high school (grades 9 through 12). During the 2022-23 school year, the District began the process of consolidating its six elementary school buildings into five elementary school buildings, and repurposing an elementary school building to serve other District needs. This change took effective in the 2023-24 school year. The District completed the 2023-24 fiscal year with an average daily enrollment of 2,988. The following details the changes in the student enrollment of the District over the last 12 years:

Student Enrollment Data

Fiscal Year	Student Enrollment	Percent Change
2023-24	3,107	-0.77%
2022-23	3,131	-0.06%
2021-22	3,133	+4.47%
2020-21	2,999	-7.47%
2019-20	3,241	-4.51%
2018-19	3,394	-1.08%
2017-18	3,431	-2.64%
2016-17	3,524	-2.46%
2015-16	3,613	-2.61%
2014-15	3,710	-1.54%
2013-14	3,768	-1.21%
2012-13	3,814	-2.10%

The Board of Education, comprised of nine members, meets on the third Tuesday of each month for the workshop Board meeting and the fourth Tuesday of each month for the regular Board meeting. For months where workshop & regular meetings are combined, the Board meets on the third Tuesday of the month.

The Parent Teacher Groups are highly active in the District and provide community support for a variety of programs and activities for the children.

2. ECONOMIC CONDITION AND OUTLOOK:

West Milford Township is a rural/suburban residential community with its working population primarily employed by the Board of Education, local businesses, and various businesses in the surrounding area. According to the most recent demographics data available from the Census Bureau released in July of 2023, the Township's population of 24,340 has decreased by 2.1%, in comparison to the Township's population of 24,862 in April of 2020, and has decreased by approximately 6.2% in comparison to the Township's population of 25,850 in April of 2010. West Milford's current unemployment rate of 4.0% is below the Passaic County long term average of 7.49%. Per capita personal income is approximately 1.5 times the amount in Passaic County.

Since the last U.S. Census, the Township has experienced a slight decrease in population. There was a brief increase when the pandemic provided opportunities for people to work from home, and West Milford became very attractive to new families and the available housing inventory has since been significantly reduced. While the Highlands Act has always impeded new development, there were pockets of new homes being built, and many homes being renovated. The Township has had continued success with the redevelopment of existing commercial properties to attract new rateables. The Board of Education and Central Office Administration keep the lines of communication open with the community to listen to their concerns and suggestions. The district has implemented social media accounts as well as School Messenger announcements to provide information on important events in the District. The District's state aid has been reduced by over \$9 million over the last seven years. While the Board of Education and Central Office Administration is committed to containing expenses to maximize the dollars spent on education and to address facilities improvements, the state aid reductions are making it more difficult to maintain our comprehensive academic programs while placing a greater burden on the Township's taxpayers.

3. MAJOR INITIATIVES:

In our continuing commitment to personalized learning, we have licensed a new student diagnostic system called iReady. Now in its second year, this system is designed for grades K-8 and aims to assess students' strengths and areas for improvement in real-time. iReady's adaptive technology helps tailor instruction based on individual student needs, ensuring a customized learning experience for each student. By implementing iReady, we continue to provide targeted support to students, fostering their academic growth and success.

As part of our ongoing initiatives, the District recently purchased a comprehensive K-5 Math Program known as Eureka Math(2). This curriculum, now in its second year of implementation, is designed to provide a strong foundation in mathematical concepts for students in the early stages of their education. Eureka Math(2) is recognized for its rigorous approach to teaching mathematics, aligning with current educational standards, and promoting critical thinking skills. We believe that this program will continue to contribute significantly to the mathematical development of our students in these crucial formative years.

Additionally, we are excited to announce the implementation and adoption of the new Wonders Language Arts program for grades Kindergarten through 5 as a year 1 initiative. This program aims to enhance literacy skills and foster a love for reading and writing among our youngest learners.

Recognizing the importance of ongoing professional development for our educators, we have made a strategic investment in Mathematics Professional Development. Nancy Schultz, an esteemed expert in the field, leads the training sessions focused on Conquer Math. Now in its fourth year, this professional development opportunity is open to all teachers across K-12 and aims to enhance their pedagogical skills, deepen their understanding of mathematics instruction, and empower them to create engaging learning environments. We believe that investing in our teachers is essential for the success of our students.

The continued maintenance of our 1 to 1 Chromebook program remains a significant cost and a major initiative for the school district, reflecting our unwavering commitment to providing every student with the tools they need for digital learning.

4. INTERNAL ACCOUNTING CONTROLS:

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

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

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

5. BUDGETARY CONTROLS:

In addition to internal 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 the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. 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. Investment income is generated from interest on balances and certificate of deposits through Lakeland Bank.

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, cyber liability, and fidelity bonds. Since the 1996-97 school year, the District has carried student and athletic accident and catastrophic injury insurance on every student enrolled in its schools. Through participation in a pooled insurance program, the District enjoys the benefits of distributed risks and reduced premium costs on all lines of insurance. The Board uses the pool to self-insure for workers' compensation, and continues to receive disbursements of surplus funds from prior years.

9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Wielkott & Company, LLC. In addition to meeting the requirements of the Single Audit Act of 1996, the Uniform Guidance, and N.J. OMB Circular 15-08 the auditor's report on the general purpose financial statements, and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS:

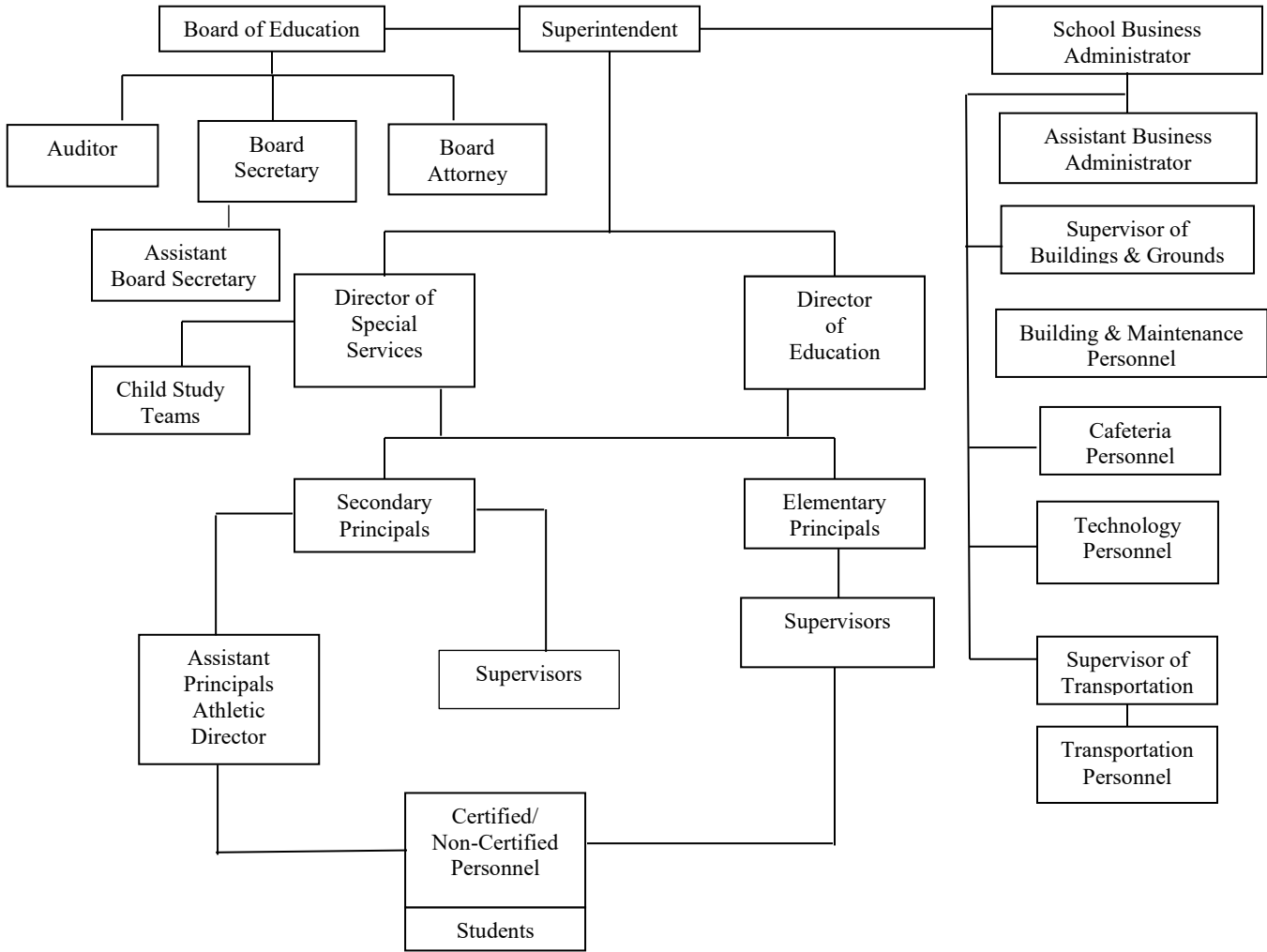
We would like to express our appreciation to the members of the West Milford Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial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

Respectfully submitted,



William Scholts, CPA, PSA
Business Administrator/Board Secretary

WEST MILFORD BOARD OF EDUCATION
Organizational Chart
(Unit Control)



Adopted: 25 April 2012

Revised: 24 September 2013

Revised: 27 May 2014

Revised: 19 June 2018

Revised: 19 February 2019

**WEST MILFORD BOARD OF EDUCATION
ROSTER OF OFFICIALS**

June 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Claire Lockwood, President	2024
Tara Racano, Vice President	2025
William Cytowicz	2025
Teresa Dwyer	2024
Miranda Jurgensen	2026
Peter Lippe	2025
Stephanie Marquard	2026
Kate Romeo	2024
Lynda Van Dyk	2026

Other Officials:

Barbara Francisco, Acting Superintendent
(July 1, 2023, through July 31, 2023)

Barbara Francisco, Business Administrator/Board Secretary
(July 1, 2023, through September 30, 2023)

Lydia Furnari, Ed.D., Interim Superintendent
(August 1, 2023, through June 30, 2024)

William Scholts, Business Administrator/Board Secretary
(October 1, 2023, through June 30, 2024)

Daniel Novak, Director of Education

Derek Ressa, Ed.D., Director of Special Services

**WEST MILFORD BOARD OF EDUCATION
2023-2024
Consultants and Advisors**

ARCHITECTS

LAN Associates
445 Godwin Avenue
Midland Park, New Jersey 07432

Settembrino Architects
37 East Washington Avenue
Atlantic Highlands, New Jersey 07716

Environetics Group Architects (ENV)
Englewood Cliffs, New Jersey 07632

AUDIT FIRM

Wielkotz & Company, LLC
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

BOARD ATTORNEY

Scarinci Hollenbeck, LLC
150 Clove Road
9th Floor
Little Falls, New Jersey 07424

LABOR NEGOTIATOR

Scarinci Hollenbeck, LLC
150 Clove Road
9th Floor
Little Falls, New Jersey 07424

SPECIAL EDUCATION ATTORNEY

Scarinci Hollenbeck, LLC
150 Clove Road
9th Floor
Little Falls, New Jersey 07424

OFFICIAL DEPOSITORY

Lakeland State Bank
(Merging with Provident Bank)
West Milford, New Jersey

FINANCIAL SECTION



WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
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INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Township of West Milford School District
County of Passaic, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Township of West Milford School District, in the County of Passaic, State of New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Township of West Milford Board of Education, in the County of Passaic, State of New Jersey, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 Township of West Milford Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township West Milford Board of Education's ability to continue as a going concern for the next 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 generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



Honorable President and
Members of the Board of Education
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- 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 Township of West Milford Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of West Milford Board of Education'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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.



Honorable President and
Members of the Board of Education
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Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of West Milford Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



Honorable President and
Members of the Board of Education
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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2025 on our consideration of the Township of West Milford Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of West Milford Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz + Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 7, 2025



**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

WEST MILFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
WEST MILFORD TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(UNAUDITED)

The discussion and analysis of West Milford Township Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year (2023-24) and the prior year (2022-23) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for 2024 are as follows:

- ◆ General revenues accounted for \$79,070,845 in revenue or 93.25% percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$5,719,594 or 6.75% percent of total revenues of \$84,790,439.
- ◆ The School District had \$83,775,425 in expenses; \$5,719,594 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$79,070,845 were adequate to provide for these programs.
- ◆ The General Fund had \$86,507,248 in revenues, \$88,491,573 in expenditures and \$(120,885) in other financing sources/(uses). The General Fund's balance decreased by \$2,105,210 in 2024. Revenues do not include funds used from fund balance resulting in expenses exceeding revenues.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand West Milford Township Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Reporting the School District as a Whole

Government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of West Milford Township Public School District, the General Fund is by far the most significant fund.

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023-24?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- ◆ Governmental activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and School Aged Child Care enterprise funds are reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. Although the School District uses many funds to account for a multitude of financial transactions, these financial statements focus on the School district's most significant funds. These funds include the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

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

Enterprise Funds

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

The School District as a Whole

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

Table 1 provides a summary of the School District's net position for 2024 with comparative data.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Assets:						
Current and Other Assets	\$14,330,796	\$14,820,744	\$856,131	\$856,131	\$15,104,257	\$15,676,874
Capital Assets, net	<u>32,606,810</u>	<u>33,444,823</u>	<u>149,873</u>	<u>149,873</u>	<u>32,887,661</u>	<u>33,594,696</u>
Total Assets	<u>46,937,606</u>	<u>48,265,567</u>	<u>1,006,003</u>	<u>1,006,003</u>	<u>47,991,919</u>	<u>49,271,570</u>
Deferred Outflows:						
Deferred Outflows of Resources						
Related to PERS	<u>1,794,933</u>	<u>2,368,467</u>	<u>—</u>	<u>—</u>	<u>1,794,933</u>	<u>2,368,467</u>
Liabilities:						
Current Liabilities	4,737,080	3,790,239	161,520	87,671	4,898,600	3,877,910
Noncurrent Liabilities	<u>27,670,545</u>	<u>29,317,106</u>	<u>-</u>	<u>-</u>	<u>27,670,545</u>	<u>29,317,106</u>
Total Liabilities	<u>32,407,625</u>	<u>33,107,345</u>	<u>161,520</u>	<u>87,671</u>	<u>32,569,145</u>	<u>33,195,016</u>
Deferred Inflows:						
Deferred Inflows of Resources						
Related to PERS	<u>2,308,956</u>	<u>4,551,283</u>	<u>-</u>	<u>-</u>	<u>2,308,956</u>	<u>4,551,283</u>
Net Position:						
Net Investment in Capital Assets	22,096,755	22,008,235	280,851	149,873	22,158,107	22,158,108
Restricted	8,897,225	8,811,747	-	-	8,811,747	8,811,747
Unrestricted	<u>(16,978,021)</u>	<u>(17,844,576)</u>	<u>611,941</u>	<u>768,459</u>	<u>(17,076,117)</u>	<u>(17,076,117)</u>
Total Net Position	<u>\$14,015,959</u>	<u>\$12,975,406</u>	<u>\$892,792</u>	<u>\$918,332</u>	<u>\$14,908,751</u>	<u>\$13,893,738</u>

The District's combined net position was \$14,908,751 on June 30, 2024.

Table 2 shows the changes in net position for fiscal year 2024, with a comparative analysis of district-wide data.

Table 2

**Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues:						
Charges for Services and Sales	\$894,955	\$901,178	\$1,535,164	\$1,495,330	\$2,430,119	\$2,396,508
Operating Grants and Contributions	2,683,367	2,045,428	606,108	695,984	3,289,475	2,741,412
General Revenues:						
Property Taxes	62,676,891	60,015,033	-	-	62,676,891	60,015,033
Federal and State Aid Not Restricted	14,782,342	20,419,819			14,782,342	20,419,819
Restricted Federal and State Aid	1,155,559	208,165	-	-	1,155,559	208,165
Miscellaneous Income	<u>439,615</u>	<u>365,286</u>	<u>16,437</u>	<u>7,538</u>	<u>456,053</u>	<u>372,824</u>
Total Revenues and Transfers	<u>82,632,729</u>	<u>83,954,909</u>	<u>2,157,709</u>	<u>2,198,852</u>	<u>84,790,439</u>	<u>86,153,761</u>
Expenses:						
Governmental Activities:						
Instruction	45,027,075	44,762,234			45,027,075	44,762,234
Support services:						
Tuition and Student and Instruction	13,980,056	14,127,299			13,980,056	14,127,299
Related Services						
General, School, and central Administrative Services	7,162,776	7,364,778			7,162,776	7,364,778
Plant Operations and Maintenance	8,127,379	8,375,188			8,127,379	8,375,188
Pupil Transportation	7,104,547	6,790,468			7,104,547	6,790,468
Non-instructional Services	-	1,399			-	1,399
Capital Outlay – Non Depreciable	27,501	27,501			27,501	27,501
Interest on Long Term Debt	72,107	82,408			72,107	82,408
Charter School	90,735	65,427			90,735	65,427
Food Service	-	-	1,815,828	1,649,633	1,815,828	1,649,633
School Aged Child Care			<u>367,421</u>	<u>275,104</u>	<u>367,421</u>	<u>275,104</u>
Total Expenditures and Transfers	<u>81,592,175</u>	<u>81,596,702</u>	<u>2,183,250</u>	<u>1,924,737</u>	<u>83,775,425</u>	<u>83,521,439</u>
Increase or (Decrease) in Net Position	<u>\$1,040,554</u>	<u>\$2,358,207</u>	<u>\$(25,540)</u>	<u>\$274,115</u>	<u>\$1,015,013</u>	<u>\$2,632,322</u>

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 75.85% of revenues for governmental activities for the West Milford Township Public School District for fiscal year 2024. The District's total revenues were \$82,632,730 for the fiscal year ended June 30, 2024. Federal, state and local grants accounted for another 18.14%. The balance of the revenues is from other miscellaneous sources including interest, rentals, tuition, and budgeted fund balance.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions with comparative data from 2023-24.

Table 3

	<u>Total Cost of Services 2024</u>	<u>Net Cost of Services 2024</u>	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>
Instruction	\$45,027,075	\$42,953,346	\$44,762,234	\$43,198,946
Support Services				
Pupils and instructional staff	13,980,056	12,475,463	14,127,299	12,745,381
General, Central, and School Admin	7,162,776	7,162,776	7,364,778	7,364,777
Operations & Maintenance of Facilities	8,127,379	8,127,379	8,375,188	8,375,188
Pupil transportation	7,104,547	7,104,547	6,790,468	6,790,468
Interest on Long Term Debt	72,107	72,107	82,408	82,408
Other	<u>118,236</u>	<u>118,236</u>	<u>94,327</u>	<u>92,928</u>
Total governmental expenses	<u>\$81,592,175</u>	<u>\$78,013,854</u>	<u>\$81,596,702</u>	<u>\$78,650,096</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. Extracurricular activities includes expenses related to student activities provided by the School district which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development. Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

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

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

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

Other includes unallocated depreciation, amortization and non-depreciable capital outlay.

Business-Type Activities

Revenues for the District's Food Service Program were comprised of charges for services and federal and state reimbursements.

- ◆ Food service expenses exceeded revenues by \$109,644.
- ◆ Charges for services represent \$1,100,077 of revenue. This represents amount paid by patrons for daily food services. Additionally, non-operating revenues were \$5,945.
- ◆ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was \$606,108.

Revenues for the School Aged Child Care Program were comprised of registration fees and tuition charges.

- ◆ SACC (School Aged Child Care) revenues exceeded expenses by \$67,666.
- ◆ Charges for services represent \$435,087 of total revenue while non-operating revenues were \$10,492.

The School District's Funds

These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$91,397,614 and expenditures of \$93,593,304. Additionally, there were other financing activities (sources and uses) netting to \$695,942.

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As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2024, and the amount and percentage of increases and decreases in relation to prior year revenues.

	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2023</u>	<u>Percent Increase (Decrease)</u>
<u>Revenue</u>				
Local Services	\$64,026,695	70.05%	\$2,726,025	4.45%
State Sources	23,737,854	25.97%	(3,601,084)	-13.17%
Federal Sources	<u>2,459,950</u>	<u>3.98%</u>	<u>1,173,115</u>	47.69%
Total	<u>\$91,397,614</u>	<u>100.0%</u>	<u>\$298,056</u>	

The following schedule presents a summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal year ended June 30, 2024.

	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2023</u>	<u>Percent Increase (Decrease)</u>
<u>Expenditures</u>				
Current:				
Instruction	\$29,274,488	31.28%	\$15,583	0.05%
Undistributed Expenditures	61,602,537	65.82%	965,383	1.59%
Capital Outlay	2,023,793	2.16%	653,153	47.65%
Non-instructional Services	-	0.00%	(1,399)	
Transfer to Charter School	90,735	0.10%	25,308	38.68%
Principal	525,000	0.56%	-	0.00%
Interest	<u>76,750</u>	<u>0.08%</u>	<u>(10,500)</u>	-12.03%
Total	<u>\$93,593,304</u>	<u>100.00%</u>	<u>\$1,647,529</u>	

General Fund Budgeting Highlights

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

During the course of the fiscal year 2024, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

Capital Assets

At the end of the fiscal year 2024, the School District had \$32,887,660 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2024 balances compared to 2023.

Capital Assets	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$2,327,249	\$2,327,249	\$ -	\$ -
Construction in Progress	708,181	966,636	-	-
Building and Improvements	25,137,655	25,560,083	-	-
Machinery and Equipment	<u>4,433,724</u>	<u>4,590,855</u>	<u>280,851</u>	<u>149,873</u>
	<u>\$32,606,809</u>	<u>\$33,444,824</u>	<u>\$280,851</u>	<u>\$149,873</u>

Overall capital assets decreased \$707,035 from fiscal year 2023 to fiscal year 2024. The capital asset increase was due primarily to the depreciation expense exceeding capital outlay for the year. Additionally, there were disposals of various pieces of equipment throughout the District.

Debt Administration

At June 30, 2024, the School District had total debt issued of \$6,500,000 with an outstanding balance of \$3,575,000. This debt was issued through serial bonds.

<u>Debt Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Balance Due</u>
Bonds of 2016	7/15/2016	<u>\$6,500,000</u>	<u>\$3,575,000</u>

For the Future

The West Milford Township Public School District is in good financial condition presently. Major concerns facing the district include aging infrastructure, increased reliance on local property taxes, potential residential development, and increases in expenses which exceed the state imposed budget cap. Decreases in State Aid funding also present a major concern to the District's financial standing.

For the Future

The West Milford Township Public School District has committed itself to financial and educational excellence. The School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School district's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/Board Secretary at West Milford Township Board of Education, 46 Highlander Drive, West Milford, N.J. 07480; 973-697-1700 extension 5050.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and Cash Equivalents	10,319,650	861,470	11,181,120
Receivables, net	2,019,827	106,361	2,126,188
Internal Balances	210,379	(210,379)	-
Inventory	-	16,008	16,008
Restricted Assets:			
Cash and Cash Equivalents	1,780,941	-	1,780,941
Capital Assets:			
Land	2,327,249	-	2,327,249
Construction in Progress	708,182	-	708,182
Other Capital Assets, net	29,571,379	280,851	29,852,230
Total Assets	<u>46,937,606</u>	<u>1,054,312</u>	<u>47,991,919</u>
Deferred Outflows:			
Deferred Outflows of Resources Related to PERS	1,794,933	-	1,794,933
Liabilities:			
Accounts Payable:			
Other	1,669,193	123,468	1,792,662
Related to Pensions	1,382,623	-	1,382,623
Accrued Interest Payable	33,168	-	33,168
Intergov. Accounts Payables	236,073	-	236,073
Other Current Liabilities	-	2,555	2,555
Unearned Revenue	37,744	35,497	73,240
Noncurrent Liabilities:			
Due Within One Year	1,378,279	-	1,378,279
Due Beyond One Year	27,670,545	-	27,670,545
Total Liabilities	<u>32,407,625</u>	<u>161,520</u>	<u>32,569,145</u>
Deferred Inflows:			
Deferred Inflows of Resources Related to PERS	2,308,956	-	2,308,956
Net Position:			
Net Investment in Capital Assets	22,096,755	280,851	22,377,606
Restricted for:			
Capital Projects	2,180,629	-	2,180,629
Maintenance	550,000	-	550,000
Excess Surplus	1,702,258	-	1,702,258
Unemployment Compensation	1,058,950	-	1,058,950
Scholarships	309,587	-	309,587
Student Activities	356,932	-	356,932
Other Purposes	2,738,869	-	2,738,869
Unrestricted	(16,978,021)	611,941	(16,366,081)
Total Net Position	<u>14,015,959</u>	<u>892,792</u>	<u>14,908,751</u>

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

**WEST MILFORD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	20,517,211	11,616,382	136,668	1,937,061	(30,059,864)	-	(30,059,864)
Special Education	6,926,992	4,136,205	-	-	(11,063,198)	-	(11,063,198)
Other Special Instruction	210,566	-	-	-	(210,566)	-	(210,566)
Other Instruction	1,619,719	-	-	-	(1,619,719)	-	(1,619,719)
Support Services:							
Tuition	3,418,081	-	-	-	(3,418,081)	-	(3,418,081)
Student & Instruction Related Services	8,265,644	2,296,331	758,287	746,305	(9,057,382)	-	(9,057,382)
General Administrative Services	1,237,892	373,432	-	-	(1,611,323)	-	(1,611,323)
School Administrative Services	2,176,662	1,757,987	-	-	(3,934,649)	-	(3,934,649)
Central Services and Admin. Info. Tech.	1,141,774	475,029	-	-	(1,616,803)	-	(1,616,803)
Plant Operations and Maintenance	6,222,948	1,904,431	-	-	(8,127,379)	-	(8,127,379)
Pupil Transportation	5,663,890	1,440,657	-	-	(7,104,547)	-	(7,104,547)
Capital Outlay - Non-depreciable	27,501	-	-	-	(27,501)	-	(27,501)
Charter School	90,735	-	-	-	(90,735)	-	(90,735)
Interest on Long-term Debt	72,107	-	-	-	(72,107)	-	(72,107)
Total Governmental Activities	57,591,722	24,000,453	894,955	2,683,367	(78,013,854)	-	(78,013,854)
Business-type Activities:							
Food Service	1,793,341	22,487	1,100,077	606,108	-	(109,644)	(109,644)
School Aged Child Care	367,169	252	435,087	-	-	67,666	67,666
Total Business-type Activities	2,160,510	22,739	1,535,164	606,108	-	(41,978)	(41,978)
Total Primary Government	59,752,232	24,023,193	2,430,119	3,289,475	(78,013,854)	(41,978)	(78,055,832)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					62,383,738	-	62,383,738
Taxes Levied for Debt Service					293,153	-	293,153
Federal and State Aid not Restricted					14,782,342	-	14,782,342
State Aid - Restricted for Debt Service					204,595	-	204,595
Investment Earnings - Unrestricted					-	16,437	16,437
Investment Earnings - Restricted					22,561	-	22,561
Federal Aid - Capital Outlay					950,964	-	950,964
Miscellaneous Income - Unrestricted					417,054	-	417,054
Total General Revenues, Special Items, Extraordinary Items and Transfers					79,054,408	16,437	79,070,845
Change in Net Position					1,040,554	(25,540)	1,015,013
Net Position - Beginning					12,975,405	918,333	13,893,737
Net Position - Ending					14,015,959	892,792	14,908,751

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

FUND FINANCIAL STATEMENTS

WEST MILFORD BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and Cash Equivalents	8,938,163	666,519	714,968	-	10,319,650
Interfund Loan Receivables	471,404	-	-	-	471,404
Receivables from Federal Government	-	508,887	-	-	508,887
Receivables from State Government	1,330,523	-	-	-	1,330,523
Receivables from Other Governments	106,155	-	-	-	106,155
Other Accounts Receivable	61,162	7,375	-	-	68,537
Interest Receivable on Investments	5,724	-	-	-	5,724
Restricted Cash and Cash Equivalents	1,780,941	-	-	-	1,780,941
Total Assets	<u>12,694,073</u>	<u>1,182,780</u>	<u>714,968</u>	<u>-</u>	<u>14,591,821</u>
Liabilities and Fund Balances:					
Liabilities:					
Interfund Loans Payable	-	246,057	14,968	-	261,025
Intergov. Accounts Payable - State	30,201	205,872	-	-	236,073
Accounts Payable:					
Payroll Deductions and Withholding Payable	12,782	-	-	-	12,782
Unemployment Compensation Claims Payable	67,825	-	-	-	67,825
Other	1,525,343	62,931	313	-	1,588,587
Unearned Revenue	36,342	1,402	-	-	37,744
Total Liabilities	<u>1,672,493</u>	<u>516,262</u>	<u>15,281</u>	<u>-</u>	<u>2,204,035</u>
Fund Balances:					
Assigned to:					
Other Purposes	1,345,006	-	-	-	1,345,006
Designated For Subsequent Year's Expenditures	1,732,163	-	-	-	1,732,163
Restricted for:					
Capital Reserve Account	1,480,941	-	-	-	1,480,941
Maintenance Reserve Account	550,000	-	-	-	550,000
Excess Surplus	1,702,258	-	-	-	1,702,258
Excess Surplus Designated for Subsequent Year's Expenditures	1,393,863	-	-	-	1,393,863
Capital Projects Fund	-	-	699,688	-	699,688
Unemployment Compensation	1,058,950	-	-	-	1,058,950
Scholarships	-	309,587	-	-	309,587
Student Activities	-	356,932	-	-	356,932
Unassigned:					
General Fund	1,758,398	-	-	-	1,758,398
Total Fund Balances (Deficit)	<u>11,021,580</u>	<u>666,519</u>	<u>699,688</u>	<u>-</u>	<u>12,387,786</u>
Total Liabilities and Fund Balances	<u>12,694,073</u>	<u>1,182,780</u>	<u>714,968</u>	<u>-</u>	

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

**WEST MILFORD BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(33,168)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$70,930,577 and the accumulated depreciation is \$38,323,767.	32,606,810
Accounts Payable for subsequent Pension payment is not a payable in the funds	(1,382,623)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred Outflows of Resources Related to PERS Pension Liability	1,794,933
Deferred Inflows of Resources Related to PERS Pension Liability	(2,308,956)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(29,048,824)</u>
Net Position of Governmental Activities	<u><u>14,015,959</u></u>

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

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues:					
Local Sources:					
Local Tax Levy	62,383,738	-	-	293,153	62,676,891
Tuition Charges	136,668	-	-	-	136,668
Interest Earned on Capital Reserve Funds	22,561	-	-	-	22,561
Local Grants and Funds	-	773,521	-	-	773,521
Rents and Royalties	23,554	-	-	-	23,554
Unrestricted Miscellaneous Revenues	393,500	-	-	-	393,500
Total - Local Sources	62,960,021	773,521	-	293,153	64,026,695
State Sources	23,459,823	73,436	-	204,595	23,737,854
Federal Sources	87,404	3,545,661	-	-	3,633,065
Total Revenues	86,507,248	4,392,618	-	497,748	91,397,614
Expenditures:					
Current:					
Instruction:					
Regular Instruction	18,580,150	1,937,061	-	-	20,517,211
Special Education Instruction	6,926,992	-	-	-	6,926,992
Other Special Instruction	210,566	-	-	-	210,566
Other Instruction	1,619,719	-	-	-	1,619,719
Support Services and Undistributed Costs:					
Tuition	3,418,081	-	-	-	3,418,081
Student & Instruction Related Services	6,794,371	1,471,273	-	-	8,265,644
General Administrative Services	1,259,952	-	-	-	1,259,952
School Administrative Services	2,219,105	-	-	-	2,219,105
Central Services and Admin. Infor. Tech.	1,141,774	-	-	-	1,141,774
Plant Operations and Maintenance	6,559,234	-	-	-	6,559,234
Pupil Transportation	6,360,578	-	-	-	6,360,578
Unallocated Employee Benefits	32,378,171	-	-	-	32,378,171
Capital Outlay	932,147	950,964	140,682	-	2,023,793
Transfer to Charter School	90,735	-	-	-	90,735
Debt Service:					
Principal	-	-	-	525,000	525,000
Interest and Other Charges	-	-	-	76,750	76,750
Total Expenditures	88,491,573	4,359,299	140,682	601,750	93,593,304
Excess (Deficiency) of Revenues Over Expenditures	(1,984,325)	33,319	(140,682)	(104,002)	(2,195,689)
Other Financing Sources/(Uses)					
Financed Purchases (non-budgeted)	695,942	-	-	-	695,942
Transfers in - from Capital Projects	39,928	-	(39,928)	-	-
Transfers in - from Capital Reserve	-	-	856,755	-	856,755
Transfers out - to Capital Projects	(856,755)	-	-	-	(856,755)
Total Other Financing Sources and Uses	(120,885)	-	816,827	-	695,942
Net Change in Fund Balances	(2,105,210)	33,319	676,146	(104,002)	(1,499,747)
Fund Balance—July 1	13,126,790	633,199	23,542	104,002	13,887,534
Fund Balance—June 30	11,021,580	666,519	699,688	-	12,387,786

* Special Revenue Fund now includes revenues from student activities and Scholarships.

** Special Revenue Fund now includes expenditures from student activities and Scholarships.

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

**WEST MILFORD BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Total net change in fund balances - governmental funds (from B-2) (1,499,747)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year.

Depreciation Expense	(2,834,306)	
Capital Outlay	<u>1,996,292</u>	(838,014)

Repayment of long-term debt is reported as an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

In the current year, these amounts consist of:

Principal Payments on Financed Purchases	1,097,476
Principal Payments on Bonds Payable	525,000

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 in the reconciliation (+).

(Increase) Decrease in Compensated Absences Payable	189,288
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District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the statement of net position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.

District Pension Contributions	1,465,072	
Less: Pension Expense	<u>(792,778)</u>	
(Increase)/Decrease in Pension Expense		2,257,850

Per GASB No. 68 non-employer contributing entities are required to record an increases in revenue and expense for on-behalf TPAF pension payments paid by the State of New Jersey on the statement of activities that are in excess of those amounts reported in the fund financial statements.

Decrease in On-behalf State Aid TPAF Pension	(7,760,948)
Decrease in On-behalf TPAF Pension Expense	7,760,948

Per GASB No. 75 non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.

Increase in On-behalf State Aid TPAF Post Retirement Medical Revenue	(1,003,937)
Increase in On-behalf State Aid TPAF Post Retirement Medical Expense	1,003,937

Proceeds from debt issues are a financing source in the government funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.

Financed Purchase Proceeds	(695,942)
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In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the funds, interest is reported when due. The change in accrued interest is an (increase)/decrease to the reconciliation.

Increase in Accrued Interest	<u>4,643</u>
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Change in net position of governmental activities	<u><u>1,040,554</u></u>
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The accompanying Notes to the Basic Financial Statements are an integral part of this statement.

**WEST MILFORD BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024**

	Business-type Activities - Enterprise Funds		Total Enterprise Fund
	Food Service	School Age Child Care	
Assets:			
Current Assets:			
Cash and Cash Equivalents	527,751	333,719	861,470
Intergovernmental Receivables:			
State	5,776	-	5,776
Federal	74,909	-	74,909
Other Accounts Receivable	23,628	2,048	25,676
Inventories	16,008	-	16,008
Total Current Assets	<u>648,073</u>	<u>335,766</u>	<u>983,840</u>
Non-Current Assets:			
Furniture, Machinery & Equipment	474,979	2,520	477,499
Less Accumulated Depreciation	(194,993)	(1,655)	(196,648)
Total Non-Current Assets	<u>279,986</u>	<u>865</u>	<u>280,851</u>
 Total Assets	 <u>928,060</u>	 <u>336,632</u>	 <u>1,264,691</u>
Liabilities:			
Current Liabilities:			
Accounts Payable			
Other	122,574	894	123,468
Other Current Liabilities	-	2,555	2,555
Interfund Payable:			
General Fund	209,979	400	210,379
Deferred Revenue	30,417	5,080	35,497
Total Current Liabilities	<u>362,970</u>	<u>8,929</u>	<u>371,899</u>
Net Position:			
Invested in Capital Assets Net of Related Debt	279,986	865	280,851
Unreserved Retained Earnings	285,104	326,837	611,941
Total Net Position	<u>565,090</u>	<u>327,702</u>	<u>892,792</u>

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

WEST MILFORD BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Business-type Activities - Enterprise Fund		Total Enterprise Fund
	Food Service	School Age Child Care	
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	778,414	-	778,414
Daily Sales - Non-Reimbursable Programs	305,597	-	305,597
Special Functions	15,358	-	15,358
Tuition	-	435,087	435,087
Miscellaneous	707	-	707
Total Operating Revenues	<u>1,100,077</u>	<u>435,087</u>	<u>1,535,164</u>
Operating Expenses:			
Cost of Sales- Reimbursable	619,556	-	619,556
Cost of Sales - Non-Reimbursable	127,642	-	127,642
Salaries	316,271	334,217	650,487
Employee Benefits	100,993	18,683	119,675
Purchased Technical Services	490,523	-	490,523
Management Fees	88,528	-	88,528
Other Purchased Services	-	9,392	9,392
Repairs	5,327	-	5,327
Supplies and Materials	34,897	2,601	37,498
Depreciation	22,487	252	22,739
Miscellaneous	9,605	2,277	11,882
Total Operating Expenses	<u>1,815,828</u>	<u>367,421</u>	<u>2,183,250</u>
Operating Income/(Loss)	<u>(715,752)</u>	<u>67,666</u>	<u>(648,086)</u>
Non-Operating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	28,644	-	28,644
State School Breakfast Program	941	-	941
Federal Sources:			
National School Lunch Program	356,845	-	356,845
School Breakfast Program	32,859	-	32,859
Local Food for Schools Program	4,854	-	4,854
Supply-chain Assistance Program - 4th Round	72,605	-	72,605
USDA Commodities	109,359	-	109,359
Interest and Investment Revenue	5,945	10,492	16,437
Total Non-Operating Revenues/(Expenses)	<u>612,053</u>	<u>10,492</u>	<u>622,545</u>
Income/(Loss) Before Contributions & Transfers	<u>(103,699)</u>	<u>78,158</u>	<u>(25,540)</u>
Total Net Position - Beginning	<u>668,788</u>	<u>249,544</u>	<u>918,333</u>
Total Net Position - Ending	<u>565,090</u>	<u>327,702</u>	<u>892,792</u>

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

**WEST MILFORD BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Business-type Activities - Enterprise Funds		Total Enterprise Fund
	Food Service	School Age Child Care	
Cash Flows from Operating Activities			
Receipts from Customers	1,089,189	431,799	1,520,988
Receipts/(Payments) for Interfunds	209,979	400	210,379
Payments to Employees	(316,271)	(334,217)	(650,487)
Payments to Suppliers	(1,398,053)	(32,173)	(1,430,226)
Net Cash Provided by/(Used for) Operating Activities	<u>(415,156)</u>	<u>65,810</u>	<u>(349,346)</u>
Cash Flows from Non-capital Financing Activities			
State Sources	28,200	-	28,200
Federal Sources	619,893	-	619,893
Net Cash Provided by/(Used for) Non-capital Financing Activities	<u>648,094</u>	<u>-</u>	<u>648,094</u>
Cash Flows from Capital and Related Financing Activities			
Purchases of Capital Assets	(153,718)	-	(153,718)
Net Cash Provided by/(Used for) Capital and Related Financing Activities	<u>(153,718)</u>	<u>-</u>	<u>(153,718)</u>
Cash Flows from Investing Activities			
Interest and Dividends	5,945	10,492	16,437
Net Cash Provided by/(Used for) Investing Activities	<u>5,945</u>	<u>10,492</u>	<u>16,437</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	85,165	76,302	161,467
Balances—Beginning of Year	<u>442,587</u>	<u>257,417</u>	<u>700,004</u>
Balances—End of Year	<u><u>527,751</u></u>	<u><u>333,719</u></u>	<u><u>861,470</u></u>
Reconciliation of Operating Income/(loss) to Net Cash Provided/ (Used) by Operating Activities:			
Operating Income/(Loss)	(715,752)	67,666	(648,086)
Adjustments to Reconcile Operating Loss to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	22,487	252	22,739
(Increase)/Decrease in Accounts Receivable	(10,644)	(575)	(11,218)
(Increase)/Decrease in Inventories	2,991	-	2,991
Increase/(Decrease) in Accounts Payable	76,026	(1,775)	74,251
Increase/(Decrease) in Other Current Liabilities	-	2,555	2,555
Increase/(Decrease) in Interfund Payable	209,979	400	210,379
Increase/(Decrease) in Deferred Revenue	(244)	(2,714)	(2,957)
Total Adjustments	<u>300,596</u>	<u>(1,856)</u>	<u>298,740</u>
Net Cash Provided by/(Used for) Operating Activities	<u>(415,156)</u>	<u>65,810</u>	<u>(349,346)</u>

Non-cash Non-capital Financing Activities:

During the year, the District received \$109,359 of food commodities from the U.S. Department of Agriculture.

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

NOTES TO THE FINANCIAL STATEMENTS

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Board of Education (“Board”) of the Township of West Milford School District (“District”) is an instrumentality of the State of New Jersey, established to function as an educational institution. The Township of West Milford School District is a Type II district located in the County of Passaic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board’s duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, “Defining the Financial Reporting Entity” establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools and a junior/senior high school, located in the Borough of Bogota. 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.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education of the Township of West Milford School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the board’s accounting policies are described below.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation:

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Currently the District does not have any fiduciary funds.

District-wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, including its fiduciary funds. Separate statements for each fund category - *government*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

GOVERNMENTAL FUNDS, (continued)

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund and the School Age Child Care.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

C. Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange 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 a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting: (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

Available means that 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.

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, 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. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, special revenue and debt service funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

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

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

Encumbrances

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

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

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

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash, Cash Equivalents and Investments

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

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

Additionally, the Board has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

Tuition Revenues/Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Tuition Payable

Tuition charges were established by the receiving district. The charges are subject to adjustment when the final costs have been determined.

Inventories

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Lease Receivable

Lease receivables recorded on the government-wide financial statement, in the governmental funds, and in the proprietary fund types represents a contract that conveys control of the right to use the School District's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The School District was not a lessor during the fiscal year ended June 30, 2024.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

Short-Term Interfund Receivables/Payables

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

Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated capital assets are valued at their acquisition value on the date received. The capital assets acquired or constructed prior to June 29, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. The Board maintains a capitalization threshold of \$2,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets, (continued)

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

Compensated Absences

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

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Unearned revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 2(E) regarding the special revenue fund.

Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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 proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting and Financial Reporting for Pensions, (continued)

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Bond Discounts/Premiums

Bond discounts/premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts/premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

Financing Agreements

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

Right to Use Assets

The District has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITA's) 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. The district does not have any subscription-based information technology arrangements that qualify for presentation under GASB 96.

Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balances, (continued)

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

Net Position

Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, medical and dental benefits and TPAF on-behalf contributions were allocated based on salaries of that program. Changes in compensating absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

The GASB has issued the following statements that will become effective for the School District for fiscal years ending June 30, 2025 and 2026:

GASB Statement No. 101, Compensated Absences, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements, (continued)

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the District.

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

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**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$-0- of the District's bank balance of \$15,278,306 was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 4. RECEIVABLES

Receivables at June 30, 2024 consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise <u>Fund</u>	District Wide Financial <u>Statements</u>
State Aid	\$1,330,523	\$5,776	\$1,336,299
Federal Aid	508,887	74,909	583,796
Interfunds	471,404	-	-
Other	<u>180,417</u>	<u>25,676</u>	<u>206,093</u>
Gross Receivables	2,491,231	106,361	2,126,188
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u><u>\$2,491,231</u></u>	<u><u>\$106,361</u></u>	<u><u>\$2,126,188</u></u>

NOTE 5. INTERFUND BALANCES AND ACTIVITY

Balance due to/from other funds at June 30, 2024 consist of the following:

\$246,057	Due to the General Fund from the Special Revenue Fund for short-term loans.
14,968	Due to the General Fund from the Capital Projects Fund for interest earned and cash receipt due to General Fund.
209,979	Due to the General Fund from the Food Service Fund to reimburse Food Service expenses paid by the General operating account.
<u>400</u>	Due to the General Fund from the School Aged Child Care Fund various cash receipts due General Fund.
<u><u>\$471,404</u></u>	

It is anticipated that all interfunds will be liquidated within the fiscal year.

NOTE 6. INTERFUND LOAN RECEIVABLE

The Special Revenue Account owes the General Fund for a cash advance to cover the expenses made in the Special Revenue Fund not received in cash from the State.

\$246,057

Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024

NOTE 7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Balance 6/30/23	Additions	Deletions	Adjustments	Balance 6/30/24
Governmental Activities:					
Capital Assets Not Being					
Land	\$2,327,249	\$	\$	\$	\$2,327,249
Construction in Progress	966,636	8,780		(267,235)	708,181
Total Capital Assets Not Being Depreciated	3,293,885	8,780	0	(267,235)	3,035,430
Building and Improvements	51,418,912	1,147,685		267,235	52,833,832
Machinery & Equipment	14,442,486	839,827	(221,000)		15,061,313
Totals at Historical Cost	65,861,398	1,987,512	(221,000)	267,235	67,895,145
Less Accumulated Depreciation:					
Building and Improvements	(25,858,830)	(1,837,348)			(27,696,178)
Equipment	(9,851,631)	(996,958)	221,000		(10,627,589)
Total Accumulated Depreciation	(35,710,461)	(2,834,306)	221,000		(38,323,767)
Total Capital Assets Being Net of Accumulated Depreciation	30,150,938	(846,794)		2,687,235	31,991,379
Governmental Activities Capital Assets, Net	33,444,823	(838,014)			32,606,809
Business Type Activities:					
Equipment:					
Food Service	343,177	153,718	(21,916)	-	474,979
School Age Child Care	2,520			-	2,520
Total	345,697	153,718	(21,916)	-	477,499
Less Accumulated Depreciation:					
Equipment:					
Food Services	(194,422)	(22,487)	21,916	-	(194,993)
School Age Child Care	(1,403)	(252)		-	(1,655)
	(195,825)	(22,739)	21,916	-	(196,648)
Business Type Activities Capital Assets, Net	\$149,872	\$130,979		-	\$280,851

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 7. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

Instruction:

Regular Education	\$1,731,791
Special Education	120,987
Student & Instruction Related Services	238,981
General Administration	43,240
School Administration	83,745
Central Services & Admin. Info. Tech.	43,240
Plant Operations & Maintenance	297,920
Pupil Transportation	<u>274,402</u>
Total Depreciation Expense	<u><u>\$2,834,306</u></u>

NOTE 8. LONG-TERM OBLIGATION ACTIVITY

Changes in long-term obligations for the fiscal year ended June 30, 2024, were as follows:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Financed Purchases Payable	\$7,336,589	\$695,942	(\$1,097,476)	\$6,935,055	\$828,279
Compensated Absences	2,850,613	71,320	(260,608)	2,661,325	-
Bonds Payable	4,100,000	-	(525,000)	3,575,000	55,000
Net Pension Liability-PERS	<u>16,384,051</u>	<u>-</u>	<u>(506,607)</u>	<u>15,877,444</u>	<u>-</u>
	<u>\$30,671,253</u>	<u>\$767,262</u>	<u>(\$2,389,691)</u>	<u>\$29,048,824</u>	<u>\$1,378,279</u>

A. Bonds Payable:

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

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

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 8. LONG-TERM OBLIGATION ACTIVITY (continued)

A. Bonds Payable: (continued)

Outstanding Bonds Payable at June 30, 2024 consisted of the following:

<u>Issue</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2024</u>
School Bonds of 2016	7/15/16	1.00-2.00%	7/15/29	<u>\$3,575,000</u>

Principal and interest due on serial bonds outstanding is as follow:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	550,000	66,000	616,000
2026	550,000	55,000	605,000
2027	590,000	43,600	633,600
2028	600,000	31,700	631,700
2029-2030	<u>1,285,000</u>	<u>26,050</u>	<u>1,311,050</u>
Total	<u>\$3,575,000</u>	<u>\$222,350</u>	<u>\$3,797,350</u>

B. Financed Purchases Payable:

The District entered into a Financed Purchases agreement to fund an Energy Savings Incentive Program (ESIP) in 2020. The proceeds of that agreement totaled \$7,490,000 to be repaid over a 20 year period with an interest rate of 2.123%.

Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024

NOTE 8. LONG-TERM OBLIGATION ACTIVITY (continued)

B. Financed Purchases Payable: (continued)

The following is a schedule of the future minimum Financed Purchases payments, and the present value of the net minimum Financed Purchases payments at June 30, 2024.

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	997,069
2026	768,364
2027	608,014
2028	500,015
2029	477,444
2030-2034	2,554,807
2035-2039	<u>2,164,673</u>
Total Minimum Lease Payments	8,070,386
Less: Amount Representing Interest	<u>(1,135,331)</u>
Present Value of Net Minimum Lease	<u><u>\$8,070,386</u></u>

Maturities of Financed Purchases payable are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	828,279
2026	620,083
2027	482,532
2028	392,198
2029	379,532
2030-2034	2,194,330
2035-2039	<u>2,038,101</u>
Total	<u><u>\$6,935,055</u></u>

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS

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

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

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**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS: (continued)

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are 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

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

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

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS: (continued)

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

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

Defined Contribution Retirement Program

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.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

Defined Contribution Retirement Program (continued)

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 expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contributions Requirements Fund Based Statements

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

<u>Year Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/24	\$1,465,072	\$64,246
6/30/23	1,369,065	54,783
6/30/22	1,368,390	48,790

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

<u>Year Ending</u>	<u>Pension Contributions</u>	<u>Post-Retirement Medical Contributions</u>	<u>NCGI Premium</u>	<u>LTD Liability</u>
6/30/24	\$10,925,873	\$3,007,535	\$124,604	\$3,373
6/30/23	10,726,277	2,856,861	148,815	3,221
6/30/22	11,400,591	2,701,219	160,846	3,328

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,090,942 during the year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2024, the District had a liability of \$15,877,444 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 governmental entities, actuarially determined. At June 30, 2023, the District's proportion was 0.1096177418 percent, which was a decrease of 0.0010520904 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$(792,778). At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$151,809	\$64,902
Changes of assumptions	34,880	962,241
Net difference between projected and actual earnings on pension plan investments	73,118	-
Changes in proportion	152,118	1,281,813
District contributions subsequent to the measurement date	<u>1,382,623</u>	<u> </u>
Total	<u>\$1,794,548</u>	<u>\$2,308,956</u>

The \$1,382,623 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS) (continued)

Year ended June 30:	
2024	(\$838,270)
2025	(467,890)
2026	653,845
2027	(117,012)
2028	1,990

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018 amounts, respectively.

Additional Information

Local Group Collective balances at June 30, 2023 and June 30, 2022 are as follows:

	June 30, 2023	June 30, 2022
Collective deferred outflows of resources	\$1,080,204,730	\$1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,484,374,047	15,219,184,920
District's Proportion	0.1096177418%	0.1085656514%

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS) (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	2.25 Percent
Salary Increases	2.75-6.55 Percent (based on years of service)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.

Mortality Rates

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 with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and a 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.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS) (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS) (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 on 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 to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2023 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1 - percentage-point higher than the current rate:

	1% Decrease 6.00%	June 30, 2023 At Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the pension liability	\$20,843,310	\$15,877,444	\$11,898,627

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Public Employees Retirement System (PERS) (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net Pension Liability:

District’s proportionate share	\$ -0-
State's proportionate share associated with the District	<u>133,899,831</u> <u>\$133,899,831</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the proportion of the TPAF net pension liability associated with the District was 0.2623806123%.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Teachers Pensions and Annuity Fund (TPAF) (continued)

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue of \$3,289,529 for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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	2.75-4.25% (based on years of service)
Investment Rate of Return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with an 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 with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and a 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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Teachers Pensions and Annuity Fund (TPAF) (continued)

Long-Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 9. PENSION PLANS (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Teachers Pensions and Annuity Fund (TPAF) (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

NOTE 10. POST-RETIREMENT BENEFITS:

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion

Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024

NOTE 10. POST EMPLOYMENT BENEFITS (continued)

State Health Benefit State Retired Employees Plan, (continued)

represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Total OPEB Liability

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

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2024 was as follows:

Total OPEB Liability (continued)

OPEB Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>168,453,303</u>
	<u>\$168,453,303</u>

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 10. POST EMPLOYMENT BENEFITS (continued)

Actual Assumptions and Other Inputs

The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. 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:

	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:	2.75 - 4.25%	2.75 - 6.55%
	based on service years	based on service years

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

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**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 10. POST EMPLOYMENT BENEFITS (continued)

Total Nonemployer OPEB Liability (continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS and PFRS actuarial experience studies prepared for July 1, 2018 to June 30, 2021.

(a) *Health Care Trend Assumptions*

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 trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

(b) *Discount Rate*

The discount rate used to measure the total OPEB Liability was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 10. POST EMPLOYMENT BENEFITS (continued)

Total Nonemployer OPEB Liability (continued)

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

For the year ended June 30, 2024, the board of education/board of trustees recognized on-behalf OPEB expense of \$2,003,598 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Township of West Milford School District proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

NOTE 11. RISK MANAGEMENT

As a member of the Pool, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Pool were to be exhausted, members would become responsible for their respective shares of the Pool's liabilities. However, this Pool has fully reinsured the exposures above all limits subscribed to by its members.

The Pool can declare and distribute dividends to members upon arrival of the State of New Jersey Department of 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.

Financial statements for the Pool are available at the office of the Pool's administrator, 44 Bergen Street, P.O. Box 270, Westwood, New Jersey 07675.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

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

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 11. RISK MANAGEMENT, (continued)

Fiscal Year	Interest Earnings/ District Contributions	Employee Contributions	State of NJ Reimbursement	Balance
2023-2024	\$37,074	\$70,195	\$52,193	\$1,058,950
2022-2023	17,549	70,822	115,126	1,003,874
2021-2022	1,878	70,082	0	1,030,629

NOTE 12. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Township of West Milford Board of Education by inclusion of \$10,000 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). 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 appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-2.14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning balance, July 1, 2023	\$2,075,207
Increased by:	
Cancellation of Capital Projects	39,928
Interest Earnings	22,561
Deposit - Board Resolution	<u>200,000</u>
	2,337,696
Decreased by:	
Budgeted Withdrawal from Capital Reserve	<u>(856,755)</u>
Ending balance, June 30, 2024	<u><u>\$1,480,941</u></u>

The balance in the capital reserve account at June 30, 2024, does not exceed the balance of local support costs of uncompleted capital projects in its LRFP. Withdrawals from the capital reserve were for use in a DDE approved facilities project, consistent with the District's long-range facilities plan.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 13. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Board of Education resolution adopted on June 26, 2012 in the amount of \$500,000. The account is maintained in the general fund. The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund.

The activity of the maintenance reserve account for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning balance, July 1, 2023	\$650,000
Deposit - Board Resolution	50,000
Budgeted withdrawal from	<u>(150,000)</u>
Ending balance, June 30, 2024	<u>\$550,000</u>

NOTE 14. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$11,021,580 General Fund fund balance at June 30, 2024, \$1,345,006 is reserved for encumbrances; \$3,096,121 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; \$1,393,863 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025; \$1,480,941 has been reserved in the Capital Reserve Account; \$550,000 has been reserved in the Maintenance Reserve Account; \$1,058,950 has been reserved in the Unemployment Account; \$1,732,163 has been designated as revenue for the year ending June 30, 2025; and \$1,758,398 is unreserved and undesignated.

Special Revenue Fund (Exhibit B-1) -\$666,519 is restricted for Student Activities and Scholarship Funds.

Capital Projects Fund (Exhibit B-1) -\$699,688 has been restricted for ongoing capital projects.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$3,096,121 of which \$1,702,258 is the result of current year operations.

**Township of West Milford School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2024**

NOTE 16. INVENTORY

Inventory in the Food Service Fund at June 30, 2024 consisted of the following:

Commodities	\$948
Food	8,159
Supplies	<u>6,901</u>
	<u>\$16,008</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as unearned revenue.

NOTE 17. CONTINGENT LIABILITIES

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

Litigation - The District's General Counsel and Special Legal Counsel advises us that there are no material litigation pending against the Board.

NOTE 18. SUBSEQUENT EVENTS

The District has evaluated subsequent events through January 7, 2025, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

**WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	62,383,738	-	62,383,738	62,383,738	-
Tuition - Individuals	48,000	-	48,000	64,000	16,000
Tuition From Other LEAS Within the State	177,000	-	177,000	69,518	(107,482)
Tuition From Other Sources	-	-	-	3,150	3,150
Transportation Fees From Other LEAs	40,000	-	40,000	-	(40,000)
Rents and Royalties	125,000	-	125,000	23,554	(101,447)
Unrestricted Miscellaneous Revenue	200,000	-	200,000	116,742	(83,258)
Interest Income on Operating Accounts	-	-	-	276,758	276,758
Interest Earned on Capital Reserve Funds	-	-	-	22,561	22,561
Total - Local Sources	<u>62,973,738</u>	<u>-</u>	<u>62,973,738</u>	<u>62,960,021</u>	<u>(13,717)</u>
State Sources:					
Categorical Transportation Aid	842,009	-	842,009	842,009	-
Extraordinary Aid	800,000	-	800,000	1,191,711	391,711
Categorical Special Education Aid	2,725,234	-	2,725,234	2,725,234	-
Equalization Aid	1,664,345	-	1,664,345	1,664,345	-
Categorical Security Aid	339,929	-	339,929	339,929	-
Stabilization Aid	-	-	-	405,996	405,996
Non-Public Transportation Aid	-	-	-	34,125	34,125
On-behalf TPAF Pension (non-budgeted)	-	-	-	10,925,873	10,925,873
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	124,604	124,604
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	3,007,535	3,007,535
On-Behalf TPAF Long-Term Disability Insurance (non-budgeted)	-	-	-	3,373	3,373
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,090,942	2,090,942
Total State Sources	<u>6,371,517</u>	<u>-</u>	<u>6,371,517</u>	<u>23,355,676</u>	<u>16,984,159</u>
Federal Sources:					
Medicaid Reimbursement	119,905	-	119,905	87,404	(32,501)
Total Federal Sources	<u>119,905</u>	<u>-</u>	<u>119,905</u>	<u>87,404</u>	<u>(32,501)</u>
Total Revenues	<u>69,465,160</u>	<u>-</u>	<u>69,465,160</u>	<u>86,403,101</u>	<u>16,937,941</u>
Expenditures:					
General Current Expenses:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	850,105	53,250	903,355	897,486	5,869
Grades 1-5 - Salaries of Teachers	6,227,158	116,689	6,343,847	6,334,017	9,830
Grades 6-8 - Salaries of Teachers	4,039,388	(158,000)	3,881,388	3,864,733	16,655
Grades 9-12 - Salaries of Teachers	6,164,668	(135,571)	6,029,097	6,005,617	23,480
Regular Programs - Home Instruction:					
Salaries of Teachers	40,144	33,000	73,144	68,397	4,747
Purchased Professional-Educational Services	25,290	-	25,290	22,562	2,728
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	256,367	(25,000)	231,367	221,482	9,885
Purchased Professional-Educational Services	178,826	(8,626)	170,200	135,271	34,930
Purchased Technical Services	10,300	80	10,380	3,844	6,537
Other Purchased Services (400-500 Series)	41,964	(3,516)	38,448	35,294	3,154
General Supplies	1,249,332	358,597	1,607,929	927,931	679,998
Textbooks	107,185	(52,110)	55,075	38,684	16,391
Other Objects	33,461	(646)	32,815	24,832	7,983
Total Regular Programs - Instruction	<u>19,224,189</u>	<u>178,147</u>	<u>19,402,335</u>	<u>18,580,150</u>	<u>822,185</u>
Learning and/or Language Disabilities - Mild to Moderate					
Salaries of Teachers	395,280	(20,000)	375,280	365,293	9,988
Other Salaries for Instruction	225,576	(33,000)	192,576	181,673	10,903
General Supplies	2,698	-	2,698	2,439	259
Total Learning and/or Language Disabilities - Mild to Moderate	<u>623,554</u>	<u>(53,000)</u>	<u>570,554</u>	<u>549,404</u>	<u>21,150</u>
Emotional Regulation Impairment					
Salaries of Teachers	504,375	(48,130)	456,245	431,855	24,390
Other Salaries for Instruction	224,126	60,000	284,126	268,156	15,970
General Supplies	10,938	2,000	12,938	6,300	6,637
Other Objects	1,000	-	1,000	273	727
Total Emotional Regulation Impairment	<u>740,439</u>	<u>13,870</u>	<u>754,309</u>	<u>706,584</u>	<u>47,724</u>
Multiple Disabilities:					
Salaries of Teachers	286,800	16,000	302,800	299,627	3,173
Other Salaries for Instruction	295,567	101,000	396,567	371,533	25,034
General Supplies	2,750	172	2,922	2,278	645
Total Multiple Disabilities	<u>585,117</u>	<u>117,172</u>	<u>702,289</u>	<u>673,437</u>	<u>28,852</u>
Resource Room/Resource Center:					
Salaries of Teachers	3,463,145	(60,000)	3,403,145	3,360,533	42,612
Other Salaries for Instruction	609,839	(212,000)	397,839	384,709	13,130
General Supplies	16,830	1,547	18,377	12,592	5,786
Other Objects	895	4,920	5,815	4,483	1,332
Total Resource Room/Resource Center	<u>4,090,709</u>	<u>(265,533)</u>	<u>3,825,176</u>	<u>3,762,317</u>	<u>62,859</u>

**WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

Exhibit C-1
Page 2 of 5

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism:					
Salaries of Teachers	335,000	(20,000)	315,000	314,815	185
Other Salaries for Instruction	398,635	55,000	453,635	450,428	3,207
General Supplies	8,859	-	8,859	6,055	2,804
Total Autism	<u>742,494</u>	<u>35,000</u>	<u>777,494</u>	<u>771,298</u>	<u>6,196</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	262,350	-	262,350	256,706	5,644
Other Salaries for Instruction	159,198	35,000	194,198	188,729	5,469
General Supplies	4,200	-	4,200	1,916	2,284
Total Preschool Disabilities - Part-Time	<u>425,748</u>	<u>35,000</u>	<u>460,748</u>	<u>447,350</u>	<u>13,398</u>
Home Instruction					
Purchased Professional - Educational Services	40,000	(10,420)	29,580	16,601	12,979
Total Home Instruction	<u>40,000</u>	<u>(10,420)</u>	<u>29,580</u>	<u>16,601</u>	<u>12,979</u>
Total Special Education - Instruction	<u>7,248,060</u>	<u>(127,910)</u>	<u>7,120,150</u>	<u>6,926,992</u>	<u>193,158</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	110,050	(15,000)	95,050	88,709	6,341
General Supplies	4,975	-	4,975	3,435	1,540
Total Basic Skills/Remedial - Instruction	<u>115,025</u>	<u>(15,000)</u>	<u>100,025</u>	<u>92,144</u>	<u>7,881</u>
Bilingual Education - Instruction					
Salaries of Teachers	127,200	-	127,200	116,970	10,230
Other Purchased Services (400-500 Series)	600	-	600	422	178
General Supplies	1,257	-	1,257	1,030	227
Other Objects	130	-	130	-	130
Total Bilingual Education - Instruction	<u>129,187</u>	<u>-</u>	<u>129,187</u>	<u>118,422</u>	<u>10,765</u>
School-Spon. Co/Extra Curr. Actvts. - Instruction					
Salaries	211,457	15,315	226,772	213,389	13,383
Other Objects	4,000	-	4,000	450	3,550
Total School-Spon. Co/Extra Curr. Actvts. - Instruction	<u>215,457</u>	<u>15,315</u>	<u>230,772</u>	<u>213,839</u>	<u>16,933</u>
School-Sponsored Athletics - Instruction					
Salaries	696,729	(10,000)	686,729	621,876	64,853
Purchased Services (300-500 Series)	183,300	-	183,300	147,692	35,608
Supplies and Materials	91,970	(10,611)	81,359	76,981	4,378
Other Objects	105,525	-	105,525	84,731	20,794
Total School-Sponsored Athletics - Instruction	<u>1,077,524</u>	<u>(20,611)</u>	<u>1,056,913</u>	<u>931,280</u>	<u>125,633</u>
Other Suppl/At-Risk Prog - Instruction					
Salaries of Reading Specialists	532,000	(40,000)	492,000	474,600	17,400
Total Other Suppl/At-Risk - Instruction	<u>532,000</u>	<u>(40,000)</u>	<u>492,000</u>	<u>474,600</u>	<u>17,400</u>
Total Instruction	<u>28,541,442</u>	<u>(10,059)</u>	<u>28,531,382</u>	<u>27,337,427</u>	<u>1,193,956</u>
Undistributed Expenditures - Instruction (Tuition)					
Tuition to Other LEAs Within the State - Regular	25,000	-	25,000	-	25,000
Tuition to County Voc. School Dist.- Regular	1,170,266	0	1,170,266	1,138,973	31,293
Tuition to County Voc. School Dist.- Special	74,858	-	74,858	44,604	30,254
Tuition to CSSD & Reg. Day Schools	731,080	(225,482)	505,598	471,973	33,624
Tuition to Priv.Sch. for the Disabled W/I State	1,788,136	100,726	1,888,862	1,762,531	126,331
Total Undistributed Expenditures - Instruction (Tuition)	<u>3,789,340</u>	<u>(124,756)</u>	<u>3,664,584</u>	<u>3,418,081</u>	<u>246,503</u>
Undist. Expend.-Attendance and Social Work					
Salaries	29,868	-	29,868	29,868	-
Total Undist. Expend. - Attendance and Social Work	<u>29,868</u>	<u>-</u>	<u>29,868</u>	<u>29,868</u>	<u>-</u>
Undist. Expenditures- Health Services					
Salaries	601,050	1,450	602,500	601,585	915
Purchased Professional and Technical Services	75,765	(1,374)	74,391	42,299	32,092
Supplies and Materials	29,900	7,281	37,181	31,112	6,069
Total Undist. Expenditures- Health Services	<u>706,715</u>	<u>7,357</u>	<u>714,072</u>	<u>674,995</u>	<u>39,077</u>
Undist. Expend.-Speech, OT, PT and Related SVCS					
Salaries	1,212,875	(45,000)	1,167,875	1,154,803	13,072
Purchased Professional - Educational Services	383,222	63,266	446,488	390,589	55,899
Supplies and Materials	18,758	7,851	26,609	22,152	4,457
Total Undist. Expend.-Speech, OT, PT and Related SVCS	<u>1,614,855</u>	<u>26,117</u>	<u>1,640,972</u>	<u>1,567,543</u>	<u>73,429</u>
Undist. Expend. - Extraordinary Services					
Purchased Professional - Educational Services	85,370	-	85,370	38,735	46,635
Total Undist. Expend. - Extraordinary Services	<u>85,370</u>	<u>-</u>	<u>85,370</u>	<u>38,735</u>	<u>46,635</u>

**WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

Exhibit C-1
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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	787,775	7,572	795,347	794,129	1,219
Salaries of Secretarial and Clerical Assistants	158,580	(4,442)	154,138	153,651	487
Purchased Professional - Educational Services	1,300	-	1,300	943	357
Other Purchased Prof. And Tech. Services	27,405	(2,501)	24,904	24,901	3
Supplies and Materials	11,189	(749)	10,440	8,806	1,634
Total Undist. Expenditures - Guidance	<u>986,249</u>	<u>(120)</u>	<u>986,129</u>	<u>982,429</u>	<u>3,700</u>
Undist. Expenditures -Child Study Teams					
Salaries of Other Professional Staff	2,064,043	83,130	2,147,173	2,146,310	863
Salaries of Secretarial and Clerical Assistants	251,160	-	251,160	245,683	5,477
Purchased Professional - Educational Services	6,600	(4,000)	2,600	-	2,600
Other Purchased Services (400-500 series)	1,908	4,068	5,976	5,976	-
Supplies and Materials	22,400	1,284	23,684	22,777	907
Other Objects	1,350	-	1,350	295	1,055
Total Undist. Expenditures -Child Study Teams	<u>2,347,461</u>	<u>84,482</u>	<u>2,431,943</u>	<u>2,421,041</u>	<u>10,902</u>
Undist. Expend.-Improv. Of Inst. Serv.					
Sal of Supervisor of Instruction	613,107	(1)	613,106	591,268	21,838
Sal of Secr and Clerical Assist.	29,754	1	29,755	29,754	1
Other Purchased Services (400-500)	9,550	-	9,550	7,605	1,945
Other Objects	11,270	-	11,270	65	11,205
Total Undist. Expend.-Improv. Of Inst. Serv.	<u>663,681</u>	<u>0</u>	<u>663,681</u>	<u>628,692</u>	<u>34,989</u>
Undist. Expend.-Edu. Media Serv./Library					
Salaries	219,250	101,100	320,350	320,350	-
Supplies and Materials	91,787	(4,068)	87,719	74,162	13,557
Other Objects	350	-	350	-	350
Total Undist. Expend.-Edu. Media Serv./Library	<u>311,387</u>	<u>97,032</u>	<u>408,419</u>	<u>394,512</u>	<u>13,907</u>
Undist. Expend.-Instr. Staff Training Serv.					
Salaries of Supervisors of Instruction	38,074	-	38,074	26,273	11,801
Other Purchased Prof. and Tech. Services	30,000	-	30,000	7,530	22,470
Other Purchased Services (400-500 series)	9,400	-	9,400	5,313	4,087
Supplies and Materials	1,000	-	1,000	89	911
Other Objects	81,075	(6,491)	74,584	17,350	57,234
Total Undist. Expend.-Instr. Staff Training Serv.	<u>159,549</u>	<u>(6,491)</u>	<u>153,058</u>	<u>56,555</u>	<u>96,503</u>
Undist. Expend.-Support Serv.-Gen. Admin					
Salaries	672,046	0	672,046	622,086	49,960
Legal Services	136,000	(5,000)	131,000	127,908	3,092
Audit Fees	98,376	-	98,376	39,500	58,876
Architectural/Engineering Services	87,861	39,000	126,861	22,411	104,450
Other Purchased Professional Services	19,250	10,000	29,250	16,920	12,330
Purchased Technical Services	76,915	0	76,915	69,905	7,010
Communications / Telephone	207,185	41,660	248,845	207,974	40,871
BOE Other Purchased Services	10,600	600	11,200	6,761	4,439
Misc. Purch Serv (400-500)[Other than 530 & 585]	88,996	(500)	88,496	81,170	7,326
General Supplies	29,365	(4,250)	25,115	14,298	10,817
Judgment Against The School District	25,000	16,500	41,500	-	41,500
Miscellaneous Expenditures	31,346	(6,335)	25,011	21,385	3,626
BOE Membership Dues and Fees	30,000	-	30,000	29,633	367
Total Undist. Expend.-Support Serv.-Gen. Admin.	<u>1,512,940</u>	<u>91,675</u>	<u>1,604,616</u>	<u>1,259,952</u>	<u>344,664</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Asst. Principals/Prog. Dir	1,387,887	80,500	1,468,387	1,412,996	55,391
Salaries of Secretarial and Clerical Assistants	784,183	25,000	809,183	771,930	37,253
Purchased Professional and Technical Services	13,390	(730)	12,660	7,047	5,613
Other Purchased Services (400-500 Series)	8,352	(552)	7,800	7,800	-
Supplies and Materials	18,532	(2,379)	16,153	9,973	6,180
Other Objects	7,155	3,953	11,108	9,359	1,749
Total Undist. Expend. - Support Serv. - School Admin.	<u>2,219,499</u>	<u>105,792</u>	<u>2,325,291</u>	<u>2,219,105</u>	<u>106,186</u>
Undist. Expend. - Central Services					
Salaries	469,133	(1,211)	467,922	433,403	34,518
Purchased Technical Services	24,700	(1,005)	23,695	20,307	3,389
Misc. Purchased Services (400-500)[O/T 594]	900	500	1,400	1,188	212
Supplies and Materials	12,950	705	13,655	12,272	1,383
Miscellaneous Expenditures	6,900	300	7,200	6,974	226
Total Undist. Expend. - Central Services	<u>514,583</u>	<u>(711)</u>	<u>513,872</u>	<u>474,144</u>	<u>39,727</u>
Undist. Expend. - Admin. Info. Technology					
Salaries	479,001	1,772	480,773	480,299	474
Purchased Technical Services	206,959	38,716	245,675	184,290	61,385
Other Purchased Services (400-500 Series)	2,500	-	2,500	2,202	298
Supplies and Materials	1,290	-	1,290	839	451
Total Undist. Expend. - Admin. Info. Technology	<u>689,750</u>	<u>40,488</u>	<u>730,238</u>	<u>667,630</u>	<u>62,608</u>

**WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

Exhibit C-1
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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Required Maint For Sch Fac.					
Salaries	416,925	(36,500)	380,425	361,618	18,807
Cleaning, Repair and Maintenance Services	443,211	(25,014)	418,198	381,928	36,270
General Supplies	129,095	(13,000)	116,095	109,763	6,332
Total Undist. Expend.-Required Maint For Sch Fac.	989,232	(74,514)	914,718	853,309	61,409
Undist. Expend. - Custodial Services					
Salaries	2,268,369	(149,500)	2,118,869	2,098,550	20,319
Salaries of Non-Instructional Aides	184,318	15,500	199,818	-	199,818
Purchased Professional and Technical Services	13,332	5,427	18,759	14,707	4,052
Cleaning, Repair and Maintenance Services	327,800	(22,367)	305,433	282,593	22,840
Other Purchased Property Services	91,000	242,236	333,236	74,488	258,748
Insurance	1,074,652	51,373	1,126,025	1,126,018	7
General Supplies	276,682	(31,554)	245,128	231,507	13,621
Energy (Natural Gas)	212,552	145,785	358,337	334,356	23,981
Energy (Electricity)	306,455	184,480	490,935	475,621	15,314
Energy (Oil)	123,000	(39,183)	83,817	83,817	-
Other Objects	61,130	3,735	64,865	64,865	-
Interest - Energy Savings Impr. Prog. Bonds	134,354	(0)	134,354	134,354	-
Principal - Energy Savings Impr. Prog. Bonds	336,285	0	336,285	336,280	5
Total Undist. Expend. - Custodial Services	5,409,929	405,932	5,815,861	5,257,156	558,705
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	225,148	-	225,148	225,148	0
Cleaning, Repair, and Maintenance Services	3,000	1,309	4,309	4,232	77
General Supplies	45,325	(19,000)	26,325	25,026	1,299
Total Care and Upkeep of Grounds	273,473	(17,691)	255,782	254,406	1,376
Undist. Expend. - Security					
Salaries	70,064	50,000	120,064	114,394	5,670
Purchased Professional and Technical Services	7,000	(2,000)	5,000	1,400	3,600
General Supplies	-	168,569	168,569	55,000	113,569
Other Objects	24,750	875	25,625	23,569	2,056
Total Undist. Expend. - Security	101,814	217,444	319,258	194,363	124,895
Total Undist. Expend.-Oper. And Maint. Of Plant Serv.	6,774,447	531,171	7,305,619	6,559,234	746,385
Undist. Expend.-Student Transportation Serv.					
Salaries of Non-Instructional Aides	173,768	20,000	193,768	172,483	21,285
Sal. For Pupil Trans(Bet Home & Sch)-Reg	2,299,891	(518,777)	1,781,114	1,654,842	126,272
Sal. For Pupil Trans(Bet Home & Sch)-Sp Ed	456,091	(134,975)	321,116	284,563	36,553
Sal. For Pupil Trans(Other than Bet. Home & Sch)	192,971	(14,001)	178,970	140,506	38,464
Management Fee - ESC & CTSA Trans. Program	47,183	7,200	54,383	54,350	33
Other Purchased Prof. and Technical Serv.	55,490	12,820	68,310	56,913	11,397
Cleaning, Repair, & Maint. Services	19,004	(9,129)	9,875	4,936	4,939
Lease Purchase Payments - School Buses	856,305	15,804	872,108	681,545	190,563
Contr Serv - Aid in Lieu Pymts - NonPub Sch	70,000	9,223	79,223	79,220	3
Contr Serv (Bet. Home and Sch) - Vendors	999,973	0	999,973	999,959	14
Contr Serv (Oth. Than Bet Home&Sch) - Vendors	84,250	47,667	131,917	128,499	3,418
Contr Serv (Special Ed) - Vendors	1,098,321	671,801	1,770,122	1,764,512	5,610
Misc. Purchased Services - Transportation	92,000	12,125	104,125	6,750	97,375
Transportation Supplies	550,734	(173,633)	377,101	330,439	46,662
Other Objects	4,400	-	4,400	1,060	3,340
Total Undist. Expend.-Student Transportation Serv.	7,000,381	(53,875)	6,946,506	6,360,578	585,928
Unallocated Benefits:					
Social Security Contributions	918,731	45,000	963,731	936,115	27,616
Other Retirement Contributions - PERS	1,508,337	22,000	1,530,337	1,529,318	1,019
Workmen's Compensation	333,582	4,241	337,823	337,823	-
Health Benefits	13,363,170	(263,737)	13,099,433	13,035,834	63,599
Tuition Reimbursement	111,000	-	111,000	105,000	6,000
Other Employee Benefits	66,950	23,500	90,450	79,822	10,628
Unused Sick Payments to Term/Retired Staff	-	201,932	201,932	201,932	-
Total Unallocated Benefits	16,301,770	32,936	16,334,706	16,225,843	108,862
On-Behalf Contributions					
On-behalf TPAF Pension (non-budgeted)	-	-	-	10,925,873	(10,925,873)
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	124,604	(124,604)
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	3,007,535	(3,007,535)
On-Behalf TPAF Long-Term Disability Insurance (non-budgeted)	-	-	-	3,373	(3,373)
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,090,942	(2,090,942)
Total On-Behalf Contributions	-	-	-	16,152,327	(16,152,327)
Total Personal Services - Employee Benefits	16,301,770	32,936	16,334,706	32,378,171	(16,043,465)
Total Undistributed Expenditures	45,707,846	831,097	46,538,943	60,131,265	(13,592,322)
Total General Current Expense	74,249,288	821,038	75,070,325	87,468,691	(12,398,366)
Capital Outlay					

**WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Equipment					
Grades 6-8	6,968	(6,968)	-	-	-
Grades 9-12	7,206	62,327	69,533	-	69,533
Special Education - Preschool Disabilities - Non-Instructional Equip.	-	24,600	24,600	-	24,600
School-Sponsored and Other Instructional Program	26,500	(14,735)	11,765	11,765	-
Undist. Expend. - Instruction	13,101	95,068	108,169	76,663	31,506
Undist. Expend. - Support Services - General Administration	-	6,635	6,635	6,635	-
Undist. Expend. - Required Maint for School Fac.	25,000	-	25,000	-	25,000
Undist. Expend. - Custodial Services	21,250	(17,764)	3,486	3,486	-
Undist. Expend. - Care and Upkeep of Grounds	15,762	3,123	18,885	18,885	-
Undist. Expend. - Security	-	12,631	12,631	-	12,631
Total Equipment	115,787	164,916	280,704	117,433	163,270
Facilities Acquisition and Const. Serv.					
Construction Services	177,871	45,250	223,121	91,271	131,851
Assessment for Debt Service on SDA Funding	27,501	-	27,501	27,501	-
Total Facilities Acquisition and Const. Serv.	205,372	45,250	250,622	118,772	131,851
Assets Acquired Under Financed Purchases (non-budgeted)					
Support Services - Transportation	-	-	-	695,942	(695,942)
Total Assets Acquired Under Financed Purchases (non-budgeted)	-	-	-	695,942	(695,942)
Total Capital Outlay	321,160	210,166	531,326	932,147	(400,821)
Transfer of Funds to Charter Schools	67,070	23,665	90,735	90,735	-
Total Expenditures	74,637,518	1,054,869	75,692,386	88,491,573	(12,799,187)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,172,358)	(1,054,869)	(6,227,226)	(2,088,472)	4,138,754
Other Financing Sources (Uses):					
Financed Purchases (non-budgeted)	-	-	-	695,942	695,942
Capital Reserve - Transfer to Capital Projects	(856,755)	-	(856,755)	(856,755)	-
Capital Projects - Transfer to Capital Reserve	-	-	-	39,928	39,928
Total Other Financing Sources:	(856,755)	-	(856,755)	(120,885)	735,870
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(6,029,113)	(1,054,869)	(7,083,981)	(2,209,357)	4,874,624
Fund Balance, July 1	13,754,372	-	13,754,372	13,754,372	-
Fund Balance, June 30	7,725,260	(1,054,869)	6,670,391	11,545,015	4,874,624
Recapitulation of excess (deficiency) of revenues under expenditures:					
Adjustment for Prior Year Encumbrances	(948,858)	-	(948,858)	(834,985)	113,872
Budgeted Fund Balance	(4,073,500)	(1,054,869)	(5,128,369)	(640,179)	4,488,190
Budgeted Withdrawal from Capital Reserve	(856,755)	-	(856,755)	(856,755)	-
Budgeted Withdrawal from Maintenance Reserve	(150,000)	-	(150,000)	(150,000)	-
Increase in Maintenance Reserve:					
Principal	-	-	-	50,000	50,000
Increase in Capital Reserve:					
Principal	-	-	-	200,000	200,000
Interest	-	-	-	22,561	22,561
	(6,029,113)	(1,054,869)	(7,083,981)	(2,209,357)	4,874,624
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				1,480,941	
Maintenance Reserve				550,000	
Excess Surplus				1,702,258	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,393,863	
Unemployment Compensation				1,058,950	
Assigned Fund Balance:					
Year End Encumbrances				1,345,006	
Designated for Subsequent Year's Expenditures				1,732,163	
Unassigned Fund Balance				2,281,833	
				11,545,015	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP basis				(523,435)	
				11,021,580	

**WEST MILFORD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>	
Revenues:						
Local Sources	-	19,839	19,839	773,695	753,856	Note 1
State Sources	-	72,596	72,596	72,596	-	
Federal Sources	1,174,663	1,549,356	2,724,019	2,418,058	(305,961)	
Total Revenues	<u>1,174,663</u>	<u>1,641,791</u>	<u>2,816,454</u>	<u>3,264,348</u>	<u>447,895</u>	
Expenditures:						
Instruction:						
Salaries of Teachers	305,172	566,992	872,164	707,449	164,715	
Other Salaries	-	21,405	21,405	21,405	-	
Other Purchased Services (400-500 series)	775,000	137,114	912,114	912,114	-	
Instructional Supplies	-	3,873	3,873	2,686	1,187	
Other Objects	-	912	912	912	-	
Total Instruction	<u>1,080,172</u>	<u>730,296</u>	<u>1,810,468</u>	<u>1,644,566</u>	<u>165,902</u>	
Support Services:						
Salaries - Support	76,993	(23,163)	53,830	39,434	14,397	
Employee Benefits	-	365,178	365,178	341,292	23,886	
Purchased Professional and Tech Services	-	237,015	237,015	216,004	21,011	
Purchased Property Services	-	7,000	7,000	2,000	5,000	
Other Purchased Services	-	155,756	155,756	114,998	40,758	
Supplies and Materials	-	61,829	61,829	22,391	39,438	
Scholarships Awarded	-	-	-	5,000	(5,000)	Note 1
Student Activities	-	-	-	719,967	(719,967)	Note 1
Total Support Services	<u>76,993</u>	<u>803,616</u>	<u>880,609</u>	<u>1,461,086</u>	<u>(580,477)</u>	
Facilities Acquisition and Construction Services:						
Buildings	-	7,849	7,849.2	7,849	-	
Instructional Equipment	17,498	27,434	44,932	44,932	-	
Noninstructional Equipment	-	72,596	72,596	72,596	-	
Total Facilities Acquisition and Construction Services	<u>17,498</u>	<u>107,880</u>	<u>125,378</u>	<u>125,378</u>	<u>-</u>	
Total Expenditures	<u>1,174,663</u>	<u>1,641,791</u>	<u>2,816,454</u>	<u>3,231,029</u>	<u>(414,575)</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	33,319	33,319	
Fund Balance, July 1				<u>633,199</u>		
Fund Balance, June 30				<u>666,519</u>		
Recapitulation:						
Restricted:						
Scholarships				309,587		
Student Activities				356,932		
Total Fund Balance				<u>666,519</u>		

Note 1 - Not required to budget for these funds.

**WEST MILFORD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024**

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

		<u>General Fund</u>			<u>Special Revenue Fund</u>
Sources/Inflows of Resources:					
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	86,403,101	[C-2]		3,264,348
Difference - budget to GAAP:					
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.					
Add: Prior Year Encumbrances		-			1,254,291
Less: Current Year Encumbrances		-			(126,021)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognized the related expense (GASB 33).					
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(523,435)			-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		<u>627,582</u>			<u>-</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>86,507,248</u>	[B-2]		<u>4,392,618</u>
Uses/Outflows of Resources					
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	88,491,573	[C-2]		3,231,029
Differences - budget to GAAP					
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.					
Add: Prior Year Encumbrances		-			1,254,291
Less: Current Year Encumbrances		<u>-</u>			<u>(126,021)</u>
Total revenues as reported on the statement of revenues expenditures, and changes in fund balances - governmental funds	[B-2]	<u>88,491,573</u>	[B-2]		<u>4,359,299</u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - PERS
LAST 10 FISCAL YEARS

Fiscal Year Ending June30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportion Share of the Net Pension Liability (Asset)	District's Covered Payrol - PERS Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a perecentage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2016	0.1275700160%	\$ 28,636,912	\$ 8,485,838	337.47%	47.93%
2017	0.1274011928%	37,732,759	8,609,095	438.29%	59.86%
2018	0.1244999422%	28,981,597	8,490,515	341.34%	48.10%
2019	0.1258679051%	24,782,763	8,510,503	291.20%	53.60%
2020	0.1196533870%	21,559,725	8,518,227	253.10%	56.27%
2021	0.1198839548%	19,549,938	7,967,996	245.36%	58.32%
2022	0.1168449357%	13,842,034	8,220,034	168.39%	70.33%
2023	0.1085656514%	16,384,051	8,036,980	203.86%	62.91%
2024	0.1096177418%	15,877,444	7,796,794	203.64%	65.23%

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - PERS
LAST 10 FISCAL YEARS

Fiscal Year Ending June30,	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's PERS Covered- Employee Payroll	Contributions as a Percentage of PERS Covered- Employee Payroll
2016	\$ 1,096,760	\$ (1,096,760)	\$ -	8,485,838	12.92%
2017	1,131,814	(1,131,814)	-	8,609,095	13.15%
2018	1,153,359	(1,153,359)	-	8,490,515	13.58%
2019	1,251,979	(1,251,979)	-	8,510,503	14.71%
2020	1,163,881	(1,163,881)	-	8,518,227	13.66%
2021	1,311,472	(1,311,472)	-	7,967,996	16.46%
2022	1,368,390	(1,368,390)	-	8,220,034	16.65%
2023	1,369,065	(1,369,065)	-	8,036,980	17.03%
2024	1,465,071	(1,465,071)	-	7,796,794	18.79%

WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - TPAF
LAST 10 FISCAL YEARS

Fiscal Year Ending June30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportion Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payrol - TPAF Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a perecentage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2016	0.2854159332%	\$ -	\$ 180,395,058	\$ 29,529,656	0.00%	28.71%
2017	0.2880639774%	-	226,609,466	30,487,554	0.00%	28.75%
2018	0.2842699377%	-	191,665,042	31,509,557	0.00%	34.07%
2019	0.2914283214%	-	185,400,438	31,395,034	0.00%	26.49%
2020	0.2907659254%	-	178,445,793	31,090,627	0.00%	26.95%
2021	0.2925037311%	-	192,610,187	30,380,526	0.00%	24.60%
2022	0.2863954181%	-	137,685,138	30,260,922	0.00%	35.52%
2023	0.2769381144%	-	142,884,602	30,018,916	0.00%	32.29%
2024	0.2623806123%	-	133,899,831	29,380,398	0.00%	34.68%

**WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - TPAF
*LAST 10 FISCAL YEARS***

This Schedule is not applicable.

The District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

**WEST MILFORD BOARD OF EDUCATION
NOTE TO REQUIRED SCHEDULES OF SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDING 2024**

Public Employees' Retirement System (PERS)

Change in benefit terms

None.

Change in assumptions

Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note of the Notes to the Financial Statements.

Teachers Pension and Annuity Fund (TPAF)

Change in assumptions

Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note of the Notes to the Financial Statements.

**WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN DISTRICT'S PROPORTIONATE SHARE OF THE STATE OPEB LIABILITY
LAST 10 FISCAL YEARS***

	2024	2023	2022	2021	2020	2019
Total OPEB Liability						
Service Costs	\$ 5,324,869	\$ 7,158,087	\$ 8,397,737	\$ 4,744,430	\$ 4,685,800	\$ 5,228,766
Interest on Total OPEB Liability	5,932,719	4,367,603	5,028,390	4,883,515	6,118,117	6,513,196
Change on Benefit Terms	-	-	(206,318)	-	-	-
Difference Between Expected and Actual Experiences	(3,479,564)	7,842,377	(35,168,631)	36,802,469	(27,571,149)	(13,166,469)
Changes in Assumptions	339,532	(44,211,322)	191,237	40,082,150	2,037,027	(17,835,284)
Contribution from the Member	152,035	138,788	128,551	115,786	124,317	143,634
Gross Benefit Payments	(4,624,651)	(4,326,240)	(3,960,963)	(3,820,079)	(4,193,851)	(4,155,890)
Net Changes in total Share of OPEB Liability	3,644,940	(29,030,707)	(25,589,997)	82,808,271	(18,799,739)	(23,272,047)
Total OPEB Liability - Beginning	164,808,363	193,839,070	219,429,067	136,620,796	155,420,535	178,692,582
Total OPEB Liability - Ending	\$ 168,453,303	\$ 164,808,363	\$ 193,839,070	\$ 219,429,067	\$ 136,620,796	\$ 155,420,535
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	168,453,303	164,808,363	193,839,070	219,429,067	136,620,796	155,420,535
Total OPEB Liability - Ending	\$ 168,453,303	\$ 164,808,363	\$ 193,839,070	\$ 219,429,067	\$ 136,620,796	\$ 155,420,535
District's Covered Employee Payroll	\$ 37,177,192	\$ 38,055,896	\$ 38,480,956	\$ 38,348,522	\$ 39,608,854	\$ 39,905,537
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 10.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

**WEST MILFORD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024**

	Brought Forward from (Ex. E-1a)	Title I - Part A Improving Basic Programs	Title II - Part A Teacher/Principal Training & Recruiting	Title III	Title IV - Part A Student Support and Academic Enrichment	Additional or Compensatory Special Education and Related Services	Total 2024
Revenues:							
Federal Sources	1,697,205	527,312	69,112	2,750	16,684	104,995	2,418,058
Slate Sources	72,596	-	-	-	-	-	72,596
Local Sources	773,695	-	-	-	-	-	773,695
Total Revenues	2,543,496	527,312	69,112	2,750	16,684	104,995	3,264,348
Expenditures:							
Instruction:							
Salaries of Teachers	386,469	282,823	-	-	-	38,157	707,449
Other Salaries	-	-	-	-	-	21,405	21,405
Purchased Services	912,114	-	-	-	-	-	912,114
Instructional Supplies	2,686	-	-	-	-	-	2,686
Miscellaneous Expenditures	-	-	-	-	-	912	912
Total Instruction	1,301,269	282,823	-	-	-	60,474	1,644,566
Support Services:							
Salaries	19,814	10,000	5,069	-	4,551	-	39,434
Employee Benefits	130,908	165,128	388	-	348	44,521	341,292
Professional Tech Services	140,184	29,270	36,250	2,750	7,550	-	216,004
Purchased Property Services	2,000	-	-	-	-	-	2,000
Other Purchased Services	103,653	3,775	4,961	-	2,609	-	114,998
Supplies and Materials	6,937	700	13,128	-	1,626	-	22,391
Scholarships Awarded	5,000	-	-	-	-	-	5,000
Student Activities	719,967	-	-	-	-	-	719,967
Total Support Services	1,128,463	208,873	59,795	2,750	16,684	44,521	1,461,086
Facilities Acquisition and Construction Services:							
Buildings	7,849	-	-	-	-	-	7,849
Instructional equipment	-	35,616	9,316	-	-	-	44,932
Non-Instructional Equipment	72,596	-	-	-	-	-	72,596
Total Facilities Acquisition and Construction Services	80,445	35,616	9,316	-	-	-	125,378
Total Expenditures	2,510,177	527,312	69,112	2,750	16,684	104,995	3,231,029
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,319	-	-	-	-	-	33,319
Fund Balance, July 1	633,199	-	-	-	-	-	633,199
Fund Balance, June 30	666,519	-	-	-	-	-	666,519

**WEST MILFORD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024**

	I.D.E.A.		E.S.S.E.R.		A.R.P. - E.S.S.E.R.		Total
	Basic	Preschool	E.S.S.E.R.	Accelerated Learning	Summer Learning	Forward to (Ex. E-1)	
Revenues:							
Federal Sources	912,114	40,954	508,422	159,299	6,540	1,697,205	
Slate Sources	-	-	-	-	-	72,596	
Local Sources	-	-	-	-	-	773,695	
Total Revenues	912,114	40,954	508,422	159,299	6,540	2,543,496	
Expenditures:							
Instruction:							
Salaries of Teachers	-	-	369,199	-	-	386,469	
Other Salaries	-	-	-	-	-	-	
Purchased Services	912,114	-	-	-	-	912,114	
Instructional Supplies	-	-	-	-	-	2,686	
Miscellaneous Expenditures	-	-	-	-	-	-	
Total Instruction	912,114	-	369,199	-	-	1,301,269	
Support Services:							
Salaries	-	-	-	19,814	-	19,814	
Employee Benefits	1,188	-	128,204	1,516	-	130,908	
Professional Tech Services	45,000	40,954	-	54,230	-	140,184	
Purchased Property Services	-	-	-	-	2,000	2,000	
Other Purchased Services	16,964	-	3,169	83,260	259	103,653	
Supplies and Materials	2,178	-	-	480	4,280	6,937	
Scholarships Awarded	5,000	-	-	-	-	5,000	
Student Activities	719,967	-	-	-	-	719,967	
Total Support Services	790,297	40,954	131,373	159,299	6,540	1,128,463	
Facilities Acquisition and Construction Services:							
Buildings	-	-	7,849	-	-	7,849	
Instructional equipment	-	-	-	-	-	-	
Non-Instructional Equipment	-	-	-	-	-	-	
Total Facilities Acquisition and Construction Services	72,596	-	7,849	-	-	80,445	
Total Expenditures	882,848	40,954	508,422	159,299	6,540	2,510,177	
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,319	-	-	-	-	33,319	
Fund Balance, July 1	-	-	-	-	-	633,199	
Fund Balance, June 30	-	-	-	-	-	666,519	

**WEST MILFORD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024**

	A.R.P. - E.S.S.E.R. Beyond School Day	Mental Health	A.R.P. Homeless Youth	SDA Emergent Need & Capital Maintenance	Local Grant	Student Activities	Scholarship Funds	Total Carried Forward to (Ex. E-1a)
Revenues:								
Federal Sources	9,880	45,000	14,997	-	-	-	-	69,877
State Sources	-	-	-	72,596	-	-	-	72,596
Local Sources	-	-	-	-	15,408	752,369	5,918	773,695
Total Revenues	9,880	45,000	14,997	72,596	15,408	752,369	5,918	916,168
Expenditures:								
Instruction:								
Salaries of Teachers	7,890	-	-	-	9,380	-	-	17,269
Other Salaries	-	-	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-	-	-
Instructional Supplies	1,520	-	-	-	1,166	-	-	2,686
Miscellaneous Expenditures	-	-	-	-	-	-	-	-
Total Instruction	9,410	-	-	-	10,546	-	-	19,955
Support Services:								
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	471	-	-	-	718	-	-	1,188
Professional Tech Services	-	45,000	-	-	-	-	-	45,000
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	14,326	-	-	-	-	16,964
Supplies and Materials	-	-	671	-	2,638	-	-	2,178
Scholarships Awarded	-	-	-	-	1,507	-	5,000	5,000
Student Activities	-	-	-	-	-	719,967	-	719,967
Total Support Services	471	45,000	14,997	-	4,862	719,967	5,000	790,297
Facilities Acquisition and Construction Services:								
Buildings	-	-	-	-	-	-	-	-
Instructional equipment	-	-	-	-	-	-	-	-
Non-Instructional Equipment	-	-	-	72,596	-	-	-	72,596
Total Facilities Acquisition and Construction Services	-	-	-	72,596	-	-	-	72,596
Total Expenditures	9,880	45,000	14,997	72,596	15,408	719,967	5,000	882,848
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	32,401	918	33,319
Fund Balance, July 1	-	-	-	-	-	324,531	308,668	633,199
Fund Balance, June 30	-	-	-	-	-	356,932	309,587	666,519

CAPITAL PROJECTS FUND

**WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

<u>Project Description</u>	<u>Appropriation</u>	<u>Expenditures</u>		<u>Canceled</u>	<u>Unexpended Balance</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Macopin & HS Security - Vestibule Improvement:	300,000	276,458	-	23,542	-
Upper Greenwood Lake Septic	250,000	-	313	-	249,688
Upper Greenwood Lake Windows & Doors	450,000	-	-	-	450,000
Macopin Kitchen Floor	<u>156,755</u>	<u>-</u>	<u>140,369</u>	<u>16,386</u>	<u>-</u>
	<u><u>1,156,755</u></u>	<u><u>276,458</u></u>	<u><u>140,682</u></u>	<u><u>39,928</u></u>	<u><u>699,688</u></u>

**WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE -BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024**

Revenue and Other Financing Sources:	
Transfer from Capital Reserve	856,755
Total Revenues and Other Financing Sources	856,755
Expenditures and Other Financing Uses:	
Architectural/Engineering Services	313
Construction Services	140,369
Transfers to Other Funds	39,928
Total Expenditures and Other Financing Uses	180,610
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and other Financing Sources (Uses)	676,146
Fund Balance - Beginning of Year	23,542
Fund Balance - End of Year	699,688

**WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
VESTIBULE SECURITY UPGRADES - MACOPIN AND HIGH SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	300,000	-	300,000	300,000
Total Revenues	300,000	-	300,000	300,000
Expenditures and Other Financing Uses:				
Construction Services	276,458	-	276,458	276,458
Cancelled to Capital Reserve	-	23,542	23,542	23,542
Total Expenditures and Other Financing Uses	276,458	23,542	300,000	300,000
Excess (Deficiency) or Revenues Over (under) Expenditures	23,542	(23,542)	-	-
Additional Project Information:				
Original Authorized Costs			300,000	
Additional Authorized Costs			(23,542)	
Revised Authorized Costs			276,458	
Percentage Increase/(Decrease) to Original Authorized Costs			-7.85%	
Percentage of Completion			100.00%	

**WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
UPPER GREENWOOD LAKE ELEMENTARY SCHOOL SEPTIC
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:			
Transfer from Capital Reserve	250,000	250,000	250,000
Total Revenues	250,000	250,000	250,000
Expenditures and Other Financing Uses:			
Architectural/Engineering Services	313	313	750
Construction Services	-	-	249,250
Total Expenditures and Other Financing Uses	313	313	250,000
Excess (Deficiency) or Revenues Over (under) Expenditures	249,688	249,688	-
 Additional Project Information:			
Original Authorized Costs		250,000	
Additional Authorized Costs		-	
Revised Authorized Costs		250,000	
Percentage Increase over Original Authorized Costs		0.00%	
Percentage of Completion		0.13%	

**WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
UPPER GREENWOOD LAKE ELEMENTARY SCHOOL WINDOWS & DOORS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:			
Transferred from Capital Reserve	450,000	450,000	450,000
Total Revenues	450,000	450,000	450,000
Expenditures and Other Financing Uses:			
Construction Services	-	-	450,000
Total Expenditures and Other Financing Uses	-	-	450,000
Excess (Deficiency) or Revenues Over (under) Expenditures	450,000	450,000	-
 Additional Project Information:			
Original Authorized Costs		450,000	
Additional Authorized Costs		-	
Revised Authorized Costs		450,000	
Percentage Increase over Original Authorized Costs		0.00%	
Percentage of Completion		0.00%	

**WEST MILFORD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
MACOPIN MIDDLE SCHOOL KITCHEN FLOOR
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:			
Transfer from Capital Reserve	156,755	156,755	156,755
Total Revenues	156,755	156,755	156,755
Expenditures and Other Financing Uses:			
Construction Services	140,369	140,369	140,369
Transfers from Capital Projects	16,386	16,386	16,386
Total Expenditures and Other Financing Uses	156,755	156,755	156,755
Excess (Deficiency) or Revenues Over (under) Expenditures	-	-	-
 Additional Project Information:			
Original Authorized Costs		156,755	
Additional Authorized Costs		(16,386)	
Revised Authorized Costs		140,369	
Percentage Increase (Decrease) over Original Authorized Costs		-10.45%	
Percentage of Completion		100.00%	

PROPRIETARY FUNDS

**WEST MILFORD BOARD OF EDUCATION
COMBINING STATEMENT OF NET POSITION
ENTERPRISE FUNDS
JUNE 30, 2024**

	Food Service Program	School Age Child Care	Totals
Assets:			
Current Assets:			
Cash and Cash Equivalents	527,751	333,719	861,470
Accounts Receivable:			
State	5,776	-	5,776
Federal	74,909	-	74,909
Other	23,628	2,048	25,676
Inventories	16,008	-	16,008
Total Current Assets	648,073	335,766	983,840
Noncurrent Assets:			
Capital Assets:			
Equipment	474,979	2,520	477,499
Less: Accumulated Depreciation	(194,993)	(1,655)	(196,648)
Total Capital Assets (Net of Accumulated Depreciation)	279,986	865	280,851
Total Assets	928,060	336,632	1,264,691
Liabilities:			
Current Liabilities:			
Accounts Payable:			
Other	122,574	894	123,468
Other Current Liabilities	-	2,555	2,555
Interfund Payable:			
General Fund	209,979	400	210,379
Deferred Revenue	30,417	5,080	35,497
Total Current Liabilities	362,970	8,929	371,899
Total Liabilities	362,970	8,929	371,899
Net Position:			
Invested in Capital Assets Net of			
Related Debt	279,986	865	280,851
Unrestricted	285,104	326,837	611,941
Total Net Position	565,090	327,702	892,792

**WEST MILFORD BOARD OF EDUCATION
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Food Service Program</u>	<u>School Age Child Care</u>	<u>Totals</u>
Operating Revenues:			
Local Sources:			
Daily Sales - Reimbursable Programs	778,414	-	778,414
Daily Sales - Non-reimbursable Programs	305,597	-	305,597
Special Functions/Miscellaneous	15,358	-	15,358
Tuition	-	435,087	435,087
Miscellaneous	707	-	707
Total Operating Revenues	<u>1,100,077</u>	<u>435,087</u>	<u>1,535,164</u>
Operating Expenses:			
Cost of Sales - Reimbursable	619,556	-	619,556
Cost of Sales - Non-reimbursable	127,642	-	127,642
Salaries	316,271	334,217	650,487
Employee Benefits	100,993	18,683	119,675
Purchased Technical Services	490,523	-	490,523
Management Fees	88,528	-	88,528
Other Purchased Services	-	9,392	9,392
Repairs	5,327	-	5,327
General Supplies	34,897	2,601	37,498
Depreciation	22,487	252	22,739
Miscellaneous	9,605	2,277	11,882
Total Operating Expenses	<u>1,815,828</u>	<u>367,421</u>	<u>2,183,250</u>
Operating Income/(Loss)	<u>(715,752)</u>	<u>67,666</u>	<u>(648,086)</u>
Non-operating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	28,644	-	28,644
State School Breakfast Program	941	-	941
Federal Sources:			
School Breakfast Program	356,845	-	356,845
National School Lunch Program	32,859	-	32,859
Local Food for Schools Program	4,854	-	4,854
Supply-chain Assistance Program - 4th Round	72,605	-	72,605
Food Distribution Program	109,359	-	109,359
Interest and Investment Revenue	5,945	10,492	16,437
Total Non-operating Revenues/(Expenses)	<u>612,053</u>	<u>10,492</u>	<u>622,545</u>
Change in Net Position	(103,699)	78,158	(25,540)
Total Net Position - Beginning	<u>668,788</u>	<u>249,544</u>	<u>918,333</u>
Total Net Position - Ending	<u>565,090</u>	<u>327,702</u>	<u>892,792</u>

**WEST MILFORD BOARD OF EDUCATION
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	Food Service Program	School Age Child Care	Totals
Cash Flows from Operating Activities:			
Receipts from Customers	1,089,189	431,799	1,520,988
Receipts/(Payments) for Interfunds	209,979	400	210,379
Payments to Employees for Services	(316,271)	(334,217)	(650,487)
Payments to Suppliers	(1,398,053)	(32,173)	(1,430,226)
Net Cash Provided by/(Used for) Operating Activities	<u>(415,156)</u>	<u>65,810</u>	<u>(349,346)</u>
Cash Flows from Non-capital Financing Activities:			
State Sources	28,200	-	28,200
Federal Sources	619,893	-	619,893
Net Cash Provided by/(Used for) Non-capital Financing Activities	<u>648,094</u>	<u>-</u>	<u>648,094</u>
Cash Flow from Capital and Related Financing Activities:			
Purchase of Capital Assets	(153,718)	-	(153,718)
Net Cash Provided by/(Used for) Capital and Related Financing Activities	<u>(153,718)</u>	<u>-</u>	<u>(153,718)</u>
Cash Flow from Investing Activities:			
Interest on Cash Equivalents	5,945	10,492	16,437
Net Cash Provided by/(Used for) Investing Activities	<u>5,945</u>	<u>10,492</u>	<u>16,437</u>
Net Increase (Decrease) in Cash and Cash Equivalents	85,165	76,302	161,467
Balances-Beginning of Year	442,587	257,417	700,004
Balances-End of Year	<u>527,751</u>	<u>333,719</u>	<u>861,470</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income/(Loss)	(715,752)	67,666	(648,086)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided by/(Used for) Operating Activities:			
Depreciation	22,487	252	22,739
Changes in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	(10,644)	(575)	(11,218)
(Increase)/Decrease in Inventory	2,991	-	2,991
Increase/(Decrease) in Accounts Payable	76,026	780	76,806
Increase/(Decrease) in Interfund Payable	209,979	400	210,379
Increase/(Decrease) in Deferred Revenue	(244)	(2,714)	(2,957)
Total Adjustments	<u>300,596</u>	<u>(1,856)</u>	<u>298,740</u>
Net Cash Provided by/(Used for) Operating Activities	<u>(415,156)</u>	<u>65,810</u>	<u>(349,346)</u>

LONG-TERM DEBT

**WEST MILFORD BOARD OF EDUCATION
GENERAL LONG TERM DEBT ACCOUNT GROUP
STATEMENT OF SERIAL BONDS
JUNE 30, 2024**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Retired	Balance July 1, 2023	Balance June 30, 2024
			Date	Amount				
School Bonds of 2016	7/15/2016	6,500,000	7/15/2024	550,000	2.00%			
			7/15/2025	550,000	2.00%			
			7/15/2026	590,000	2.00%			
			7/15/2027	600,000	2.00%			
			7/15/2028	625,000	2.00%			
7/15/2029	660,000	2.00%						
						4,100,000	525,000	3,575,000

**WEST MILFORD BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Issue	Interest Rate Payables	Amount of Original Issue	Amount Outstanding on July 1, 2023	Issued in Current Year	Retired in Current Year	Amount Outstanding on June 30, 2024
2020 School Buses (3-54 Pass., 5-24 Pass.)	4.58%	639,384	133,466	-	133,466	-
2021 School Buses (2-54 Pass., 2-24 Pass.)	3.70%	747,836	304,106	-	149,189	154,918
1 - 2021 John Deer Gator, 1 - 2021 Ford F-350	4.30%	87,957	22,060	-	22,060	-
34 Savin Digital Copiers	3.50%	206,230	93,920	-	42,442	51,478
2022 School Buses (3-24 Pass., 5-54 Pass.)	3.94%	763,841	454,555	-	145,705	308,850
2023 School Buses (1-24 Pass., 2-54 Pass.)	7.33%	358,780	-	358,780	155,053	203,726
2023 School Buses (Mintour)	7.97%	185,534	-	185,534	80,000	105,534
2024 School Buses (Thomas)	7.21%	151,628	-	151,628	33,276	118,353
Energy Savings Incentive Program	2.13%	7,490,000	6,328,482	-	336,285	5,992,197
Total			7,336,589	695,942	1,097,476	6,935,055

WEST MILFORD BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Revenues:				
Local sources:				
Local tax levy	293,153	293,153	293,153	-
Total revenues - local sources	293,153	293,153	293,153	-
State sources:				
Debt service aid type II	204,595	204,595	204,595	-
Total state sources	204,595	204,595	204,595	-
Total Revenues	497,748	497,748	497,748	-
Expenditures:				
Regular debt service:				
Interest on Bonds	76,750	76,750	76,750	-
Redemption of principal	525,000	525,000	525,000	-
Total regular debt service	601,750	601,750	601,750	-
Total Expenditures	601,750	601,750	601,750	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(104,002)	(104,002)	(104,002)	-
Fund Balances, July 1	104,002	104,002	104,002	-
Fund Balances, June 30	-	-	-	-
Recapitulation of excess (deficiency) of revenues under expenditures:				
Budgeted Fund Balance	(104,002)	(104,002)	(104,002)	-

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

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- J-2 Changes in Net Assets/Position
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STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

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Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.	

WEST MILFORD SCHOOL DISTRICT

Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Invested in capital assets, net of related debt	14,625,039	19,535,969	17,423,192	18,571,495	19,369,256	20,808,409	21,550,828	22,183,508	22,008,235	22,096,755
Restricted	7,957,499	7,082,783	9,830,847	8,137,799	7,860,210	8,412,347	10,528,465	9,846,006	8,811,747	8,897,225
Unrestricted	(28,031,456)	(28,842,210)	(31,564,210)	(31,874,212)	(31,571,082)	(30,178,977)	(27,208,323)	(21,412,315)	(17,844,576)	(16,978,021)
Total governmental activities net position	(5,448,918)	(2,223,437)	(4,310,171)	(5,164,918)	(4,341,616)	(958,221)	4,870,969	10,617,199	12,975,406	14,015,959
Business-type activities										
Invested in capital assets, net of related debt	123,999	59,175	65,339	64,065	66,394	66,474	78,781	94,068	149,873	280,851
Restricted	48,552	47,906	42,950	43,050	4,100	-	-	-	-	-
Unrestricted	143,241	77,415	58,736	21,680	92,412	21,231	-	550,149	768,459	611,941
Total business-type activities net position	315,792	184,495	167,025	128,795	162,906	87,705	78,781	644,217	918,332	892,792
District-wide										
Invested in capital assets, net of related debt	14,749,038	19,595,164	17,488,531	18,635,560	19,435,650	20,874,883	21,629,609	22,277,576	22,158,108	22,377,606
Restricted	8,006,050	7,130,689	9,873,797	8,180,849	7,864,310	8,412,347	10,528,465	9,846,006	8,811,747	8,897,225
Unrestricted	(27,888,215)	(28,764,795)	(31,505,474)	(31,852,531)	(31,478,670)	(30,157,746)	(27,208,323)	(20,862,166)	(17,076,117)	(16,366,080)
Total district net position	(5,133,127)	(2,038,942)	(4,143,146)	(5,036,123)	(4,178,710)	(870,516)	4,949,751	11,261,416	13,893,738	14,908,751

Source: ACFR Schedule A-1

WEST MILFORD SCHOOL DISTRICT

Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	33,688,879	35,397,999	39,420,525	40,763,496	37,390,157	34,111,561	38,662,244	33,760,938	31,715,542	32,133,593
Special education	10,880,659	11,785,583	13,745,328	14,226,531	12,933,182	12,010,835	13,552,176	11,542,240	11,204,303	11,063,197
Other special education	307,127	313,341	288,723	301,309	319,072	346,903	271,003	373,907	341,143	210,566
Other instruction	1,262,218	1,339,603	1,471,639	1,473,306	1,413,154	1,320,817	1,358,065	1,436,531	1,501,247	1,619,719
Support Services:										
Tuition	4,687,173	4,113,329	4,768,524	4,313,254	3,905,318	3,738,633	3,408,345	2,775,994	3,548,527	3,418,081
Student & instruction related services	9,566,003	10,020,550	11,196,726	11,511,824	11,103,269	10,438,181	10,921,286	10,171,672	10,578,772	10,561,975
General administrative services	1,564,216	1,715,623	1,852,747	1,832,412	1,736,709	1,685,135	1,689,065	1,655,487	1,606,885	1,611,324
School administrative services	4,174,086	4,803,145	5,465,106	5,494,488	4,933,840	4,552,472	5,255,009	4,362,945	4,118,316	3,934,649
Central Services and Admin. Info. Tech.	1,548,677	1,626,964	1,856,924	1,866,713	1,738,594	1,630,974	1,829,219	1,893,543	1,639,577	1,616,803
Plant operations and maintenance	7,936,484	8,021,118	8,978,761	8,977,810	8,680,486	8,321,824	9,850,384	8,076,078	8,375,187	8,127,379
Pupil transportation	5,751,379	5,704,056	6,287,804	6,701,989	6,571,627	5,647,451	5,998,229	5,713,852	6,790,467	7,104,547
Charter Schools	33,960	27,501	29,237	-	-	5,647,451	42,825	44,402	65,427	90,735
Non-instructional services	-	-	-	-	-	221	-	-	1,399	-
Interest on Long term debt	49,060	28,340	130,386	91,701	114,395	135,338	102,441	92,889	82,408	72,107
Capital Outlay - Non-depreciable	27,501	32,777	27,501	27,501	174,018	27,501	27,501	27,501	27,501	27,501
Unallocated Benefits	17,208	17,656	-	-	-	-	-	-	-	-
Total governmental activities expenses	81,494,628	84,947,584	95,519,929	97,582,335	91,013,821	83,967,846	92,968,792	81,927,979	81,596,701	81,592,175
Business-type activities:										
Food service	1,233,017	1,240,543	1,314,371	1,307,906	1,335,322	1,095,866	945,551	1,643,110	1,649,633	1,815,828
School Aged Child Care	286,769	471,027	427,969	420,506	452,933	362,871	126,418	245,141	275,104	367,421
Total business-type activities expense	1,519,786	1,711,569	1,742,341	1,728,412	1,788,255	1,458,736	1,071,969	1,888,251	1,924,737	2,183,249
Total district expenses	83,014,414	86,659,153	97,262,270	99,310,747	92,802,076	85,426,583	94,040,761	83,816,230	83,521,438	83,775,424
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	346,766	363,804	342,190	298,606	242,559	188,738	126,062	319,242	95,455	136,668
Support Services	-	-	-	-	-	-	228,165	699,691	805,723	758,287
Plant operations and maintenance	-	-	-	-	-	-	-	-	-	-
Pupil transportation	34,747	465	13,572	-	-	2,077	-	-	-	-
Operating grants and contributions	1,405,774	1,423,795	1,381,971	1,319,278	1,297,061	1,226,983	1,617,983	2,163,706	2,045,428	2,683,367
Total governmental activities program revenues	1,787,288	1,788,064	1,737,734	1,617,885	1,539,620	1,417,798	1,972,209	3,182,639	2,946,606	3,578,322
Business-type activities:										
Charges for services:										
Food service	762,535	763,809	792,535	853,813	888,221	606,128	750	38,724	1,084,357	1,100,077
School Aged Child Care	395,322	396,731	403,564	382,121	480,825	287,647	77,271	355,495	410,973	435,087
Operating grants and contributions	353,519	355,600	371,102	387,264	384,616	316,567	797,134	2,059,048	695,984	606,108
Total business type activities program revenues	1,511,375	1,516,140	1,567,200	1,623,197	1,753,662	1,210,342	875,156	2,453,267	2,191,313	2,141,272
Total district program revenues	3,298,663	3,304,204	3,304,934	3,241,082	3,293,282	2,628,140	2,847,365	5,635,906	5,137,919	5,719,594

WEST MILFORD SCHOOL DISTRICT

Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue										
Governmental activities	(79,707,341)	(83,159,519)	(93,782,196)	(95,964,450)	(89,474,201)	(82,550,049)	(90,996,582)	(78,745,340)	(78,650,095)	(78,013,853)
Business-type activities	(8,410)	(185,430)	(175,140)	(105,214)	(34,593)	(248,394)	(196,813)	565,016	266,576	(41,977)
Total district-wide net expense	(79,715,751)	(83,354,949)	(93,957,336)	(96,069,665)	(89,508,794)	(82,798,443)	(91,193,396)	(78,180,324)	(78,383,519)	(78,055,830)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	53,542,837	53,542,837	53,542,837	55,015,708	56,113,022	56,113,022	57,515,848	58,666,165	59,710,949	62,383,738
Taxes levied for debt service	537,742	524,720	514,393	360,313	270,260	270,260	299,710	294,349	304,084	293,153
Unrestricted grants and contributions	31,308,436	37,326,592	40,647,902	34,490,148	29,159,726	29,159,726	36,545,689	24,859,353	20,419,819	15,733,306
Restricted State Aid	893	893	60,818	184,621	190,740	190,740	205,913	203,150	208,165	204,595
Miscellaneous income	1,093,234	467,602	409,242	311,123	370,486	370,486	817,172	488,553	365,286	439,616
Transfers	(157,608)	(156,547)	(65,488)	(64,410)	(170,791)	(170,791)	(187,700)	-	-	-
Total governmental activities	86,325,533	91,706,097	95,109,703	90,297,503	85,933,443	85,933,443	95,196,633	84,491,570	81,008,302	79,054,408
Business-type activities:										
Investment earnings	1,122	1,254	1,496	4,293	2,403	2,403	190	419	7,538	16,437
Transfers	157,608	156,547	65,488	64,410	170,791	170,791	187,700	-	-	-
Total business-type activities	158,730	157,801	66,984	68,703	173,194	173,194	187,890	419	7,538	16,437
Total district-wide	86,484,263	91,863,898	95,176,688	90,366,206	86,106,637	86,106,637	95,384,522	84,491,989	81,015,840	79,070,845
Change in Net Position										
Governmental activities	6,618,193	8,546,577	1,327,508	(5,666,947)	(3,540,758)	3,383,394	4,200,050	5,746,230	2,358,207	1,040,555
Business-type activities	150,320	(37,629)	(108,156)	(36,511)	138,601	(75,201)	(8,924)	565,435	274,114	(25,540)
Total district	6,768,512	8,508,948	1,219,352	(5,703,459)	(3,402,157)	3,308,194	4,191,126	6,311,665	2,632,321	1,015,015

Source: ACFR Schedule A-2

WEST MILFORD SCHOOL DISTRICT

Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund	7,029,480	7,469,447	6,678,225	6,707,127	6,094,059	6,639,112	8,661,334	8,100,557	7,206,148	6,186,013
Restricted										
Committed										
Assigned	879,734	770,194	732,086	620,762	1,125,221	1,544,059	543,609	2,628,090	2,939,154	3,077,169
Unassigned	7,639	(22,246)	(2,441)	283,906	588,100	482,026	2,723,707	2,879,809	2,981,489	1,758,398
Total general fund	7,916,852	8,217,395	7,407,871	7,611,795	7,807,380	8,665,197	11,928,649	13,608,456	13,126,791	11,021,580
All Other Governmental Funds										
Assigned:										
Debt service fund	-	-	-	-	-	-	100,001	100,001	104,002	-
Committed	-	91,595	113,921	3,897	737	-	-	-	-	-
Restricted:										
Special revenue fund							660,356	663,381	633,199	666,519
Capital projects fund	44,806	(1,248,454)	2,306,613	871,498	540,191	1,043,149	663,167	361,893	23,542	699,688
Debt service fund	3,479	1	2	2	100,003	100,003	-	-	-	-
Total all other governmental funds	48,285	(1,156,857)	2,420,536	875,398	640,931	1,143,152	1,423,524	1,125,275	760,743	1,366,207

Source: ACFR Schedule B-1

WEST MILFORD SCHOOL DISTRICT

Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	53,540,227	54,080,579	54,067,557	54,057,230	55,376,021	56,383,282	57,815,558	58,960,514	60,015,033	62,676,891
Tuition charges	346,766	363,804	342,190	298,606	242,559	188,738	126,062	319,242	95,455	136,668
Bond Proceeds	-	-	6,500,000	-	-	-	-	-	-	-
Miscellaneous	610,068	638,189	407,161	541,319	312,507	457,651	1,049,837	1,092,423	1,190,181	1,213,136
State sources	21,799,652	22,922,509	23,425,658	25,165,996	26,334,923	25,782,970	26,725,417	27,709,401	27,338,938	23,737,854
Federal sources	1,518,859	1,535,250	1,476,787	1,452,244	1,438,740	1,363,689	1,779,188	2,283,538	2,459,950	3,633,065
Total revenue	77,815,572	79,540,331	86,219,353	81,515,394	83,704,750	84,176,329	87,496,061	90,365,118	91,099,558	91,397,614
Expenditures										
Instruction										
Regular instruction	21,463,410	21,013,763	20,959,577	21,584,843	21,338,475	20,286,831	20,691,065	20,960,293	20,179,933	20,517,211
Special education instruction	6,120,814	6,241,764	6,550,956	6,790,092	6,815,361	6,847,921	6,753,995	6,901,403	7,097,968	6,926,992
Other special instruction	307,127	313,341	288,723	301,309	319,072	346,903	271,003	373,907	341,143	210,566
Other instruction	1,262,218	1,339,603	1,471,639	1,473,306	1,559,671	1,452,480	1,482,131	1,567,670	1,639,862	1,619,719
Support Services:										
Tuition	4,687,173	4,113,329	4,768,524	4,313,254	3,905,318	3,738,633	3,408,345	2,775,994	3,548,527	3,418,080
Student & instruction related services	7,029,828	7,090,211	7,419,527	7,594,501	7,846,180	7,656,076	7,285,752	7,623,907	8,298,530	8,265,643
General administrative services	1,182,703	1,266,389	1,242,662	1,199,448	1,209,560	1,232,821	1,123,395	1,225,087	1,259,907	1,259,952
School Administrative services	2,557,967	2,516,280	2,490,357	2,417,694	2,405,687	2,420,975	2,452,913	2,472,619	2,413,946	2,219,105
Central Services	1,012,607	1,014,190	1,066,400	1,047,457	1,058,774	1,050,362	1,070,631	1,115,144	1,167,034	1,141,774
Plant operations and maintenance	5,936,973	5,737,746	6,005,768	5,863,839	6,091,728	6,088,909	6,930,403	6,848,382	6,540,647	6,559,234
Pupil transportation	4,470,002	4,219,835	4,353,973	4,674,919	4,948,112	4,337,643	4,219,474	4,880,943	5,879,134	6,360,578
Unallocated employee benefits	18,592,142	19,402,412	21,129,834	22,691,016	23,607,853	23,908,633	26,972,418	30,301,182	31,533,430	32,378,171
Charter Schools	33,960	28,340	29,237	-	-	-	42,825	44,402	65,427	90,735
Operation of Non-Instructional Services	-	-	-	-	-	221	-	-	1,399	-
Capital outlay	3,004,287	6,358,893	5,220,130	2,172,095	3,197,715	3,355,477	3,125,729	9,271,355	1,370,640	2,023,793
Debt Service:										
Principal	484,559	504,559	504,559	392,559	429,558	450,000	500,000	500,000	525,000	525,000
Interest and Other Charges	53,724	37,554	21,054	182,652	115,375	111,000	105,625	97,500	87,250	76,750
Total expenditures	78,199,493	81,198,209	83,522,918	82,698,985	84,848,439	83,284,884	86,435,705	96,959,782	91,945,775	93,593,304
Excess (Deficiency) of revenues over (under) expenditures	(383,921)	(1,657,877)	2,696,434	(1,183,590)	(1,143,689)	891,445	1,060,357	(6,594,664)	(846,217)	(2,195,689)
Other Financing sources (uses)										
Capital leases (non-budgeted)	330,169	910,885	227,982	-	1,234,704	639,384	1,042,024	7,972,642	-	695,942
Transfers in	1,544,113	2,538,568	1,706,250	300,000	100,000	1,601,870	959,102	913,434	525,000	856,755
Transfers out	(1,679,701)	(2,696,176)	(1,862,796)	(457,623)	(164,410)	(1,772,660)	(1,146,802)	(913,434)	(525,000)	(856,755)
Total other financing sources (uses)	194,581	753,277	71,435	(157,623)	1,170,294	468,594	854,324	7,972,642	-	695,942
Net change in fund balances	\$ (189,340)	\$ (904,600)	\$ 2,767,870	\$ (1,341,213)	\$ 26,605	\$ 1,360,039	\$ 1,914,681	\$ 1,377,978	\$ (846,217)	\$ (1,499,747)
Debt service as a percentage of noncapital expenditures	0.716%	0.724%	0.671%	0.714%	0.667%	0.702%	0.727%	0.681%	0.676%	0.657%

Source: ACFR Schedule B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

WEST MILFORD SCHOOL DISTRICT

General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Interest on Investments	Rentals	Tuition	Transportation	Misc.	Total
2015	20,754	134,298	346,766	34,747	414,551	951,116
2016	1,870	137,174	363,804	465	482,709	986,023
2017	1,846	126,793	342,190	13,572	258,326	742,728
2018	3,697	109,379	298,606	-	425,146	836,828
2019	10,312	24,955	242,559	-	275,857	553,683
2020	11,852	1,928	188,738	2,077	441,794	646,389
2021	1,304	441	126,062	-	815,427	943,234
2022	3,187	26,462	319,242	-	352,123	701,014
2023	16,269	21,960	95,455	-	327,057	460,741
2024	22,561	23,554	136,668	-	393,500	576,283

Source: District Records, B-2

WEST MILFORD SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Cfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2015	71,583,700	2,400,609,100	45,479,600	568,800	203,852,000	42,403,800	1,643,600	2,766,140,600	-	2,766,140,600	1,955	3,061,922,394
2016	71,726,400	2,395,301,900	46,594,900	551,500	203,171,500	42,229,100	1,643,600	2,761,218,900	100	2,761,219,000	1,958	3,009,175,013
2017	71,272,800	2,389,560,800	47,925,600	557,500	194,201,100	42,229,100	1,643,600	2,747,390,500	-	2,747,390,500	1,968	2,987,917,990
2018	69,741,300	2,386,624,000	49,136,900	570,800	191,330,900	42,015,100	1,643,600	2,741,062,600	100	2,741,062,700	2,021	2,984,770,664
2019	69,399,300	2,389,459,300	47,526,600	592,600	190,758,100	42,015,100	1,543,600	2,741,294,600	100	2,741,294,700	2,057	3,137,210,675
2020	67,939,100	2,387,463,500	48,468,800	594,000	194,950,000	41,891,200	1,543,600	2,742,850,200	100	2,742,850,300	2,108	3,162,151,487
2021	70,991,000	2,384,412,800	48,351,700	593,500	181,994,300	41,891,200	1,543,600	2,729,778,100	100	2,729,778,200	2,160	3,430,231,340
2022	70,996,600	2,387,634,300	49,761,200	587,800	181,104,800	41,136,500	1,543,600	2,732,764,800	-	2,732,764,800	2,196	3,837,075,079
2023	69,872,200	2,392,565,100	50,753,100	676,000	180,891,700	41,256,700	1,543,600	2,737,558,400	100	2,737,558,500	2,290	4,182,032,486
2024	69,279,100	2,396,851,900	51,177,100	633,800	181,146,000	40,946,700	1,543,600	2,741,578,200	100	2,741,578,300	2,398	4,182,032,486

Source: Passaic County, Abstract of Rates & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when County Board of Taxation requests Treasury to order reassessment.

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

^b Tax rates are per \$100 of assessed value

^c Revaluation/Reassessment Year.

WEST MILFORD SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	West Milford Board of Education			Township of West Milford ^c	Passaic County	Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct			
2015	1.936	0.019	1.955	0.909	0.802	3.666
2016	1.939	0.019	1.958	0.925	0.826	3.709
2017	1.949	0.019	1.968	0.929	0.807	3.703
2018	2.008	0.013	2.021	0.865	0.800	3.686
2019	2.046	0.010	2.056	0.863	0.774	3.693
2020	2.098	0.010	2.108	0.863	0.774	3.745
2021	2.149	0.011	2.160	0.862	0.763	3.785
2022	2.185	0.011	2.196	0.878	0.794	3.868
2023	2.279	0.011	2.290	0.878	0.783	3.951
2024	2.387	0.011	2.398	0.877	0.779	4.054

Source: District Records and Municipal Tax Collector

Note:

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.

WEST MILFORD SCHOOL DISTRICT

Principal Property Tax Payers,
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
City of Newark	\$ 43,193,200	1	1.58%	\$ 39,490,500	1	1.43%
Tenneco Pipeline	25,284,400	2	0.92%	25,284,400	2	0.91%
Inserra West Milford LLC	18,099,700	3	0.66%	17,096,400	3	0.62%
HCRI NY-NJ Properties LLC	10,634,000	4	0.39%			
Sprint - T-mobile	5,271,700	5	0.19%	6,457,800	6	0.23%
Lakeland State Bank	4,380,000	6	0.16%	5,970,600	7	0.22%
NSA Property Holdings LLC	4,262,000	7	0.16%			
Suez Water NJ C/O Veolia	4,179,600	8	0.15%			
KYH Properties LLC C/O Ted Porebs	3,912,700	9	0.14%	3,912,700	10	0.14%
Milford Manor	3,850,000	10	0.14%			
West Milford Shopping Plaza				16,864,400	4	0.61%
Bald Eagle Senior Living				9,995,500	5	0.36%
Bald Eagle Square				4,950,000	8	0.18%
69 Maple Ave. Associates				4,650,000	9	0.17%
Total	\$ 123,067,300		4.49%	\$ 134,672,300		4.87%

Source: Municipal Tax Assessor's Office

WEST MILFORD SCHOOL DISTRICT

**Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	53,540,227	53,540,227	100.00%	-
2016	54,080,579	54,080,579	100.00%	-
2017	54,067,557	54,067,557	100.00%	-
2018	54,057,230	54,057,230	100.00%	-
2019	55,376,021	55,376,021	100.00%	-
2020	56,113,022	56,113,022	100.00%	-
2021	57,515,848	57,515,848	100.00%	-
2022	58,666,165	58,666,165	100.00%	-
2023	59,710,949	59,710,949	100.00%	-
2024	62,676,891	62,676,891	100.00%	-

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

- a** School taxes are collected by the Municipal Tax Collector. Under New Jersey State 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.

WEST MILFORD SCHOOL DISTRICT

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Loans Payable	Capital Leases			
2015	1,388,000	18,234	680,940	2,087,174	0.1715%	79
2016	888,000	13,676	1,173,897	2,075,572	0.1687%	79
2017	6,888,000	9,117	998,601	7,895,718	0.6333%	299
2018	6,500,000	4,559	606,306	7,110,864	0.5484%	269
2019	6,075,000	-	1,272,539	7,347,539	0.5451%	279
2020	5,625,000	-	1,296,544	6,921,544	0.4729%	263
2021	5,125,000	-	1,696,405	6,821,405	0.4660%	260
2022	4,625,000	-	8,124,671	12,749,671	0.9163%	519
2023	4,100,000	-	7,336,589	11,436,589	***	469
2024	3,575,000	-	6,935,055	10,510,055	***	432

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

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

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

WEST MILFORD SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	1,388,000	-	1,388,000	0.05%	53
2016	888,000	-	888,000	0.03%	34
2017	6,888,000	-	6,888,000	0.25%	261
2018	6,500,000	-	6,500,000	0.24%	246
2019	6,075,000	-	6,075,000	0.22%	231
2020	5,625,000	-	5,625,000	0.21%	214
2021	5,125,000	-	5,125,000	0.19%	209
2022	4,625,000	-	4,625,000	0.17%	190
2023	4,100,000	-	4,100,000	0.15%	168
2024	3,575,000	-	3,575,000	0.13%	***

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

WEST MILFORD SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt
Year Ended June 30, 2024

<u>Governmental Unit</u>	(1)		Estimated Percentage Applicable ^a	Estimated Share of Overlapping Debt
	Outstanding	Debt		
Debt repaid with property taxes				
Township of West Milford	1	33,364,434	100.000%	33,364,434
Other debt				
Passaic County	2	276,193,698	5.885%	16,255,037
Passaic County Utility Authority	3	34,725,000	5.885%	2,043,697
Subtotal, overlapping debt				51,663,168
West Milford Township School District Direct Debt				<u>3,575,000</u>
Total direct and overlapping debt				<u>\$ 55,238,168</u>

Sources: Township of West Milford Finance Officer, Passaic County Finance Office.
 1 12/31/2023 Annual Debt Statement for the Township of West Milford
 2 12/31/2023 Passaic County audit
 3 12/31/2023 Passaic County Utility Authority audit

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

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

(1) Debt Information as of December 31, 2019

WEST MILFORD SCHOOL DISTRICT

Legal Debt Margin Information,
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized valuation basis	
2021	\$ 3,430,231,340
2022	\$ 3,837,075,079
2023	\$ 4,182,032,486
[A]	<u>\$ 11,449,338,905</u>
Average equalized valuation of taxable property	\$ 3,816,446,302
Debt limit (4% of average equalization value)	[B] 152,657,852
Total Net Debt Applicable to Limit	[C] <u>3,575,000</u>
Legal debt margin	[B-C] <u>\$ 149,082,852</u>

Fiscal Years Ending June 30,

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	119,942,363	119,507,258	119,666,827	120,786,868	120,265,054	121,972,197	124,295,311	129,727,912	145,346,126	152,657,852
Total net debt applicable to limit	<u>1,406,234</u>	<u>901,676</u>	<u>6,897,117</u>	<u>6,504,559</u>	<u>6,075,000</u>	<u>5,625,000</u>	<u>5,125,000</u>	<u>4,625,000.00</u>	<u>4,100,000.00</u>	<u>3,575,000</u>
Legal debt margin	\$ <u>118,536,129</u>	\$ <u>118,605,582</u>	\$ <u>112,769,710</u>	\$ <u>114,282,309</u>	\$ <u>114,190,054</u>	\$ <u>116,347,197</u>	\$ <u>119,170,311</u>	\$ <u>125,102,912</u>	\$ <u>145,346,126</u>	\$ <u>149,082,852</u>
Total net debt applicable to the limit as a percentage of debt limit	1.17%	0.75%	5.76%	5.39%	5.05%	4.61%	4.12%	3.57%	2.82%	2.34%

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

WEST MILFORD SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2014	26,408	1,185,930,464	44,908	6.0%
2015	26,424	1,216,693,080	46,045	5.1%
2016	26,388	1,230,129,396	46,617	4.4%
2017	26,418	1,246,691,838	47,191	4.1%
2018	26,372	1,296,632,124	49,167	3.8%
2019	26,324	1,347,867,772	51,203	3.1%
2020	26,242	1,463,647,550	55,775	8.2%
2021	24,579	1,463,900,661	59,559	5.6%
2022	24,382	1,391,407,594	57,067	3.3%
2023	24,340	****	****	3.8%

Source:

- (1) U.S. Bureau of the Census, Population Division, (Estimates April 1, 2012 to July 1, 2021)
(2) Personal Income of the District is based on the County information.
(3) U.S. Department of Commerce, County information 2012-2021.
(4) N.J. Department of Labor.

WEST MILFORD SCHOOL DISTRICT

Principal Employers,
Current Year and Ten Years Ago

Employer	2023			2014		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment

This information is not available.

WEST MILFORD SCHOOL DISTRICT

Full-time Equivalent District Employees by Function/Program,

Last Ten Fiscal Years

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	238.80	237.2	239.2	241.00	235.00	226.10	216.10	215.00	208.20	206.80
Special education	110.20	102.3	101.3	113.40	97.00	110.00	98.80	98.75	102.00	102.00
Other special education	11.20	16.50	17.00	15.60	16.00	15.60	14.60	16.60	16.50	24.00
Other instruction	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Support Services:										
Student & instruction related services	56.60	53.10	56.50	57.50	56.56	52.70	49.30	54.20	52.10	49.60
General administrative services	14.10	10.00	10.75	11.80	7.05	11.50	11.50	11.50	11.10	10.10
School administrative services	39.70	40.35	36.60	35.00	32.40	40.50	38.00	35.10	37.50	37.50
Central services and Admin.Infor. Tech.	11.10	15.28	20.20	18.25	12.20	18.60	18.00	18.75	19.25	19.25
Plant operations and maintenance	60.55	63.55	65.25	58.25	56.50	57.90	59.60	52.45	53.10	53.10
Pupil transportation	53.45	50.60	55.85	63.00	58.60	46.15	40.05	38.75	38.60	28.60
Food Service	15.06	15.00	15.00	12.00	11.00	8.20	7.10	7.60	7.60	7.60
Total	611.76	604.88	618.65	626.8	583.31	588.25	554.05	549.70	546.95	539.55

Source: District Budget Records

WEST MILFORD SCHOOL DISTRICT

Operating Statistics

Last Ten Fiscal Years

Pupil/Teacher Ratio

Fiscal Year	Operating Expenditures			Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures ^a	Cost Per Pupil				Elementary	Middle School	High School				
2015	3,710	74,984,506	20,211	2.50%	308	1:15	1:29	1:14	3,597.3	3,442.2	-0.01%	95.70%	
2016	3,613	74,297,203	20,564	1.75%	308	1:12	1:12	1:12	3,484.5	3,334.9	-3.14%	95.71%	
2017	3,377	77,776,917	23,031	12.00%	320	1:11	1:11	1:10	3,387.9	3,225.8	-2.77%	95.21%	
2018	3,288	79,951,679	24,316	5.58%	308	1:11	1:11	1:11	3,362.2	3,214.4	-0.76%	95.60%	
2019	3,268	81,105,791	24,818	2.06%	300	1:11	1:12	1:11	3,294.0	3,144.8	-2.03%	95.47%	
2020	3,241	79,368,186	24,489	-1.33%	288	1:11	1:08	1:11	3,163.0	3,063.0	-3.98%	96.84%	
2021	3,089	82,704,350	26,774	9.33%	286	1:10	1:12	1:10	3,019.0	2,920.4	-4.55%	96.73%	
2022	3,133	87,090,927	27,798	3.83%	276	1:10	1:12	1:10	3,051.6	2,874.0	1.08%	94.18%	
2023	3,131	89,962,885	28,733	3.36%	255	1:12	1:22	1:14	3,050.9	2,838.7	-0.02%	93.02%	
2024	3,107	90,967,760	29,278	1.90%	259	1:12	1:12	1:11	2,988.0	2,819.8	-2.06%	94.37%	

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

WEST MILFORD SCHOOL DISTRICT

School Building Information

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
<u>Elementary</u>										
Apshawa (1996)										
Square Feet	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172
Capacity (students)	367	367	367	367	367	367	367	367	367	367
Enrollment	260	276	276	264	244	242	197	186	207	250
Maple Road (1968)										
Square Feet	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947
Capacity (students)	373	373	373	373	373	373	373	416	416	416
Enrollment	282	274	275	295	295	285	228	231	238	318
Marshall Hill (1959)										
Square Feet	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546
Capacity (students)	486	486	486	486	486	486	486	486	486	486
Enrollment	289	294	265	256	272	265	236	251	252	304
Paradise Knoll (1955)										
Square Feet	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547
Capacity (students)	350	350	350	350	350	350	350	350	350	350
Enrollment	324	296	280	273	274	243	180	192	176	191
Upper Greenwood Lake (1966)										
Square Feet	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155
Capacity (students)	456	456	456	456	456	456	456	456	456	456
Enrollment	328	302	298	306	307	298	199	192	197	264
Highlander Academy/Prep Westbrook (1973)										
Square Feet	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339
Capacity (students)	508	508	508	508	508	508	508	444	444	444
Enrollment	366	362	351	315	301	280	215	238	243	24

WEST MILFORD SCHOOL DISTRICT

School Building Information

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Middle School</u>										
Macopin (1959)										
Square Feet	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066
Capacity (students)	869	869	869	869	869	869	869	869	869	869
Enrollment	576	540	526	519	535	518	761	777	747	676
<u>High School</u>										
West Milford (1976)										
Square Feet	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514
Capacity (students)	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840
Enrollment	1,173	1,149	1,106	1,060	1,040	985	954	936	935	923
<u>Other</u>										
Administration Building (1976)										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Transportation Office (1976)										
Square Feet	980	980	980	980	980	980	980	980	980	980
Transportation Garage (1976)										
Square Feet	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Transportation Garage (2005)										
Square Feet	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Maintenance Pole Barn (1985)										
Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Hilcrest Community Center (1925)										
Square Feet	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005

Number of Schools at June 30, 2024
 Elementary = 5
 Middle School = 1
 High School = 1
 Other = 1

Source: District records, ASSA

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

WEST MILFORD SCHOOL DISTRICT

GENERAL FUND
 SCHEDULE OF ALLOWABLE MAINTENANCE EXPENDITURES BY SCHOOL FACILITY
 LAST TEN FISCAL YEARS
 UNAUDITED

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 11-000-261-XXX

*School Facilities	Project # (s)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
WEST MILFORD HIGH SCHOOL	N/A	147,714	93,911	142,327	171,895	218,730	161,736	190,743	273,852	157,713	262,992
APSHAWA	N/A	46,892	45,461	58,706	54,150	53,969	25,622	48,211	42,595	63,120	26,474
MACOPIN	N/A	146,801	181,760	127,421	209,531	90,305	77,241	111,315	135,015	110,186	160,368
MAPLE ROAD	N/A	68,984	90,823	74,963	93,811	107,914	68,818	70,909	53,892	59,152	57,431
MARSHALL HILL	N/A	97,491	56,759	53,748	114,461	50,545	146,260	48,852	39,206	51,590	36,144
PARADISE KNOLL	N/A	72,841	71,512	53,008	83,682	46,496	56,011	39,952	48,323	59,523	30,093
UPPER GREENWOOD LAKE	N/A	116,693	127,295	138,647	137,517	71,646	114,542	84,199	55,514	57,576	99,891
WESTBROOK (Highlander Prep/Acad.)	N/A	90,800	73,305	64,926	51,800	88,672	95,004	43,925	81,532	53,068	64,160
ADMINISTRATION	N/A	18,214	27,175	26,698	23,210	10,557	16,178	19,357	12,054	41,713	14,351
HILLCREST	N/A			2,993	8,640	6,685					
MAINTENANCE POLE BARN	N/A	15,398	8,121	18,800	30,858	47,717	53,487	32,207	88,914	73,257	92,437
TRANSPORTATION GARAGE	N/A	31,481	45,787	30,160	62,821	56,369	14,638	34,684	16,897	15,378	21,653
TOTAL SCHOOL FACILITIES		853,309	821,909	792,397	1,042,376	849,605	829,537	724,355	847,794	742,276	865,994

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

Source: District Records

WEST MILFORD SCHOOL DISTRICT

Insurance Schedule
June 30, 2024
Unaudited

	Limit	Deductible
Policy #GPNU-EP-0015775-02/000		
Property & Casualty - National Union Fire Insurance		
Company of Pittsburgh		
Building & Contents including Equipment Breakdown	\$ 236,793,223	5,000
Commercial General Liability:		
Per Occurrence	1,000,000	
Personal and Advertising Injury Limit	1,000,000	
Damage to Rented Premises	1,000,000	
Product/Completed Operations Aggregate	3,000,000	
General Aggregate - Policy Limit	3,000,000	
Medical Expenses	10,000	
Employee Benefits Liability	1,000,000	
Business Income	250,000	5,000
Extra Expense	5,000,000	5,000
Limited Pollution Liability Extension	1,000,000	
Employee Dishonesty including Faithful Performance	500,000	5,000
Forgery or Alteration	250,000	5,000
Ordinance or Law Coverage B&C	1,000,000	5,000
Form C Loss (Inside) Money & Securities	250,000	5,000
EDP Equipment Coverage	Per Schedule	5,000
Earthquake - Blanket Coverage	5,000,000	100,000
Flood (Outside Zones A,V or B)	10,000,000	50,000
(Zone B)	7,500,000	100,000
(Zone A, N or V)	2,500,000	500,000
Commercial Automobile Liability	1,000,000	
Comprehensive & Collision	Symbol 2 & 8	1,000
Towing & Labor	5,000	
	Limit	Retention
<u>Commercial Umbrella</u> - National Union Fire Insurance		
Company of Pittsburgh		
Policy GPNU-EP-0015775-001	\$ 9,000,000	10,000
<u>Excess Liability</u> - NJUIP	30,000,000	Excess of \$10 Million
<u>Excess Liability</u> - Fireman's Fund		
Policy USL009329223	25,000,000	Excess of \$40 Million
<u>School Board Legal Liability E&O</u> - XL Insurance		
Policy - ELL095035904	1,000,000	
Insuring Agreement A & C		25,000
Insuring Agreement B		50,000

WEST MILFORD SCHOOL DISTRICT

Insurance Schedule
June 30, 2024
Unaudited

	<u>Limit</u>	<u>Retention</u>
<u>Public Official Bonds</u>		
William Scholts, Business Admin. Board Sec. Hanover Insurance Company Bond #BOYJ570167 Bond Term: 7/31/23-7/31/24	\$ 450,000	N/A
Jacqueline Massaro, Treasurer Liberty Mutual Surety Bond #16L002060 Bond Term: 6/30/2023-6/30/2024	343,000	N/A
<u>Cyber Liability - National Specialty Insurance</u>		
Policy - BLUCBL6PUM4QZ1 Combined Policy Aggregate Limit Claims Made Form - Retro Date Coverage	1,000,000	25,000 Full Prior Acts
<u>Environmental Impairment Liability - Site Specific - Chubb</u> (Markel Evanston Insurance Company)		
Claims Made Form Policy MKLV1ENV103533 Per Pollution Condition Per Named Insured Sublimit Self-Insured - Retention Program Aggregate	1,000,000 3,000,000 10,000,000	25,000
<u>Storage Tank Third Party Liability - Nautilus Insurance Co.</u>		
Claims Made Form Policy - CST2003317-21 Each Claim Total all Claims Coverage E: Defense (Occ/Total) Retro Date Coverages A and B: 140 High Crest Drive 41 Henry Road 51 Highlander Drive Policy Term: 7/30/23-7/30/24	<u>Limit</u> \$ 1,000,000 1,000,000 250,000	<u>Deductible</u> 5,000 9/30/1998 7/1/1998 7/30/2011
<u>NFIP Flood Insurance Policy - Selective Ins. Co. of New England</u>		
Policy-FLD2296031 Building Contents Policy Term: 4/11/23-4/11/24 Policy Term: 4/11/24-4/11/25	100,000 50,000	1,000 1,000

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY LLC

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable President and
Members of the Board of Education
Township of West Milford School District
County of Passaic, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Township of West Milford School District, in the County of Passaic, New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated January 7, 2025.

Internal Control Over Financial Reporting

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



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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of West Milford Board of Education'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that were required to be reported to the Board of Education of the Township of West Milford School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated January 7, 2025.

Purpose of this Report

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

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 7, 2025





WIELKOTZ & COMPANY L.L.C.

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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08

Honorable President and
Members of the Board of Education
Township of West Milford School District
County of Passaic, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Township of West Milford School District in the County of Passaic, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Township of West Milford Board of Education’s major federal and state programs for the year ended June 30, 2024. The Township of West Milford Board of Education’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township of West Milford Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



responsibilities under those standards and the Uniform Guidance and N.J. 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 Township of West Milford Board of Education 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 Township of West Milford Board of Education'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 Township of West Milford Board of Education's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. 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 Township of West Milford Board of Education'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 Township of West Milford Board of Education'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 N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Township of West Milford'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 and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and 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 and 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.



Honorable President and
Members of the Board of Education

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

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 7, 2025

WEST MILFORD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ending June 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Award Identification Number (FAIN)	Award Amount	Grant Period From / To	June 30, 2023		Cash Received	Budgetary Expenditures	Adjustments	June 30, 2024		MEMO Cumulative Total Expenditures
					(Accounts Receivable)	Unearned Revenue				(Accounts Receivable)	Unearned Revenue	
Passed-through State Department of Education:												
General Fund:												
U.S. Department of Health and Human Services: Medicaid Reimbursement Total General Fund	93.778	2005NJ5MAP	87,404	7/1/23-6/30/24	-	-	87,404	(87,404)	-	-	-	87,404
U.S. Department of Agriculture												
Passed - through State Department of Education:												
Enterprise Fund:												
U.S.D.A. Commodities Program	10.550	241NJ304N1089	109,359	7/1/23-6/30/24	-	1,153	109,359	(109,359)	-	-	1,153	109,359
National School Lunch Program	10.555	231NJ304N1089	437,509	7/1/22-6/30/23	(83,729)	-	83,729	-	-	-	-	437,509
National School Lunch Program	10.555	241NJ304N1089	356,845	7/1/23-6/30/24	(5,587)	-	289,197	(356,845)	-	(67,649)	-	356,845
School Breakfast Program	10.553	231NJ304N1089	23,848	7/1/22-6/30/23	-	-	5,587	-	-	-	-	23,848
School Breakfast Program	10.553	241NJ304N1089	32,859	7/1/23-6/30/24	-	-	25,709	(32,859)	-	(7,150)	-	32,859
Supply Chain Assistance Program (Round 3)	10.555	231NJ344N8903	30,260	7/1/23-6/30/24	-	16,536	-	-	(16,536)	-	-	72,605
Supply Chain Assistance Program (Round 4)	10.555	241NJ344N8903	72,605	7/1/23-6/30/24	-	-	72,605	(72,605)	-	-	-	72,605
Local Food for Schools	10.185	-	101,569	7/1/23-6/30/24	(28,964)	-	4,878	(4,854)	-	(111)	-	1,026,095
National School Lunch Program Equipment Assistance Total Enterprise Fund	10.579	231NJ304N1089	101,569	7/1/22-6/30/23	(18,280)	17,689	620,028	(576,523)	(16,671)	(74,909)	17,689	2,160,690
U.S. Department of Education												
Passed - through State Department of Education:												
Special Revenue Fund:												
Title I - Improving Basic Programs	84.010	S010A210030	444,809	9/1/22-8/31/23	(82,614)	-	82,616	-	(2)	-	-	444,809
Title I - Improving Basic Programs	84.010	S010A220030	576,270	9/1/23-8/31/24	-	-	217,938	(527,312)	-	(309,374)	-	527,312
					(82,614)	-	300,564	(527,312)	(2)	(309,374)	-	972,121
Title II - A - Teacher & Principal Training & Recruiting	84.367	S367A210029	87,460	9/1/22-8/31/23	(10,001)	-	10,002	-	(1)	-	-	87,460
Title II - A - Teacher & Principal Training & Recruiting	84.367	S367A220029	84,795	9/1/23-8/31/24	-	-	49,712	(69,112)	-	(19,400)	-	69,112
					(10,001)	-	95,714	(69,112)	(1)	(19,400)	-	156,572
Title III Immigrant	84.365A	S365A200030	4,105	9/1/23-8/31/24	-	-	2,750	(2,750)	-	-	-	2,750
Title IV - Safe and Drug-Free Schools	84.424	S424A210031	12,633	9/1/22-8/31/23	(6,009)	-	6,009	-	(0)	-	-	12,633
Title IV - Safe and Drug-Free Schools	84.424	S424A220031	40,039	9/1/23-8/31/24	-	-	8,335	(16,684)	-	(8,349)	-	16,684
					(6,009)	-	14,344	(16,684)	(0)	(8,349)	-	29,317
IDEA Part B, Basic Regular	84.027	H027A210100	912,114	9/1/23-8/31/24	-	-	912,114	(912,114)	-	-	-	912,114
IDEA Part B, Preschool	84.173	H173A220114	40,954	9/1/23-8/31/24	-	-	40,954	(40,954)	-	-	-	40,954
					-	-	953,068	(953,068)	-	-	-	953,068
Additional or Compensatory Special Education and Related Services to Students with Disabilities Beyond Age 23 (ASCERS)	21.03	SLFRFD0E1SES	104,995	9/1/23-8/31/24	-	-	54,170	(104,995)	-	(50,825)	-	104,995
					-	-	54,170	(104,995)	-	(50,825)	-	104,995
CRRSA - ESSER II	84.425D	S425D210027	1,026,095	3/1/20-9/30/23	(333,597)	-	333,597	-	0	-	-	1,026,095
CRRSA - Mental Health	84.425D	S425D210027	45,000	3/1/20-9/30/23	(7,466)	-	7,466	-	-	-	-	45,000
					(341,064)	-	341,063	-	1	-	-	1,136,945
ARP - ESSER	84.425U	S425U210027	2,306,083	3/1/20-9/30/24	(1,142,017)	-	1,479,288	(508,422)	2	(171,150)	-	2,141,744
ARP - Learning Acceleration	84.425U	S425U210027	250,075	3/1/20-9/30/24	(6,330)	-	108,720	(159,299)	0	(68,909)	-	226,959
ARP - Summer Learning & Enrichment	84.425U	S425U210027	40,000	3/1/20-9/30/24	(3,640)	-	10,180	(6,540)	0	-	-	18,866
ARP - Mental Health	84.425U	S425U210027	45,000	3/1/20-9/30/24	-	-	35,778	(45,000)	-	(9,222)	-	45,000
ARP - Beyond the School Day	84.425U	S425U210027	40,000	3/1/20-9/30/24	(5,424)	-	7,624	(9,880)	(0)	(7,680)	-	25,640
					(1,159,412)	-	1,641,590	(729,141)	2	(246,961)	-	2,458,209
ARP - Homeless Children & Youth II	84.425W	S425W221031	14,507	4/23/21-9/30/23	(18)	-	14,997	(14,997)	18	-	-	14,997
					(18)	-	14,997	(14,997)	18	-	-	14,997
Total Special Revenue Fund					(1,599,118)	-	3,382,251	(2,418,059)	18	(634,908)	-	5,828,974
Total Federal Financial Awards					(1,717,398)	17,689	4,089,683	(3,081,966)	(16,653)	(709,817)	17,689	8,077,068

WEST MILFORD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ending June 30, 2024

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From / To	MEMO		Cumulative Total Expenditures
				June 30, 2023 (Accounts Receivable)	June 30, 2024 (Accounts Receivable)	
State Department of Education:						
General Fund:						
Equalization Aid	495-034-5120-078	1,664,345	7/1/23-6/30/24	-	-	1,664,345
Stabilization Aid	495-034-5120-078	405,996	7/1/23-6/30/24	-	-	405,996
Categorical Special Education Aid	495-034-5120-089	2,725,234	7/1/23-6/30/24	-	-	2,725,234
Categorical Security Aid	495-034-5120-084	339,929	7/1/23-6/30/24	-	-	339,929
Subtotal State Aid - Public Cluster				-	-	5,135,504
Transportation Aid	495-034-5120-014	842,009	7/1/23-6/30/24	-	-	842,009
Extraordinary Special Education Aid	495-034-5120-473	2,155,133	7/1/22-6/30/23	(2,155,133)	-	2,155,133
Extraordinary Special Education Aid	495-034-5120-473	1,191,711	7/1/23-6/30/24	(19,344)	(1,191,711)	1,191,711
Nonpublic Transportation Aid	495-034-5120-014	19,344	7/1/23-6/30/23	-	-	19,344
Nonpublic Transportation Aid	495-034-5120-014	34,125	7/1/23-6/30/24	-	(34,125)	34,125
On-Behalf TPAF Pension	495-034-5094-006	10,925,873	7/1/23-6/30/24	-	-	10,925,873
On-Behalf TPAF NCGI Premium	495-034-5094-007	124,604	7/1/23-6/30/24	-	-	124,604
On-Behalf TPAF Post Retirement Medical	495-034-5094-001	3,007,535	7/1/23-6/30/24	-	-	3,007,535
On-Behalf TPAF Long-term Disability	495-034-5094-004	3,373	7/1/23-6/30/24	-	-	3,373
Reimbursed TPAF - Social Security	495-034-5094-003	2,111,353	7/1/22-6/30/23	(104,293)	-	2,111,353
Reimbursed TPAF - Social Security	495-034-5094-003	2,090,942	7/1/23-6/30/24	-	(104,687)	2,090,942
Total General Fund				(2,278,770)	(1,330,523)	27,641,506
Debt Service Fund:						
Debt Service Aid	495-034-5120-075	204,595	7/1/23-6/30/24	-	-	204,595
Total Debt Service Fund				-	-	204,595
Special Revenue Fund:						
School Development Authority						
Emergent Need and Capital Maintenance	N/A					
Total Special Revenue Fund		72,596	7/1/23-6/30/24	-	-	72,596
State Department of Agriculture Enterprise Fund:						
State School Lunch Program	100-010-3350-023	22,772	7/1/22-6/30/23	(4,334)	-	22,772
State School Lunch Program	100-010-3350-023	28,656	7/1/23-6/30/24	-	(5,538)	28,656
State School Breakfast Program	100-010-3350-023	297	7/1/22-6/30/23	(57)	-	-
State School Breakfast Program	100-010-3350-023	941	7/1/23-6/30/24	-	(238)	941
Total Enterprise Fund				(4,391)	(5,776)	52,369
Total State Financial Assistance				(2,283,161)	(1,336,299)	27,971,066
Less: On-Behalf Contributions:						
On-Behalf TPAF Pension	495-034-5094-006	10,925,873	7/1/23-6/30/24	-	-	10,925,873
On-Behalf TPAF NCGI Premium	495-034-5094-007	124,604	7/1/23-6/30/24	-	-	124,604
On-Behalf TPAF Post Retirement Medical	495-034-5094-001	3,007,535	7/1/23-6/30/24	-	-	3,007,535
On-Behalf TPAF Long-term Disability	495-034-5094-004	3,373	7/1/23-6/30/24	-	-	3,373
Total On-Behalf Contributions				-	-	14,061,385
Total For State Aid Financial Assistance Determination				(2,283,161)	(1,336,299)	13,909,681

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all Federal and State Award programs of the Board of Education, Township of West Milford School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All Federal Awards and State Financial Assistance received directly from federal and state agencies, as well as Federal Awards and State Financial Assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2(C) and 2(D) to the Board's basic financial statements. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and N.J. OMB Circular 15-08 Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$104,147 for the general fund and \$1,128,270 for the special revenue 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.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (continued)

Additionally, as discussed further in Notes 9 and 10, the State of New Jersey makes contributions on-behalf of the District for TPAF post-retirement medical and pension contributions. The total amount of these contributions during 2023 fiscal year was \$14,061,385.

Financial assistance revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$87,404	\$23,459,823	\$23,547,227
Special Revenue Fund	3,545,661	73,436	3,619,097
Debt Service Fund		204,595	204,595
Food Service	<u>576,523</u>	<u>29,585</u>	<u>606,108</u>
	<u>\$4,209,588</u>	<u>\$23,767,439</u>	<u>\$27,977,027</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 2024. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7. INDIRECT COST RATE

The Township of West Milford School District has elected not to use the 10 percent de minimis Indirect Cost Rate as allowed under the Uniform Guidance.

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- | | | | | |
|----|--------------------------------------|---------------------|----------------------------|--|
| 1) | Material weakness(es) identified? | <u> </u> yes | <u> X </u> no | |
| 2) | Significant deficiencies identified? | <u> </u> yes | <u> X </u> none reported | |

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major federal programs:

- | | | | | |
|----|--------------------------------------|---------------------|----------------------------|--|
| 1) | Material weakness(es) identified? | <u> </u> yes | <u> X </u> no | |
| 2) | Significant deficiencies identified? | <u> </u> yes | <u> X </u> none reported | |

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section.516(a)? yes X no

Identification of major federal programs:

<u>CFDA #</u>	<u>FEIN #</u>	<u>Name of Federal Program</u>
		Special Education Cluster
84.027	H027A210100	IDEA Part B, Basic Regular
84.173	H173A220114	IDEA Part B, Preschool
		Child Nutrition Cluster
10.555	241NJ304N1099	National School Lunch Program
10.553	241NJ304N1099	School Breakfast Program

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

Auditee qualified as low-risk audited? X yes no

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(continued)**

Section I - Summary of Auditor's Results, (continued)

State Awards

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

Auditee qualified as low-risk auditee? X yes no

Internal Control over major state programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08, as applicable? yes X no

Identification of major state programs:

<u>State Grant/Project #</u>	<u>Name of State Program</u>
<u>495-034-5120-078</u>	State Aid Public: <u>Equalization Aid</u>
<u>495-034-5120-078</u>	<u>Stabilization Aid</u>
<u>495-034-5120-089</u>	<u>Categorical Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Categorical Security Aid</u>
<u>495-034-5120-014</u>	<u>Transportation Aid</u>

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(continued)**

Section II - Schedule of Financial Statement Findings

NONE

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

NONE

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Status of Prior Year Findings

None