

LYNDHURST BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Lyndhurst, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Lyndhurst Board of Education
Lyndhurst, New Jersey
For The Fiscal Year Ended June 30, 2025**

**Prepared by
Business Office**

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INTRODUCTORY SECTION



Lyndhurst Public Schools

BOARD OF EDUCATION

420 Fern Avenue ♦ Lyndhurst, NJ 07071

Ph: 201.438.5683 Fax: 201.896.2118 ♦ www.lyndhurstschools.net

JOSEPH A. DECORSO
Superintendent of Schools

ALMA MOREL, Ph.D.
Asst. Superintendent of Schools

JAMES HYMAN
School Business Administrator

October 30, 2025

Honorable President and
Members of the Board of Education
Lyndhurst Board of Education
County of Bergen, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Lyndhurst School District (District) for the fiscal year ending June 30, 2025 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of 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 aspects and is reported in a manner design to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2025, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organization chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Uniform Guidance and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including 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 of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Lyndhurst School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB No. 14. All funds of the District are included in this report. The Lyndhurst Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include both regular and special education for learning disabled students.

The District completed the 2024-2025 fiscal year with an average daily enrollment 2,587 students.

Average Daily Enrollment
(ADE)

<u>Fiscal Year</u>	<u>Student Enrollment</u>
2024-2025	2,587
2023-2024	2,636
2022-2023	2,609
2021-2022	2,558
2020-2021	2,468
2019-2020	2,550
2018-2019	2,610
2017-2018	2,503
2016-2017	2,468
2015-2016	2,385

2) ECONOMIC CONDITIONS AND OUTLOOK: The Lyndhurst area is substantially developed with both residential and industrial taxpayers. The situation is expected to continue, which suggests that its tax base will remain stable moving forward. However, the Lyndhurst Public School has a State Fiscal Monitor appointed by the State Department of Education because of the fiscal situation which created a cumulative two-year budgetary fund deficit for school years 16-17 & 17-18 in the amount of \$4,470,851. The current fiscal year (SY 2024-2025) ended with an unassigned budgetary fund balance of \$825,827.

3) MAJOR INITIATIVES UNDERTAKING DURING 2024-2025: The Lyndhurst Public School District is proud of all that it accomplished during the 2024-2025 school year. The following is a sampling of the District's achievements:

Facilities and Equipment

New boiler at Jefferson School, chimney liner replaced

Instruction and Program

Jefferson and Roosevelt launched IReady

Amplify CKLA - Franklin Grade 1 teacher and Jefferson Grade 3 teachers

Wit & Wisdom - Franklin Kindergarten teacher and Columbus Grade 2 teacher

BookWorms - Columbus Kindergarten teacher and Roosevelt Grade 3 teacher

Expansion of Music Therapy to include PSD and ABA classrooms, Pre-K – Grade 8.

Additional High-Impact Tutoring Grant Funds providing Grades 3 and 4 with additional tutoring services.

Grade 6 visited the 9/11 Mobile Museum in November.

Additional Staffing

School Psychologist

Contracts

Principals (ALA), Supervisors/Directors (LSA) and LEA contracts settled

Budget and Finance

Prescription Plan was changed to Horizon; savings of over \$300,000

Closure of Memorial Campus; renting of building increasing revenue by over \$400,000

\$6,200,000 Tax Levy Incentive Program approved by LBOE and NJDOE

Three students' enrollment changed from Out of District to In-District saving tuition costs.

Safety and Security

Addition of Student Assistance Program (SAP) through Hibster

Two Class III Officers added (1 at Roosevelt School / 1 at Jefferson School)

4) INTERNAL ACCOUNTING GOALS: 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 benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to the 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 voters of the Municipality. Annual appropriated budgets are adopted for the general fund, special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

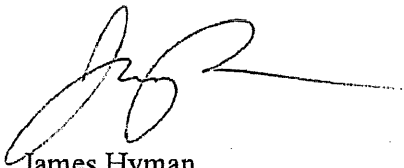
7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements." The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions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

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

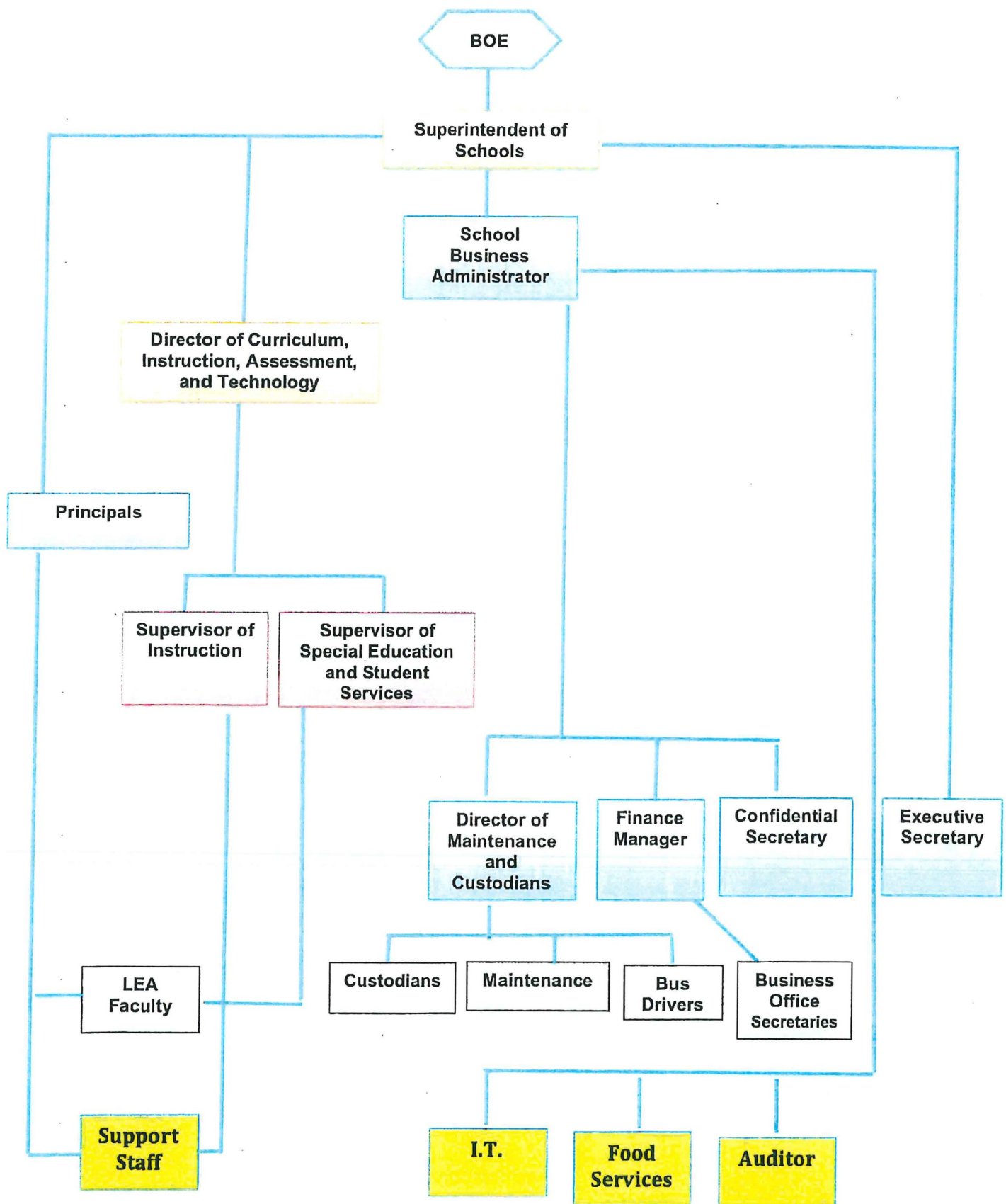
9) INDEPENDENT AUDIT: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was appointed by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'James Hyman', with a long horizontal line extending to the right.

James Hyman
School Business Administrator



LYNDHURST BOARD OF EDUCATION

BERGEN COUNTY, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2025

Board of Education President	<u>Term Expires</u>
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Dr. Anthony Scardino	2027
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Board of Education Vice President	<u>Term Expires</u>
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Paul Passamano Jr.	2027
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<u>Members of Board of Education</u>	<u>Term Expires</u>
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Anthony Giarrusso	2027
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Domenick Abbate, Jr.	2026
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Christopher Andrinopolous	2025
---------------------------	------

Anna Passamano	2026
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Peter Petronzio	2026
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Elaine Stella	2025
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Michael Valvano	2025
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Other Officials

Superintendent	Joseph A. DeCorso
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Interim School Business Administrator	James Hyman
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LYNDHURST BOARD OF EDUCATION
CONSULTANTS & ADVISORS

State Monitor

Wayne Demikoff

N.J. Department of Education

District Treasurer of School Monies

Angelo Desimone

1 Amy Way

Wayne, N.J. 07470

Audit Firm

Lerch, Vinci & Bliss, L.L.P.

17-17 Route 208

Fair Lawn, N.J. 07410

Attorney

Chasan Lamparello Mallon & Cappuzzo, PC

300 Lightning Way, Secaucus, NJ 07094

Office Depository

Spencer Savings Bank
230 Ridge Road
Lyndhurst, NJ 07071

Blue Foundry Bank
735 Ridge Road
Lyndhurst, NJ 07071

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Lyndhurst Board of Education
Lyndhurst, New Jersey

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lyndhurst Board of Education, as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 Lyndhurst Board of Education's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of 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, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of 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 Lyndhurst 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Lyndhurst 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.

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 30, 2025 on our consideration of the Lyndhurst 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lyndhurst Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Lyndhurst Board of Education's internal control over financial reporting and compliance.

LERCH, VINCI & BLISS, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 30, 2025

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

As management of the Lyndhurst Board of Education (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Lyndhurst Board of Education for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found in the introductory section of this report and the District's financial statements and related notes to the financial statement which immediately follows this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2024-2025 fiscal year include the following:

- The assets and deferred outflows of resources of the Lyndhurst Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$37,202,352. (Net Position)
- The District's total net position decreased by \$861,994, or 2%.
- Overall District revenues were \$61,259,294. General revenues accounted for \$48,576,767, or 79%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$12,682,527 or 21% of total revenues.
- The school district had \$60,750,059 in expenses for governmental activities; only \$11,623,865 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$48,574,770 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$2,022,189. Of this amount, \$1,044,674 is restricted for capital projects, \$216,589 is restricted for required maintenance of District facilities, \$308,980 is restricted for student activities, \$416,732 is restricted for other purposes, \$269,117 is assigned for year-end encumbrances and the remaining amount is the unassigned fund deficit of \$(233,903).
- The General Fund fund balance at June 30, 2025 was \$1,597,701, an increase of \$86,458 compared to the ending fund balance at June 30, 2024 of \$1,511,243.
- The General Fund unassigned budgetary fund balance at June 30, 2025 was \$819,602, which represents an increase of \$19,650 when compared to the ending unassigned budgetary fund balance at June 30, 2024 of \$799,952.

LYNDHURST BOARD OF EDUCATION

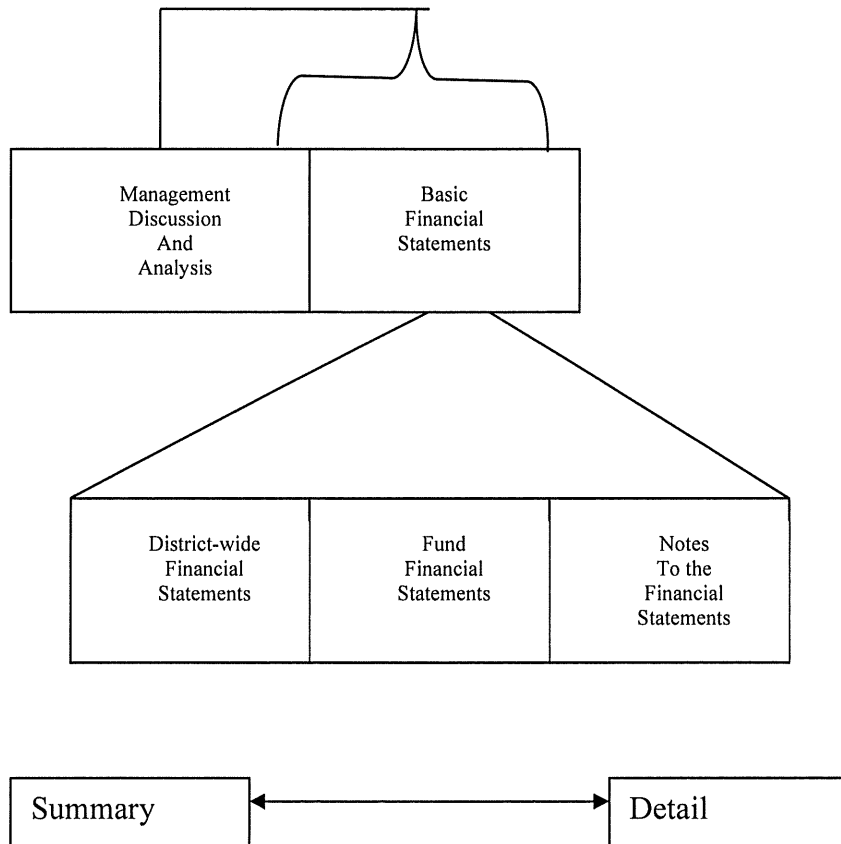
Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District's operations in *more detail* than the district-wide statements.
- The *governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

The basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The following shows how the various parts of this Annual Report are arranged and related to one another.



LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as instruction, building maintenance, transportation, and administration.	Activities the district operates similar to private businesses: Enterprise Funds
Required financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenue, Expenditures and Changes in Fund Balances	Statement of Net position Statement of Revenue, Expenses, and Changes in Fund Net Position, Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset, liability and deferred inflows/outflows information	All assets, deferred outflows, liabilities, and deferred inflows, both financial and capital, short-term and Long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities and deferred inflows, both financial and capital, and short-term and long-term
Type of inflow/outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-Wide Statements

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

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

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

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, and plant operation and maintenance. Property taxes and Federal and State aid finance most of these activities.
- *Business type activities* – These are activities for operations that are financed and operated in a manner similar to private business enterprises. The District's food services (cafeteria) and technology insurance programs are included under this category.

Fund Financial Statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial resources* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
 - *Enterprise Funds* – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has three enterprise funds, for its food service (cafeteria) and technology insurance program .

Notes to the Financial Statements

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

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for the general and special revenue funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68 and post-retirement medical benefits as required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

Combining and individual financial schedules are presented immediately following the major budgetary comparisons if required.

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$37,202,352 and \$38,064,346 on June 30, 2025 and 2024, respectively as follows:

Net Position As of June 30, 2025 and 2024						
	Governmental Activities		Business-Type Activities		Total	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets						
Current Assets	\$ 4,586,584	\$ 4,806,033	\$ 213,959	\$ 43,862	\$ 4,800,543	\$ 4,849,895
Capital Assets	<u>67,293,932</u>	<u>70,002,509</u>	<u>16,784</u>	<u>17,938</u>	<u>67,310,716</u>	<u>70,020,447</u>
Total Assets	<u>71,880,516</u>	<u>74,808,542</u>	<u>230,743</u>	<u>61,800</u>	<u>72,111,259</u>	<u>74,870,342</u>
Deferred Outflows of Resources	<u>679,147</u>	<u>712,015</u>	<u>-</u>	<u>-</u>	<u>679,147</u>	<u>712,015</u>
Liabilities						
Long-Term Liabilities	32,283,077	34,142,605			32,283,077	34,142,605
Other Liabilities	<u>2,772,712</u>	<u>2,770,444</u>	<u>151,551</u>	<u>19,852</u>	<u>2,924,263</u>	<u>2,790,296</u>
Total Liabilities	<u>35,055,789</u>	<u>36,913,049</u>	<u>151,551</u>	<u>19,852</u>	<u>35,207,340</u>	<u>36,932,901</u>
Deferred Inflows of Resources	<u>375,057</u>	<u>564,603</u>	<u>5,657</u>	<u>20,507</u>	<u>380,714</u>	<u>585,110</u>
Net Position:						
Net Investment in Capital Assets	47,275,704	48,997,154	16,784	17,938	47,292,488	49,015,092
Restricted	1,685,751	1,834,330			1,685,751	1,834,330
Unrestricted	<u>(11,832,638)</u>	<u>(12,788,579)</u>	<u>56,751</u>	<u>3,503</u>	<u>(11,775,887)</u>	<u>(12,785,076)</u>
Total Net Position	<u>\$ 37,128,817</u>	<u>\$ 38,042,905</u>	<u>\$ 73,535</u>	<u>\$ 21,441</u>	<u>\$ 37,202,352</u>	<u>\$ 38,064,346</u>

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents amounts reserved for specific purposes by outside parties or state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

The District's total net position of \$37,202,352 at June 30, 2025 represents a \$861,994, or 2%, decrease from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2025 and 2024.

Changes in Net Position For the Fiscal Years Ended June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	\$ 923,192	\$ 818,491	\$ 395,715	\$ 423,275	\$ 1,318,907	\$ 1,241,766
Operating Grants and Contributions	10,700,673	12,015,189	662,947	587,652	11,363,620	12,602,841
Capital Grants and Contributions		57,771			-	57,771
General Revenues						
Property Taxes	45,668,256	44,207,824			45,668,256	44,207,824
State Aid - Unrestricted	2,718,046	2,711,534			2,718,046	2,711,534
Other	188,468	225,696	1,997	4,498	190,465	230,194
Total Revenues	60,198,635	60,036,505	1,060,659	1,015,425	61,259,294	61,051,930
Expenses						
Instruction						
Regular	23,760,732	24,827,903			23,760,732	24,827,903
Special Education	11,046,846	10,555,149			11,046,846	10,555,149
Other Instruction	745,489	832,760			745,489	832,760
School Sponsored Activities and Athletics	1,885,675	1,791,339			1,885,675	1,791,339
Support Services						
Student and Instruction Related Service	8,927,953	9,240,288			8,927,953	9,240,288
General Administrative Services	1,648,262	1,645,484			1,648,262	1,645,484
School Administrative Services	3,472,347	3,331,080			3,472,347	3,331,080
Central and Other Support Services	1,257,023	1,174,221			1,257,023	1,174,221
Plant Operations and Maintenance	5,536,528	5,250,256			5,536,528	5,250,256
Student Transportation	1,988,637	2,103,987			1,988,637	2,103,987
Interest on Long Term Debt	480,567	483,720			480,567	483,720
Food Services	-	-	1,339,343	1,220,420	1,339,343	1,220,420
Technology Insurance Program	-	-	31,886	42,884	31,886	42,884
Total Expenses	60,750,059	61,236,187	1,371,229	1,263,304	62,121,288	62,499,491
Increase (Decrease) in Net Position						
Before Transfers	(551,424)	(1,199,682)	(310,570)	(247,879)	(861,994)	(1,447,561)
Transfers	(362,664)	(244,651)	362,664	244,651	-	-
Increase (Decrease) in Net Position	(914,088)	(1,444,333)	52,094	(3,228)	(861,994)	(1,447,561)
Net Position, Beginning of Year	38,042,905	39,487,238	21,441	24,669	38,064,346	39,511,907
Net Position, End of Year	\$ 37,128,817	\$ 38,042,905	\$ 73,535	\$ 21,441	\$ 37,202,352	\$ 38,064,346

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$60,198,635 for the fiscal year ended June 30, 2025, property taxes of \$45,668,256 represented 76% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$13,418,719 and represented 22% of revenues.

The total cost of all governmental activities programs and services was \$60,750,059 for the fiscal year ended June 30, 2025. The District's expenses are predominantly related to educating and caring for students. Instruction costs were \$37,438,742 (62%) of total expenses and support services costs were \$22,830,750 (38%) of total expenses for the fiscal year ended June 30, 2025.

For fiscal year 2025, total governmental activities expenses and transfers out exceeded revenues decreasing net position for governmental activities by \$914,088 from the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services was \$60,750,059. After applying program revenues, derived from operating and capital grants and contributions of \$10,700,673 and charges for services of \$923,192 the net cost of services of the District is \$49,126,194 for the fiscal year ended June 30, 2025.

Total and Net Cost of Governmental Activities For the Fiscal Years Ended June 30, 2025 and 2024

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Instruction				
Regular	\$ 23,760,732	\$ 24,827,903	\$ 20,645,938	\$ 20,863,398
Special Education	11,046,846	10,555,149	5,991,387	5,734,890
Other Instruction	745,489	832,760	655,527	703,606
School Sponsored Activities and Athletics	1,885,675	1,791,339	1,351,288	1,329,529
Support Services				
Student and Instruction Related Svcs.	8,927,953	9,240,288	7,368,097	6,985,544
General Administrative Services	1,648,262	1,645,484	1,571,931	1,559,126
School Administrative Services	3,472,347	3,331,080	3,172,588	2,978,504
Central and Other Support Services	1,257,023	1,174,221	1,213,889	1,115,871
Plant Operations and Maintenance	5,536,528	5,250,256	5,046,303	4,836,718
Pupil Transportation	1,988,637	2,103,987	1,693,412	1,820,073
Interest on Long Term Debt	480,567	483,720	415,834	417,477
Total	\$ 60,750,059	\$ 61,236,187	\$ 49,126,194	\$ 48,344,736

Business-Type Activities – The District's total business-type activities revenues were \$1,060,659 for the fiscal year ended June 30, 2025. Operating grants and contributions accounted for 63% of total revenues and 37% of revenues were from charges for services and sales.

Total cost of all business-type activities programs and services was \$1,371,229 for the fiscal year ended June 30, 2025. Food service expenses represented 98% of the total expenses, with the remaining 3% of expenses for the technology insurance program.

For fiscal year 2025, total business-type activities revenues and transfers in exceeded expenses increasing net position by \$52,094, or 243% from the previous year.

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$2,022,189 at June 30, 2025, a decrease of \$72,580 from last year's fund balance of \$2,094,769. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

Revenues for the District's governmental funds were \$67,521,781 while total expenditures were \$67,907,554 for the fiscal year ended June 30, 2025. Net Other Financing Sources were \$313,193 for the fiscal year ended June 30, 2025.

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from grades Pre-K through 12 including pupil transportation, extra-curricular activities and plant operation and maintenance costs.

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024	Amount of Increase (Decrease)	Percent Change
Local Sources:				
Property Tax Levy	\$ 44,698,864	\$ 43,252,126	\$ 1,446,738	3%
Other	593,326	576,525	16,801	3%
State Sources	18,347,830	17,531,184	816,646	5%
Federal Sources	<u>55,484</u>	<u>56,196</u>	<u>(712)</u>	-1%
Total General Fund Revenues	<u>\$ 63,695,504</u>	<u>\$ 61,416,031</u>	<u>\$ 2,279,473</u>	4%

For fiscal year 2025, total General Fund revenues increased \$2,279,473 or 4% from the previous year.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 38,581,311	\$ 37,903,974	\$ 677,337	2%
Support Services	22,884,519	23,860,821	(976,302)	-4%
Debt Services	1,641,430	1,172,023	469,407	40%
Capital Outlay	<u>738,881</u>	<u>879,646</u>	<u>(140,765)</u>	-16%
Total Expenditures	<u>\$ 63,846,141</u>	<u>\$ 63,816,464</u>	<u>\$ 29,677</u>	0%

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

GENERAL FUND (Continued)

For fiscal year 2025, total General Fund expenditures increased \$29,677 or less than 1% from the previous year.

In fiscal year 2025, General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$86,458. Therefore, the total fund balance at June 30, 2024 of \$1,511,243 increased to a fund balance of \$1,597,701 at June 30, 2025.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2025, the District had \$67,293,932 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$16,784 for business type activity. Depreciation charges for fiscal year 2025 amounted to \$3,603,808 for governmental activities and \$1,154 for business-type activities. The following is a comparison of the June 30, 2025 and 2024 balances:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	\$ 171,125	\$ 171,125			\$ 171,125	\$ 171,125
Building and Building Improvements	63,421,577	65,978,257			63,421,577	65,978,257
Right to Use Building/Facilities	887,750	1,183,666			887,750	1,183,666
Improvements Other than Building	1,151,615	1,255,647			1,151,615	1,255,647
Machinery and Equipment	1,661,865	1,413,814	\$ 16,784	\$ 17,938	1,678,649	1,431,752
Total Capital Assets, Net	\$ 67,293,932	\$ 70,002,509	\$ 16,784	\$ 17,938	\$ 67,310,716	\$ 70,020,447

Additional information on the District's capital assets is presented in Note 3 of this report.

LONG TERM LIABILITIES

At June 30, 2025 the District had \$32,283,077 of total outstanding long-term liabilities. For fiscal year 2024/2025 total outstanding long-term liabilities decreased by \$1,859,528. The following is a comparison of the June 30, 2025 and 2024 balances:

Long-Term Liabilities Outstanding as of June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Bond Payable	\$ 17,415,000	\$ 18,250,000
Capital Financing Agreements	1,590,516	1,575,974
Other Financing Agreements	513,638	566,458
Leases Payable	1,012,712	1,338,222
Compensated Absences Payable	3,676,010	3,586,569
State Aid Advance Loan Payable	1,920,000	2,400,000
Net Pension Liability	6,155,201	6,425,382
Total	\$ 32,283,077	\$ 34,142,605

Additional information of the District's long-term liabilities is presented in Note 3 of this report.

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made through budget transfers to prevent over expenditures in specific line item accounts and the appropriation of restricted and unassigned fund balances.

For fiscal year 2025 General Fund budgetary revenues and other financing sources exceeded budgetary expenditures and other financing uses increasing budgetary fund balance \$64,091. After deducting fund balances restricted and assigned, the unassigned budgetary fund balance increased \$19,650 from an unassigned fund balance of \$799,952 at June 30, 2024 to \$819,602 at June 30, 2025. In addition, at June 30, 2025 the District had balances in its capital reserve of \$1,044,674, maintenance reserve of \$216,589, and \$301,224 legally restricted for disallowed grant costs.

FACTORS BEARING ON THE DISTRICT'S FUTURE

While many factors influence the district's future, the availability of funding for increased enrollment, staffing needs special education costs and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District's administration during the process of developing the fiscal year 2025-2026 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2025-2026. Budgeted expenditures in the General Fund increased approximately 16% to \$59,643,663 for fiscal year 2025-2026. Budgeted regular and special education instruction costs, as well as, employee benefits and capital outlay projects were the main factors for the increase.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Lyndhurst Board of Education, 420 Fern Avenue, Lyndhurst, NJ 07071.

DISTRICT-WIDE FINANCIAL STATEMENTS

**LYNDHURST BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 4,030,512	\$ 60,814	\$ 4,091,326
Receivables, Net	600,678	102,882	703,560
Internal Balances	(44,606)	44,606	-
Inventory		5,657	5,657
Capital Assets, Not Being Depreciated	171,125		171,125
Capital Assets, Being Depreciated, Net	<u>67,122,807</u>	<u>16,784</u>	<u>67,139,591</u>
Total Assets	<u>71,880,516</u>	<u>230,743</u>	<u>72,111,259</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>679,147</u>	<u>-</u>	<u>679,147</u>
Total Deferred Outflows of Resources	<u>679,147</u>	<u>-</u>	<u>679,147</u>
Total Assets and Deferred Outflows of Resources	<u>72,559,663</u>	<u>230,743</u>	<u>72,790,406</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,479,261	131,862	2,611,123
Payable to Other Governments	64,490		64,490
Accrued Interest Payable	208,317		208,317
Unearned Revenue	20,644	19,689	40,333
Noncurrent Liabilities			
Due within one year	2,362,954		2,362,954
Due beyond one year	<u>29,920,123</u>	<u>-</u>	<u>29,920,123</u>
Total Liabilities	<u>35,055,789</u>	<u>151,551</u>	<u>35,207,340</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	375,057		375,057
Deferred Commodities Revenue	<u>-</u>	<u>5,657</u>	<u>5,657</u>
Total Deferred Inflows of Resources	<u>375,057</u>	<u>5,657</u>	<u>380,714</u>
Total Liabilities and Deferred Inflows of Resources	<u>35,430,846</u>	<u>157,208</u>	<u>35,588,054</u>
NET POSITION			
Net Investment in Capital Assets	47,275,704	16,784	47,292,488
Restricted for			
Capital Projects	1,044,674		1,044,674
Plant Maintenance	216,589		216,589
Student Activities	308,980		308,980
Scholarships	115,508		115,508
Unrestricted	<u>(11,832,638)</u>	<u>56,751</u>	<u>(11,775,887)</u>
Total Net Position	<u>\$ 37,128,817</u>	<u>\$ 73,535</u>	<u>\$ 37,202,352</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 23,760,732	\$ 54,779	\$ 3,060,015		\$ (20,645,938)		\$ (20,645,938)
Special Education	11,046,846		5,055,459		(5,991,387)		(5,991,387)
Other Instruction	745,489		89,962		(655,527)		(655,527)
School Sponsored Activities and Athletics	1,885,675	514,923	19,464		(1,351,288)		(1,351,288)
Support Services							
Student and Instruction Related Services	8,927,953		1,559,856		(7,368,097)		(7,368,097)
General Administrative Services	1,648,262		76,331		(1,571,931)		(1,571,931)
School Administrative Services	3,472,347		299,759		(3,172,588)		(3,172,588)
Central and Other Support Services	1,257,023		43,134		(1,213,889)		(1,213,889)
Plant Operations and Maintenance	5,536,528	353,490	136,735		(5,046,303)		(5,046,303)
Student Transportation	1,988,637		295,225		(1,693,412)		(1,693,412)
Interest on Long-Term Debt	480,567	-	64,733	-	(415,834)	-	(415,834)
 Total Governmental Activities	 60,750,059	 923,192	 10,700,673	 -	 (49,126,194)	 -	 (49,126,194)
 Business-Type Activities							
Food Service	1,339,343	378,680	662,947		-	\$ (297,716)	(297,716)
Technology Insurance Program	31,886	17,035	-	-	-	(14,851)	(14,851)
 Total Business-Type Activities	 1,371,229	 395,715	 662,947	 -	 -	 (312,567)	 (312,567)
 Total Primary Government	 \$ 62,121,288	 \$ 1,318,907	 \$ 11,363,620	 \$ -	 (49,126,194)	 (312,567)	 (49,438,761)

Continued

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
General Revenues			
Taxes			
Property Taxes Levied for General Purposes	\$ 44,698,864		\$ 44,698,864
Property Taxes Levied for Debt Service	969,392		969,392
State Aid -Unrestricted	2,564,696		2,564,696
State Aid for Debt Service Principal	153,350		153,350
Interest and Investment Earnings	152,661	\$ 1,997	154,658
Miscellaneous Income	35,807		35,807
Transfers	<u>(362,664)</u>	<u>362,664</u>	<u>-</u>
 Total General Revenues and Transfers	 <u>48,212,106</u>	 <u>364,661</u>	 <u>48,576,767</u>
 Change in Net Position	 (914,088)	 52,094	 (861,994)
Net Position, Beginning of Year	<u>38,042,905</u>	<u>21,441</u>	<u>38,064,346</u>
Net Position, End of Year	<u>\$ 37,128,817</u>	<u>\$ 73,535</u>	<u>\$ 37,202,352</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

FUND FINANCIAL STATEMENTS

**LYNDHURST BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 3,606,024	\$ 424,488			\$ 4,030,512
Intergovernmental Receivables	167,403	409,474			576,877
Other Accounts Receivables	23,305	496			23,801
Due from Other Funds	196,536	-	-	-	196,536
Total Assets	<u>\$ 3,993,268</u>	<u>\$ 834,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,827,726</u>
LIABILITIES					
Liabilities					
Accounts Payable	\$ 579,632	\$ 129,900			\$ 709,532
Accrued Salaries and Wages	61,740				61,740
Compensated Absences Payable	59,600				59,600
Payroll Deductions and Withholdings Payable	172,818				172,818
Employee Deposits Payable	1,475,571				1,475,571
Payable to State Government		50,813			50,813
Payable to Federal Government		13,677			13,677
Due to Other Funds	44,606	196,536			241,142
Unearned Revenue	1,600	19,044	-	-	20,644
Total Liabilities	<u>2,395,567</u>	<u>409,970</u>	<u>-</u>	<u>-</u>	<u>2,805,537</u>
FUND BALANCES					
Fund Balances					
Restricted					
Legally Restricted - Disallowed Grant Costs	301,224				301,224
Capital Reserve	1,044,674				1,044,674
Maintenance Reserve	216,589				216,589
Student Activities		308,980			308,980
Scholarships		115,508			115,508
Assigned					
Year End Encumbrances	269,117				269,117
Unassigned	(233,903)	-	-	-	(233,903)
Total Fund Balances	<u>1,597,701</u>	<u>424,488</u>	<u>-</u>	<u>-</u>	<u>2,022,189</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,993,268</u>	<u>\$ 834,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,827,726</u>

**LYNDHURST BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2025**

Total Fund Balances (Exhibit B-1) \$ 2,022,189

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$94,762,322 and the accumulated depreciation is \$27,468,390.

67,293,932

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred outflows of resources or deferred inflows of resources on the statement of net position and amortized over future years.

Deferred Outflows of Resources	\$ 679,147	
Deferred Inflows of Resources	<u>(375,057)</u>	

304,090

The District has financed capital assets through the issuance of long-term bonds and short-term notes. The interest accrual at year end is:

(208,317)

Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Bonds Payable	(17,415,000)	
Capital Financing Agreements	(1,590,516)	
Other Financing Agreements	(513,638)	
Leases Payable	(1,012,712)	
Compensated Absences	(3,676,010)	
State Aid Advance Loan Payable	(1,920,000)	
Net Pension Liability	<u>(6,155,201)</u>	

(32,283,077)

Net Position of Governmental Activities (Exhibit A-1) **\$ 37,128,817**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 44,698,864			\$ 969,392	\$ 45,668,256
Tuition	54,779				54,779
Interest and Investment Earnings	149,250		\$ 3,411		152,661
Miscellaneous - Unrestricted	389,297	\$ 574,621	-	-	963,918
Total - Local Sources	45,292,190	574,621	3,411	969,392	46,839,614
State Sources	18,347,830	499,526		218,083	19,065,439
Federal Sources	55,484	1,561,244	-	-	1,616,728
Total Revenues	63,695,504	2,635,391	3,411	1,187,475	67,521,781
EXPENDITURES					
Current					
Instruction					
Regular Instruction	25,625,194	628,873			26,254,067
Special Education Instruction	10,945,636	728,155			11,673,791
Other Instruction	758,970	13,017			771,987
School-Sponsored Activities and Athletics	1,251,511	570,725			1,822,236
Support Services					
Student and Instruction Related Services	8,989,575	774,818			9,764,393
General Administrative Services	1,699,183				1,699,183
School Administrative Services	3,687,853				3,687,853
Central and Other Support Services	1,203,458				1,203,458
Plant Operations and Maintenance	5,347,764				5,347,764
Student Transportation	1,956,686				1,956,686
Debt Service					
Principal	1,519,645			835,000	2,354,645
Interest and Other Charges	121,785			352,475	474,260
Capital Outlay	738,881	-	158,350	-	897,231
Total Expenditures	63,846,141	2,715,588	158,350	1,187,475	67,907,554
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,637)	(80,197)	(154,939)	-	(385,773)
OTHER FINANCING SOURCES (USES)					
Capital Financing Agreement Proceeds	408,075				408,075
Other Financing Agreement Proceeds	267,782				267,782
Transfers In	6,238	80,000			86,238
Transfers Out	(445,000)	-	(3,902)	-	(448,902)
Total Other Financing Sources and Uses	237,095	80,000	(3,902)	-	313,193
Net Change in Fund Balances	86,458	(197)	(158,841)	-	(72,580)
Fund Balance, Beginning of Year	1,511,243	424,685	158,841	-	2,094,769
Fund Balance, End of Year	\$ 1,597,701	\$ 424,488	-	\$ -	\$ 2,022,189

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

**LYNDHURST BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (72,580)**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.

Capital Outlays	\$ 897,231	
Depreciation Expense	<u>(3,605,808)</u>	
		(2,708,577)

The issuance of long-term debt provides current financial resources to governmental funds, however these transaction have no effect in the statement activities

Capital Financing Agreement Proceeds	(408,075)	
Other Financing Agreement Proceeds	<u>(267,782)</u>	
		(675,857)

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

Bond Principal	835,000	
Capital Financing Agreement Principal	393,533	
Other Financing Agreement Principal	320,602	
Leases Payable Principal	325,510	
State Aid Advance Loan Principal	<u>480,000</u>	
		2,354,645

In the statement of activities, certain operating expenses - compensated absences and pension expense - are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Increase in Compensated Absences	(89,441)	
Decrease in Pension Expense	<u>284,029</u>	
		194,588

Interest on long-term and short-term debt in the governmental funds is recorded as an expenditure when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Increase in Accrued Interest		<u>(6,307)</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ (914,088)**

**LYNDHURST BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**

**Business-Type Activities
Enterprise Funds**

	<u>Food Service</u>	<u>Non-Major Technology Insurance Program</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 60,814		\$ 60,814
Intergovernmental Receivable, Net:	57,724		57,724
Accounts Receivable, Net	45,158		45,158
Due from Other Funds	44,606		44,606
Inventory	5,657	-	5,657
Total Current Assets	213,959	-	213,959
Capital Assets			
Equipment	118,664		118,664
Accumulated Depreciation	(101,880)	-	(101,880)
Total Capital Assets, Net	16,784	-	16,784
Total Assets	230,743	-	230,743
LIABILITIES			
Current Liabilities			
Accounts Payable	127,396		127,396
Accrued Salaries and Wages	4,466		4,466
Unearned Revenue	19,689	-	19,689
Total Current Liabilities	151,551	-	151,551
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue	5,657	-	5,657
Total Liabilities and Deferred Inflow of Resources	157,208	-	157,208
NET POSITION			
Investment in Capital Assets	16,784	-	16,784
Unrestricted	56,751	-	56,751
Total Net Position	\$ 73,535	\$ -	\$ 73,535

**LYNDHURST BOARD OF EDUCATION
PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Business-Type Activities Enterprise Funds		
	<u>Food Service</u>	<u>Non-Major Technology Insurance Program</u>	<u>Total</u>
OPERATING REVENUES			
Local Sources			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 209,318		\$ 209,318
Daily Sales - Non-Reimbursable Programs	169,362		169,362
Program Fees	-	\$ 17,035	17,035
Total Operating Revenues	378,680	17,035	395,715
OPERATING EXPENSES			
Cost of Sales - Reimbursable Programs	390,049		390,049
Cost of Sales - Non-Reimbursable Programs	85,388		85,388
Salaries	625,740		625,740
Employee Benefits	74,977		74,977
Purchased Management Services	38,856		38,856
Insurance	49,343		49,343
Other Purchased Services	31,571		31,571
Repair and Maintenance	21,204		21,204
General Supplies	6,325	31,886	38,211
Miscellaneous	14,736	-	14,736
Depreciation	1,154	-	1,154
Total Operating Expenses	1,339,343	31,886	1,371,229
Operating (Loss)	(960,663)	(14,851)	(975,514)
NONOPERATING REVENUES			
State Sources			
State School Lunch Program	34,433		34,433
State School Breakfast Program	2,375		2,375
P-EBT Administrative Costs	322		322
Federal Sources			
National School Breakfast Program	51,982		51,982
National School Lunch Program	472,045		472,045
Food Distribution Program	101,469		101,469
P-EBT Administrative Costs	321		321
Interest Income	1,997	-	1,997
Total Nonoperating Revenues	664,944	-	664,944
Changes in Net Position Before Transfers	(295,719)	(14,851)	(310,570)
Transfers In	365,000	-	365,000
Transfers Out	-	(2,336)	(2,336)
Net Change in Net Position	69,281	(17,187)	52,094
Total Net Position, Beginning of Year	4,254	17,187	21,441
Total Net Position, End of Year	\$ 73,535	\$ -	\$ 73,535

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

**LYNDHURST BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Business-Type Activities		
	Enterprise Funds		
	<u>Food Service</u>	<u>Non-Major Technology Insurance Program</u>	<u>Total</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 348,372	\$ 17,035	\$ 365,407
Cash Payments for Employees Salaries and Benefits	(696,341)	-	(696,341)
Cash Payments to Suppliers for Goods and Services	(408,607)	(31,886)	(440,493)
Net Cash (Used for) Operating Activities	(756,576)	(14,851)	(771,427)
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Subsidy Reimbursements and Grants	547,544	-	547,544
Cash Received from Other Funds	241,175		241,175
Cash Paid to Other Funds	-	(2,336)	(2,336)
Net Cash Provided by (Used for) Noncapital Financing Activities	788,719	(2,336)	786,383
Cash Flows from Investing Activities			
Interest Received	1,997	-	1,997
Net Cash Provided by Investing Activities	1,997	-	1,997
Net Increase (Decrease) in Cash and Cash Equivalents	34,140	(17,187)	16,953
Cash and Cash Equivalents, Beginning of Year	26,674	17,187	43,861
Cash and Cash Equivalents, End of Year	\$ 60,814	\$ -	\$ 60,814
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities			
Operating (Loss)	\$ (960,663)	\$ (14,851)	\$ (975,514)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities			
Depreciation	1,154	-	1,154
Non-Cash Federal Assistance-Food Distribution Program	101,469		101,469
Change in Assets, Liabilities and Deferred Inflows of Resources			
(Increase)/Decrease in Intergovernmental Receivable - Local	(7,086)		(7,086)
(Increase)/Decrease in Accounts Receivable	(23,149)		(23,149)
(Increase)/Decrease in Inventory	14,850		14,850
Increase/(Decrease) in Accounts Payable	127,396		127,396
Increase/(Decrease) in Accrued Salaries and Wages	4,376		4,376
Increase/(Decrease) in Unearned Revenue	(73)		(73)
Increase/(Decrease) in Deferred Commodities Revenue	(14,850)	-	(14,850)
Total Adjustments	204,087	-	204,087
Net Cash (Used for) Operating Activities	\$ (756,576)	\$ (14,851)	\$ (771,427)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 86,619		\$ 86,619

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

NOTES TO THE FINANCIAL STATEMENTS

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Lyndhurst Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions 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 currently operates a Pre-Kindergarten through grade twelve (12) school district.

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 of Schools to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Lyndhurst Board of Education this includes general operations, food service and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2025, the District adopted the following GASB statements:

- GASB Statement No. 101, *Compensated Absences*, was 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.
- GASB Statement No. 102, *Certain Risk Disclosures*, was effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective beginning with the fiscal year ending June 30, 2026. The objective of this Statement is to provide user of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement will improve financial reporting by provided users of the financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

C. Basis of Presentation - Financial Statements

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. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no 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.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and food service enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements, grants and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The District reports the following non-major proprietary funds which are organized to be self-supporting through user charges:

The *technology insurance program* fund accounts for the non-refundable deposits charged to students to repair and replenish the District's laptop computers and other technology items provided to District students.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements, leases payable for intangible right-to-use leased assets and subscription arrangements for intangible right-to-use information technology (IT) software assets are reported as other financing sources.

Property taxes, tuition, facility rental fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates

The preparation of financial statements requires management of the District to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenses/expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost, except for intangible right-to-use leased assets the measurement of which is discussed in Note 1. E.8 and intangible right-to-use IT subscription assets. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Building Improvements	20-50
Improvements Other Than Buildings	20
Heavy Equipment	7-10
Office Equipment and Furniture	5-10
Computer Equipment	5
Right-to-use Buildings/Facilities	18
Right-to-use Leased Equipment	5-10

5. 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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred amounts on net pension liability reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

5. Deferred Outflows/Inflows of Resources (Continued)

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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. Accordingly, one item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred commodities revenue which is reported in both the district-wide and proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. Pensions

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

8. *Leases*

Leases Payable

Non-cancellable leases for the use of another entity's equipment are recognized as a lease liability and an intangible right-to-use lease asset in the district-wide and proprietary fund type financial statements. The District recognizes lease liabilities with an initial, individual value of \$2,000 or more. The lease liability is subsequently reduced by the principal portion of lease payments made each year. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the asset's useful life. Leases are monitored for changes in circumstances that would require a remeasurement of the lease and the lease assets and liabilities are remeasured if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

In the governmental fund financial statements leases payable are recognized as other financing sources at the initial amount of the lease liability. Intangible right-to-use leased assets are reported as capital outlay expenditures.

9. *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 governmental 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.

10. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Debt issuance costs (other than for prepaid insurance) are treated as an expense.

In the governmental fund financial statements, governmental fund types recognize debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

11. Net Position/Fund Balance

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Legally Restricted – Disallowed Grant Costs – This restriction was created to represent the amount of prior years' expenditures paid from federal grant programs that were determined to be unallowable as a result of an audit performed by the grantor agencies. These disallowed grant costs are currently under appeal by the District.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2C).

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2D).

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

Scholarships – This restriction was created to represents the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

11. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

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.

12. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District has no committed fund balances at year end.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

3. *Tuition Revenues and Expenditures*

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2023-2024 and 2024-2025 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. *On-Behalf Payments*

Revenues and expenditures of the general fund include payments made by the State of New Jersey on-behalf of the District for social security, pension, long-term disability insurance and post-retirement medical benefit contributions for District employees enrolled in the Teacher Pension and Annuity Fund (TPAF) retirement system, including on-behalf payments for post-retirement medical contributions for District employees enrolled in the Public Employees Retirement System (PERS).

Revenues and expenses of governmental activities include the State's proportionate share of the on-behalf actuarial determined pension and post-retirement medical benefit amounts attributable to the District for District employees enrolled in the TPAF retirement system, including the on-behalf actuarial determined post-retirement medical benefit amounts attributable to the District for District employees enrolled in the PERS retirement system.

5. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service, and the technology repair program enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them.

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters. The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required. Effective for the 2025/2026 school year budget, voter approval is not required for budgets that meet levy cap requirements regardless of when the school board member elections are held.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2024/2025. Also, during 2024/2025 the Board increased the original budget of the general fund by \$927,553 and the special revenue fund by \$1,265,165. The increases were funded by the additional appropriation of unassigned fund balance, capital reserve, maintenance reserve, state aid, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional appropriations of unassigned fund balance of \$40,320, capital reserve of \$434,873 and maintenance reserve of \$127,266 from the general fund.

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 certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$233,907 in the General Fund as of June 30, 2025 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2024/2025 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$233,907 in the General Fund is less than the delayed state aid payments at June 30, 2025.

LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the reserve 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 fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024		\$ 1,249,160
Increased by		
Deposits Approved by Board Resolution	\$ 200,000	
Return of Unencumbered Withdrawals	<u>30,387</u>	
Total Increases		<u>230,387</u>
		1,479,547
Decreased by:		
Withdrawals Approved by Board Resolution	411,874	
Withdrawals Approved by State Fiscal Monitor	<u>22,999</u>	
		<u>434,873</u>
Balance, June 30, 2025		<u>\$ 1,044,674</u>

The June 30, 2025 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$17,154,000. The withdrawals from the capital reserve were for use in department approved facilities projects, consistent with the District’s Long Range Facilities Plan.

D. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024	\$	160,485
Increased by		
Deposits Approved by Board Resolution	\$	167,870
Return of Unencumbered Budget Withdrawals		<u>15,500</u>
Total Increases		<u>183,370</u>
		343,855
Decreased by:		
Withdrawals Approved by Board Resolution		<u>127,266</u>
Balance, June 30, 2025	\$	<u><u>216,589</u></u>

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,168,795. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2025, the book value of the Board's deposits was \$4,091,326 and bank and brokerage firm balances of the Board's deposits amounted to \$4,942,488. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 2,953,243
Uninsured and Collateralized	<u>1,989,245</u>
	<u>\$ 4,942,488</u>

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 Board does not have a policy for custodial credit risk. As of June 30, 2025 the Board's bank balance of \$1,989,245 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 1,989,245</u>
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Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

As of June 30, 2025, the Board had no outstanding investments.

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside part. The Board does not have a policy for custodial credit risk.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board 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.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board's investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

B. Receivables

Receivables as of June 30, 2025 for the District's individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental-				
Federal		\$ 370,187	\$ 44,310	\$ 414,497
State	\$ 154,203	39,287	2,956	196,446
Local	13,200		10,458	23,658
Other Accounts	<u>23,305</u>	<u>496</u>	<u>45,158</u>	<u>68,959</u>
Gross Receivables	190,708	409,970	102,882	703,560
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 190,708</u>	<u>\$ 409,970</u>	<u>\$ 102,882</u>	<u>\$ 703,560</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

General Fund	
Prepaid Tuition Fees	\$ 1,600
Special Revenue Fund	
Unencumbered Grant Draw Downs	3,290
Grant Draw Downs for Year-End Encumbrances	<u>15,754</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 20,644</u>

D. Capital Assets

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

	Balance, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 171,125			\$ 171,125
Construction in Progress	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>171,125</u>	<u>-</u>	<u>-</u>	<u>171,125</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	83,131,521	\$ 290,486		83,422,007
Right-to-use Leased Buildings	5,326,494			5,326,494
Improvements Other Than Buildings	1,509,687			1,509,687
Machinery and Equipment	3,726,264	606,745		4,333,009
Right-to-use Leased Equipment	<u>102,202</u>	<u>-</u>	<u>(102,202)</u>	<u>-</u>
Total Capital Assets Being Depreciated	<u>93,796,168</u>	<u>897,231</u>	<u>(102,202)</u>	<u>94,591,197</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(17,153,264)	(2,847,166)		(20,000,430)
Right-to-use Leased Buildings	(4,142,828)	(295,916)		(4,438,744)
Improvements Other Than Buildings	(254,040)	(104,032)		(358,072)
Machinery and Equipment	(2,312,450)	(358,694)		(2,671,144)
Right-to-use Leased Equipment	<u>(102,202)</u>	<u>-</u>	<u>102,202</u>	<u>-</u>
Total Accumulated Depreciation	<u>(23,964,784)</u>	<u>(3,605,808)</u>	<u>102,202</u>	<u>(27,468,390)</u>
Total Capital Assets, Being Depreciated, Net	<u>69,831,384</u>	<u>(2,708,577)</u>	<u>-</u>	<u>67,122,807</u>
Governmental Activities Capital Assets, Net	<u>\$ 70,002,509</u>	<u>\$ (2,708,577)</u>	<u>\$ -</u>	<u>\$ 67,293,932</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2025</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 118,664	\$ -	-	\$ 118,664
Total Capital Assets Being Depreciated	118,664	-	-	118,664
Less Accumulated Depreciation for:				
Machinery and Equipment	(100,726)	(1,154)	-	(101,880)
Total Accumulated Depreciation	(100,726)	(1,154)	-	(101,880)
Total Capital Assets, Being Depreciated, Net	17,938	(1,154)	-	16,784
Business-Type Activities Capital Assets, Net	<u>\$ 17,938</u>	<u>\$ (1,154)</u>	<u>\$ -</u>	<u>\$ 16,784</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:

Instruction	
Regular Instruction	\$ 1,694,731
Special Education Instruction	540,871
Other Instruction	108,174
School-Sponsored/Activities and Athletics	<u>72,116</u>
Total Instruction	<u>2,415,892</u>
Support Services	
Student and Instruction Related Services	468,755
General Administrative Services	72,116
School Administrative Services	288,465
Central and Other Support Services	108,174
Plant Operations and Maintenance	216,348
Student Transportation	<u>36,058</u>
Total Support Services	<u>1,189,916</u>
Total Governmental Funds	<u>\$ 3,605,808</u>

Total Depreciation Expense - Governmental Activities \$ 3,605,808

Business-Type Activities:

Food Service Fund	<u>\$ 1,154</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 1,154</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2025, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 196,536
Food Service Fund	General Fund	<u>44,606</u>
Total		<u>\$ 241,142</u>

The above balances are the result of revenues earned or receipts deposited in one fund which are due to another fund or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

Interfund Transfers

	<u>Transfer In:</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Transfer Out:				
General Fund		\$ 80,000	\$ 365,000	\$ 445,000
Capital Projects Fund	\$ 3,902			3,902
Technology Ins. Program Fund	<u>2,336</u>	<u>-</u>	<u>-</u>	<u>2,336</u>
Total Transfers	<u>\$ 6,238</u>	<u>\$ 80,000</u>	<u>\$ 365,000</u>	<u>\$ 451,238</u>

The above transfers are the result of revenues earned and/or budget appropriations or fund balances available in one fund to finance expenditures in another fund.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Leases Payable

The District has entered into the following lease agreements as lessee for the right-to-use another entity's property.

On June 2, 2009, the District entered into a 50 year lease agreement as lessee for the use of real property for various educational purposes known as the Jefferson Community School. An initial lease liability was recorded in the amount of \$2,130,598. The lease has an interest rate of 1.83%. The District is required to make annual payments of \$140,000 for an 18 year period commencing December 31, 2010 through December 31, 2027. In addition, the District has the option to renew the lease at the end of the lease term for an additional 50 year term. As of June 30, 2025 the value of the lease liability was \$405,085. The building has an 18 year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$2,130,598 and had accumulated depreciation of \$1,775,498.

On June 2, 2009, the District entered into a 50 year lease agreement as lessee for the use of real property for educational swimming facilities known as the Community Pool. An initial lease liability was recorded in the amount of \$3,195,896. The lease has an interest rate of 1.83%. The District is required to make annual payments of \$210,000 for an 18 year period commencing December 31, 2010 through December 31, 2027. In addition, the District has the option to renew the lease at the end of the lease term for an additional 50 year term. As of June 30, 2025 the value of the lease liability was \$607,627. The building has an 18 year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$3,195,896 and had accumulated depreciation of \$2,663,246.

The future principal and interest lease payments as of June 30, 2025 are as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 331,468	\$ 18,532	\$ 350,000
2027	337,534	12,466	350,000
2028	<u>343,710</u>	<u>6,290</u>	<u>350,000</u>
Total	<u>\$ 1,012,712</u>	<u>\$ 37,288</u>	<u>\$ 1,050,000</u>

G. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the acquisition of capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

Capital financing agreements at June 30, 2025 are comprised of the following:

\$253,302 fiscal year 2023 Agreement for the acquisitions of school busses for a term of 5 years due in annual principal installments of \$33,121 to \$73,554 through January 20, 2025 interest at 3.40%	\$ 145,577
\$1,200,000 fiscal year 2023 Agreement for the Turf Field Improvements for a term of 12 years due in annual principal installments of \$114,000 through September 2033 interest at 4.25%	912,000
\$175,194, fiscal year 2024 Agreement for the acquisition of photocopiers for a term of 4 years due in annual principal installments of \$31,587 to \$38,663 through September 15, 2027 interest at 5.19%	110,380
\$170,856, fiscal year 2024 Agreement for the acquisition of photocopiers for a term of 5 years due in annual principal installments of \$29,975 to \$38,642 through May 31, 2029 interest at 6.40%	140,881
\$160,000, fiscal year 2024 Agreement for the acquisition of photocopiers for a term of 4 years due in annual principal installments of \$40,640 to \$76,821 through August 28, 2026 interest at 5.34%	83,178
\$136,525, fiscal year 2025 Agreement for the acquisition of photocopiers for a term of 5 years due in annual principal installments of \$25,532 to \$30,363 through October 1, 2028 interest at 4.69%	110,608
\$93,570, fiscal year 2025 Agreement for the acquisition of photocopiers for a term of 5 years due in annual principal installments of \$17,297 to \$20,242 through August 30, 2028 interest at 4.69%	74,603

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

\$17,980, fiscal year 2025 Agreement for the acquisition of a mail machine for a term of 5 years due in annual principal installments of \$2,333 to \$4,691 through January 31, 2029 interest at 4.69%

\$ 13,289

Total

\$ 1,590,516

Other Financing Agreements

The District entered into the following agreements to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

Other financing agreements at June 30, 2025 are comprised of the following:

\$283,828, Fiscal year 2023 Agreement for the purchase of technology supplies for a term of 4 years due in annual principal installments of \$49,959 to \$60,372 through July 15, 2027 interest at 6.57%

\$ 161,086

\$345,000, Fiscal year 2024 Agreement for the purchase of chromebooks for a term of 4 years due in annual principal installments of \$81,229 to \$91,405 through July 1, 2027 interest at 4.01%

263,771

\$267,782, Fiscal year 2024 Agreement for the purchase of chromebooks for a term of 3 years due in annual principal installments of \$78,178 to \$100,823 through July 31, 2025 interest at 9.69%

88,781

\$ 513,638

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Other Financing Agreements (Continued)

The maturity schedule of the remaining capital and other financing agreement payments for principal and interest is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	<u>Capital Agreements</u>		<u>Other Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2026	\$ 303,257	\$ 70,674	\$ 223,229	\$ 34,385	\$ 631,545
2027	312,437	56,863	141,485	15,307	526,092
2028	313,242	42,312	148,924	7,867	512,345
2029	205,580	26,757			232,337
2030	114,000	19,380			133,380
2031-2034	<u>342,000</u>	<u>29,070</u>	<u>-</u>	<u>-</u>	<u>371,070</u>
Total	<u>\$ 1,590,516</u>	<u>\$ 245,056</u>	<u>\$ 513,638</u>	<u>\$ 57,559</u>	<u>\$ 2,406,769</u>

H. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2025 are comprised of the following issues:

\$19,845,000, 2020 Bonds, due in annual installments of \$835,000 to \$1,345,000 through September 1, 2040, interest at 1.00% to 2.00%	<u>\$17,415,000</u>
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**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt (Continued)

General Obligation Bonds (Continued)

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Governmental Activities:

Fiscal Year Ending

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 850,000	\$ 339,800	\$ 1,189,800
2027	890,000	322,400	1,212,400
2028	920,000	304,300	1,224,300
2029	950,000	285,600	1,235,600
2030	970,000	266,400	1,236,400
2031-2035	5,330,000	1,023,500	6,353,500
2036-2040	6,160,000	449,500	6,609,500
2041	<u>1,345,000</u>	<u>13,450</u>	<u>1,358,450</u>
Total	<u>\$ 17,415,000</u>	<u>\$ 3,004,950</u>	<u>\$ 20,419,950</u>

State Aid Advance Loan Payable

In the 2018/2019 school year the Board entered into a loan agreement with the State of New Jersey in the amount of \$4,800,000 pursuant to N.J.S.A. 18A:7A-56 in the form of an advancement of state aid to provide funds to eliminate the unassigned budgetary fund deficit in the General Fund. The State aid advance loan is being repaid by the school district through automatic reductions in the State aid provided to the school district in each year. The term of the loan repayment is ten (10) years which began in the 2019/2020 school year at a minimum amount of \$480,000 per year, but may be for a shorter term as determined by the State Treasurer. At any time during the term of the repayment the State Treasurer, in consultation with the Commissioner of Education, may determine to impose interest on the unpaid balance. The State Treasurer has not imposed interest during the 2024/2025 school year.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt (Continued)

The Board's schedule of principal and interest for the State Aid Advance Loan outstanding is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	<u>State Aid Advance Loan</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2026	\$ 480,000		\$ 480,000
2027	480,000		480,000
2028	480,000		480,000
2029	480,000	-	480,000
Total	<u>\$ 1,920,000</u>	<u>\$ -</u>	<u>\$ 1,920,000</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2025 was as follows:

4 % of Equalized Valuation Basis (Municipal)	\$ 182,439,841
Less: Net Debt Issued and Authorized But Not Issued	<u>17,415,000</u>
Remaining Borrowing Power	<u>\$ 165,024,841</u>

I. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Reductions	Balance, June 30, 2025	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 18,250,000		\$ 835,000	\$ 17,415,000	\$ 850,000
Capital Financing Agreements	1,575,974	\$ 408,075	393,533	1,590,516	303,257
Other Financing Agreements	566,458	267,782	320,602	513,638	223,229
State Aid Advance Loan Payable	2,400,000		480,000	1,920,000	480,000
Compensated Absences	3,586,569	255,041	165,600	3,676,010	175,000
Leases Payable	1,338,222		325,510	1,012,712	331,468
Net Pension Liability	6,425,382	-	270,181	6,155,201	-
Governmental Activity Long-Term Liabilities	<u>\$ 34,142,605</u>	<u>\$ 930,898</u>	<u>\$ 2,790,426</u>	<u>\$ 32,283,077</u>	<u>\$ 2,362,954</u>

For the governmental activities, the liabilities for capital and other financing agreements, state aid advance loan, leases payable and net pension liability are generally liquidated by the general fund.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The District is a member of the School Alliance Insurance Fund (SAIF or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims. SAIF also provides insured coverage (multi-peril) to its member school districts.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

SAIF provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2025, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.nj.gov/treasury/pensions/annual-reports.

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 tier 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 reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 ten years of service credit and have not reached the service retirement age for the respective tier.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.nj.gov/treasury/pensions/annual-reports.

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 always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represent 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 tier 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 reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 retirement age for their respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits ("Division"), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Amendments

The authority to amend the provisions of the above plans rests with legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Empower Retirement (formerly Prudential) is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2024 is \$13.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 68.22%. The collective net pension liability of the State funded TPAF at June 30, 2024 is \$49.5 billion and the plan fiduciary net position as a percentage of total pension liability is 37.99%.

The total pension liabilities for the June 30, 2024 measurement date were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

Actuarial Methods and Assumptions

In the July 1, 2023 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2025.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2024 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2025, 2024 and 2023 were equal to the required contributions.

During the fiscal years ended June 30, 2025, 2024 and 2023 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively, for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2025	\$ 616,394	\$ 7,831,797	\$ 46,750
2024	592,894	7,657,856	44,969
2023	512,288	7,077,629	38,509

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2025, 2024 and 2023 the State contributed \$3,825, \$3,174 and \$2,707, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,630,534 during the fiscal year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2022 through June 30, 2024. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

Although the NJ Division of Pensions and Benefits ("Division") administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense/(benefit) are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2024 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024.

At June 30, 2025, the District reported in the statement of net position (accrual basis) a liability of \$6,155,201 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2024. At June 30, 2024, the District's proportionate share was .04530 percent, which was an increase of .00094 percent from its proportionate share measured as of June 30, 2023 of .04436 percent.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense/(benefit) of \$332,365 for PERS. The pension contribution made by the District during the current 2024/2025 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2025 with a measurement date of the prior fiscal year end of June 30, 2024. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2025 for contributions made subsequent to the measurement date. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 123,300	\$ 16,387
Changes of Assumptions	7,647	70,032
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		285,400
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>548,200</u>	<u>3,238</u>
Total	<u>\$ 679,147</u>	<u>\$ 375,057</u>

At June 30, 2025, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2026	\$ (320,268)
2027	718,359
2028	38,690
2029	(129,248)
2030	(3,443)
Thereafter	<u>-</u>
	<u>\$ 304,090</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

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

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

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans 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 the PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

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

LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based 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 in determining the total pension liability.

Sensitivity of Net Pension Liability

The following presents the District’s proportionate share of the PERS net pension liability as of the June 30, 2024 measurement date calculated using the discount rate of 7.00, as well as what the District’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the PERS Net Pension Liability	\$ 8,178,749	\$ 6,155,201	\$ 4,433,173

The sensitivity analysis was based on the proportionate share of the District’s net pension liability at as of the measurement date of June 30, 2024. A sensitivity analysis specific to the District’s net pension liability at June 30, 2024 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2023 through June 30, 2024. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2024, the State's pension contribution was more than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense (benefit) of \$(317,347) for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2025 the State's proportionate share of the net pension liability attributable to the District is \$87,818,174. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2024. At June 30, 2024, the State's share of the net pension liability attributable to the District was .17768 percent, which was an increase of .00692 percent from its proportionate share measured as of June 30, 2022 of .17076 percent.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension 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% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

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

Discount Rate

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

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

The following presents the State’s proportionate share of the TPAF net pension liability attributable to the District as of the June 30, 2024 measurement date calculated using the discount rate of 7.00%, as well as what the State’s proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 104,384,332	\$ 87,818,174	\$ 73,866,337

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2023. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2023 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS, the Police and Firemen Retirement System (PFRS) or Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

The 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 above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>153,556</u>
Total	<u>372,741</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2024 is \$59.7 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2024 were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the July 1, 2023 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.50 billion to the OPEB plan in fiscal year 2024.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2025, 2024 and 2023 were \$2,288,457, \$2,084,188 and \$1,859,276, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2023 through June 30, 2024. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$3,114,455. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2025 the State's proportionate share of the OPEB liability attributable to the District is \$87,622,420. The State's proportionate share of the OPEB liability attributable to the District was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2024. At June 30, 2023, the state's share of the OPEB liability attributable to the District was .14689 percent, which was an increase of .00336 percent from its proportionate share measured as of June 30, 2023 of .14353.

LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions

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

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 5.65% Based on Years of Service

Mortality Rates

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

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend is increasing to 22.88% in fiscal year 2026 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2025 (measurement date June 30, 2024) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2023 Measurement Date	\$ 75,157,133
Changes Recognized for the Fiscal Year:	
Service Cost	3,123,121
Interest on the Total OPEB Liability	2,884,322
Differences Between Expected and Actual Experience	2,029,900
Changes of Assumptions	6,555,322
Gross Benefit Payments	(2,202,804)
Contributions from the Member	75,426
Net Changes	<u>12,465,287</u>
Balance, June 30, 2024 Measurement Date	<u>\$ 87,622,420</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024.

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District as of the June 30, 2024 measurement date calculated using the discount rate of 3.93%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 102,624,620</u>	<u>\$ 87,622,420</u>	<u>\$ 75,557,538</u>

LYNDHURST BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State’s proportionate share of the OPEB liability attributable to the District as of the June 30, 2024 measurement date calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% <u>Decrease</u>	Healthcare Cost Trend <u>Rates</u>	1% <u>Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 72,990,114	\$ 87,622,420	\$ 106,681,964

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2024. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2024 were not provided by the pension system.

F. Tax Abatements

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

For Lyndhurst Board of Education, the District’s share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 44,698,864		\$ 44,698,864	\$ 44,698,864	
Tuition from Individuals	75,954		75,954	54,779	\$ (21,175)
Rents and Royalties	323,000		323,000	353,490	30,490
Interest				149,250	149,250
Miscellaneous	150,000	-	150,000	35,807	(114,193)
Total Local	45,247,818	-	45,247,818	45,292,190	44,372
State Sources					
Special Education Aid	3,007,849		3,007,849	3,007,849	-
Equalization Aid	2,573,122		2,573,122	2,573,122	-
Security Aid	75,106		75,106	75,106	-
Transportation Aid	239,630		239,630	239,630	-
Extraordinary Aid	402,625	\$ 248,800	651,425	599,042	(52,383)
Homeless Tuition Reimbursement				28,934	28,934
Non-Public Transportation Aid				47,167	47,167
On-behalf TPAF Contributions (Nonbudgeted)					
Pension Benefit Contribution				7,735,969	7,735,969
Pension - NCGI Premium				95,828	95,828
Post Retirement Medical Benefit Contribution				2,288,457	2,288,457
Long-Term Disability Insurance Premium				3,825	3,825
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	1,630,534	1,630,534
Total State	6,298,332	248,800	6,547,132	18,325,463	11,778,331
Federal Sources					
Medicaid Reimbursement	59,712	-	59,712	55,484	(4,228)
Total Federal Sources	59,712	-	59,712	55,484	(4,228)
Total Revenues	51,605,862	248,800	51,854,662	63,673,137	11,818,475
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers:					
Preschool	203,858	\$ -	203,858	203,058	800
Kindergarten	812,773	8,396	821,169	821,166	3
Grades 1-5	4,666,687	(70,578)	4,596,109	4,596,103	6
Grades 6-8	2,833,391	146,446	2,979,837	2,973,166	6,671
Grades 9-12	5,292,223	(53,367)	5,238,856	5,234,826	4,030
Regular Programs-Home Instruction					
Salaries of Teachers	50,000	83,815	133,815	133,815	-
Regular Programs-Undistributed Instruction					
Other Salaries for Instruction	259,385	45,132	304,517	302,064	2,453
Purchased Professional-Educational Services	45,000	23,264	68,264	63,602	4,662
Purchased Technical Services		2,500	2,500	2,068	432
Other Purchased Services	395,551	627	396,178	375,419	20,759
General Supplies	542,655	(73,216)	469,439	465,025	4,414
General Supplies - Acquired Under Other Financing Agreement (Non Budget)				267,782	(267,782)
Textbooks	195,100	(19,697)	175,403	174,901	502
Total Regular Programs	15,296,623	93,322	15,389,945	15,612,995	(223,050)

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Learning and Language Disabilities- Mild/Moderate					
Salaries of Teachers	\$ 693,958	\$ 70,489	\$ 764,447	\$ 762,132	\$ 2,315
Other Salaries for Instruction	279,693	39,159	318,852	318,355	497
General Supplies	3,388	102	3,490	2,249	1,241
Other Objects	800	(142)	658	-	658
Total Language and/or Language Disabilities - Mild/Moderate	977,839	109,608	1,087,447	1,082,736	4,711
Learning and Language Disabilities- Severe					
Salaries of Teachers	374,250	(228,749)	145,501	144,045	1,456
Other Salaries for Instruction	268,580	(33,633)	234,947	229,652	5,295
General Supplies	2,000	-	2,000	-	2,000
Total Learning and Language Disabilities - Severe	644,830	(262,382)	382,448	373,697	8,751
Emotional Regulation Impairment					
Salaries of Teachers	70,430	-	70,430	70,070	360
Other Salaries for Instruction	49,718	(49,718)	-	-	-
General Supplies	1,000	(1,000)	-	-	-
Total Emotional Regulation Impairment	121,148	(50,718)	70,430	70,070	360
Multiple Disabilities					
Salaries of Teachers	291,688	45,854	337,542	337,242	300
Other Salaries for Instruction	104,673	4,202	108,875	108,874	1
General Supplies	1,750	(285)	1,465	1,268	197
Total Multiple Disabilities	398,111	49,771	447,882	447,384	498
Resource Room/Resource Center					
Salaries of Teachers	2,240,806	73,884	2,314,690	2,297,213	17,477
Other Salaries for Instruction	242,437	5,135	247,572	245,390	2,182
General Supplies	5,690	(1,949)	3,741	3,082	659
Total Resource Room/Resource Center	2,488,933	77,070	2,566,003	2,545,685	20,318
Autism					
Salaries of Teachers	79,430	(78,930)	500		500
Other Salaries for Instruction	101,514	4,969	106,483	104,430	2,053
General Supplies	1,000	-	1,000	976	24
Total Autism	181,944	(73,961)	107,983	105,406	2,577
Preschool Disabilities - Part-Time					
Salaries of Teachers	171,234	71,730	242,964	242,464	500
Other Salaries for Instruction	91,216	7,272	98,488	98,486	2
General Supplies	750	(101)	649	609	40
Total Preschool Disabilities - Part-Time	263,200	78,901	342,101	341,559	542
Home Instruction					
Purchased Professional Educational Service	26,500	7,841	34,341	32,940	1,401
Total Home Instruction	26,500	7,841	34,341	32,940	1,401
Total Special Education	5,102,505	(63,870)	5,038,635	4,999,477	39,158
Bilingual Education - Instruction					
Salaries of Teachers	433,448	16,641	450,089	449,259	830
General Supplies	-	1,831	1,831	1,831	-
Total Bilingual Education - Instruction	433,448	18,472	451,920	451,090	830

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
School Sponsored Co/Extra Curricular Activities					
Salaries	\$ 212,900	\$ 11,380	\$ 224,280	\$ 218,877	\$ 5,403
Purchased Services	3,600	2,665	6,265	6,265	-
Supplies and Materials	59,800	(2,642)	57,158	54,553	2,605
Other Objects	1,500	(200)	1,300	-	1,300
Total School Sponsored Co/Extra Curricular Activities	<u>277,800</u>	<u>11,203</u>	<u>289,003</u>	<u>279,695</u>	<u>9,308</u>
School Sponsored Athletics					
Salaries	526,875	14,155	541,030	531,778	9,252
Purchased Services	92,500	(34,925)	57,575	54,888	2,687
Supplies and Materials	93,000	8,501	101,501	91,868	9,633
Other Objects	500	-	500	-	500
Total School Sponsored Athletics	<u>712,875</u>	<u>(12,269)</u>	<u>700,606</u>	<u>678,534</u>	<u>22,072</u>
Instructional Alt Ed Program - Instruction					
Other Objects	800	-	800	-	800
Total Instructional Alt Ed Program - Instruction	<u>800</u>	<u>-</u>	<u>800</u>	<u>-</u>	<u>800</u>
Total Instruction	<u>21,824,051</u>	<u>46,858</u>	<u>21,870,909</u>	<u>22,021,791</u>	<u>(150,882)</u>
Undistributed Expenditures					
Instruction:					
Tuition to Other LEAs Within State - Special	224,872	(159,524)	65,348	65,348	-
Tuition to County Voc. School District-Regular	333,900	136,914	470,814	461,441	9,373
Tuition to County Voc. School District-Special	388,446	(95,864)	292,582	289,024	3,558
Tuition to CSSD and Regional Day Schools	1,255,591	(22,897)	1,232,694	1,223,227	9,467
Tuition to Priv. School for the Disabled - Within State	1,393,632	(62,265)	1,331,367	1,296,164	35,203
Total Undistributed Expenditures- Instruction	<u>3,596,441</u>	<u>(203,636)</u>	<u>3,392,805</u>	<u>3,335,204</u>	<u>57,601</u>
Attendance and Social Work					
Salaries	81,163	(800)	80,363	80,363	-
Supplies and Materials	500	(1)	499	419	80
Total Attendance and Social Work	<u>81,663</u>	<u>(801)</u>	<u>80,862</u>	<u>80,782</u>	<u>80</u>
Health Services					
Salaries	883,220	(32,542)	850,678	850,662	16
Purchased Professional/Technical Services	20,000	1,598	21,598	21,598	-
Other Purchased Services	23,868	3,744	27,612	25,974	1,638
Supplies and Materials	15,900	(7,829)	8,071	8,060	11
Total Health Services	<u>942,988</u>	<u>(35,029)</u>	<u>907,959</u>	<u>906,294</u>	<u>1,665</u>
Speech, OT, PT, & Related Services					
Salaries	579,854	(42,831)	537,023	537,007	16
Purchased Professional/Educational Services	557,109	143,359	700,468	671,544	28,924
Supplies and Materials	7,300	(4,046)	3,254	3,244	10
Total Speech, OT, PT & Related Services	<u>1,144,263</u>	<u>96,482</u>	<u>1,240,745</u>	<u>1,211,795</u>	<u>28,950</u>
Other Support Services -Students- Extra Services					
Salaries	107,535	(26,869)	80,666	80,666	-
Purchased Professional/Educational Services	8,000	8,150	16,150	13,773	2,377
Supplies and Materials	11,000	(4,469)	6,531	6,530	1
Total Other Support Services - Students - Extra Services	<u>126,535</u>	<u>(23,188)</u>	<u>103,347</u>	<u>100,969</u>	<u>2,378</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 937,178	\$ (9,078)	\$ 928,100	\$ 928,093	\$ 7
Salaries of Secretarial and Clerical Assistants	96,226	-	96,226	96,226	-
Purchased Professional/Educational Services	31,500	(1,892)	29,608	26,560	3,048
Other Purchased Professional & Technical Services	2,400	-	2,400	2,100	300
Supplies and Materials	7,500	(34)	7,466	3,482	3,984
Total Guidance	1,074,804	(11,004)	1,063,800	1,056,461	7,339
Child Study Team					
Salaries of Other Professional Staff	1,110,776	14,190	1,124,966	1,124,964	2
Salaries of Secretarial and Clerical Assistants	91,092	(145)	90,947	90,946	1
Purchased Professional-Educational Services	370,815	(23,347)	347,468	324,943	22,525
Other Purchased Services	3,000	(726)	2,274	912	1,362
Supplies and Materials	9,350	(1,000)	8,350	8,142	208
Total Child Study Team	1,585,033	(11,028)	1,574,005	1,549,907	24,098
Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	735,311	14,528	749,839	749,839	-
Salaries of Secretarial and Clerical Assistants	52,463	(4,999)	47,464	47,463	1
Other Purchased Services	6,000	(867)	5,133	5,132	1
Supplies and Materials	500	(400)	100	100	-
Other Objects	10,225	(3,236)	6,989	6,989	-
Total Improvement of Inst. Serv.	804,499	5,026	809,525	809,523	2
Educational Media/School Library					
Salaries	65,430	48,322	113,752	113,752	-
Supplies and Materials	8,000	(1,329)	6,671	6,420	251
Total Educational Media/School Library	73,430	46,993	120,423	120,172	251
Instructional Staff Training					
Purchased Professional-Educational Services	12,000	4,000	16,000	14,741	1,259
Total Instructional Staff Training	12,000	4,000	16,000	14,741	1,259
General Administration					
Salaries	583,610	2,096	585,706	585,704	2
Salaries of State Monitors	125,000	-	125,000	124,992	8
Repayment of Principal - NJDOE Loan	480,000	-	480,000	480,000	-
Legal Services	110,000	(22,739)	87,261	74,277	12,984
Audit Fees	65,000	45,000	110,000	57,187	52,813
Architectural/Engineering Services	25,000	(24,898)	102		102
Other Purchased Professional Services	48,000	5,261	53,261	51,909	1,352
Communications/Telephone	121,910	18,228	140,138	127,560	12,578
BOE Other Purchased Services	4,000	(199)	3,801	3,777	24
Miscellaneous Purchased Services	230,575	(10,700)	219,875	219,873	2
General Supplies	9,200	4,699	13,899	13,874	25
BOE In-House Training / Meeting Supplies	3,000	(3,000)			-
Miscellaneous Expenditures	5,000	2,191	7,191	7,191	-
BOE Membership Dues and Fees	16,000	3,289	19,289	19,289	-
Total General Administration	1,826,295	19,228	1,845,523	1,765,633	79,890

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
School Administration					
Salaries of Principals/Assistant Principals	\$ 1,611,958	\$ 45,701	\$ 1,657,659	\$ 1,657,648	\$ 11
Salaries of Secretarial and Clerical Assistants	664,293	(52,870)	611,423	611,419	4
Other Purchased Services	14,000	(812)	13,188	13,188	-
Supplies and Materials	18,850	393	19,243	19,236	7
Other Objects	12,500	(1,016)	11,484	11,484	-
Total School Administration	<u>2,321,601</u>	<u>(8,604)</u>	<u>2,312,997</u>	<u>2,312,975</u>	<u>22</u>
Central Services					
Salaries	550,468	(23,216)	527,252	527,231	21
Purchased Professional Services	15,500	1,414	16,914	16,914	-
Purchased Technical Services	46,220	1,552	47,772	47,666	106
Miscellaneous Purchased Services		3,077	3,077	3,076	1
Supplies and Materials	4,000	4,361	8,361	8,172	189
Interest on Lease Purchase Agreements		13,594	13,594	13,594	-
Miscellaneous Expenditures	2,200	(147)	2,053	2,050	3
Total Central Services	<u>618,388</u>	<u>635</u>	<u>619,023</u>	<u>618,703</u>	<u>320</u>
Admin. Info Technology					
Salaries	174,115	74,469	248,584	248,583	1
Total Admin Info Technology	<u>174,115</u>	<u>74,469</u>	<u>248,584</u>	<u>248,583</u>	<u>1</u>
Required Maintenance for School Facilities					
Salaries	544,184	42,327	586,511	586,510	1
Cleaning, Repair and Maintenance Services	262,893	224,198	487,091	415,043	72,048
General Supplies	72,800	(17,105)	55,695	50,884	4,811
Total Required Maintenance for School Facilities	<u>879,877</u>	<u>249,420</u>	<u>1,129,297</u>	<u>1,052,437</u>	<u>76,860</u>
Custodial Services					
Salaries	1,447,059	81,902	1,528,961	1,528,596	365
Cleaning, Repair and Maintenance Services	141,456	(16,866)	124,590	121,941	2,649
Rental of Land and Building Other Than Lease Purchase Agreemt	357,000	199	357,199	357,198	1
Insurance	456,893	1,613	458,506	458,506	-
General Supplies	162,925	(54,309)	108,616	105,288	3,328
Energy (Natural Gas)	382,000	(75,093)	306,907	232,178	74,729
Energy (Electricity)	523,132	114,117	637,249	637,244	5
Energy (Gasoline)	15,000	(3,500)	11,500	11,500	-
Other Objects	6,000	(4,072)	1,928	1,928	-
Total Custodial Services	<u>3,491,465</u>	<u>43,991</u>	<u>3,535,456</u>	<u>3,454,379</u>	<u>81,077</u>
Care and Upkeep of Grounds					
Salaries	77,710	49,170	126,880	126,879	1
Cleaning, Repair, and Maintenance Svc.	46,000	15,531	61,531	61,530	1
General Supplies	15,000	(272)	14,728	14,061	667
Total Care and Upkeep of Grounds	<u>138,710</u>	<u>64,429</u>	<u>203,139</u>	<u>202,470</u>	<u>669</u>
Security					
Salaries	196,000	(51,618)	144,382	144,256	126
Purchased Professional/Technical Services	-	54,590	54,590	54,590	-
Total Security	<u>196,000</u>	<u>2,972</u>	<u>198,972</u>	<u>198,846</u>	<u>126</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Student Transportation Services					
Salaries of Non-Instructional Aides	\$ 54,540	\$ 40,008	\$ 94,548	\$ 94,548	\$ -
Sal. For Pupil Transportation (Bet. Home & Sch)-Reg.	127,474	(22,104)	105,370	104,474	896
Sal. For Pupil Transportation (Bet. Home & Sch)-Spec.	67,472	(13,290)	54,182	54,181	1
Sal. For Pupil Transportation (Other Than Bet. Home & Sch)	70,000	32,728	102,728	102,112	616
Cleaning, Repair & Maint. Services	30,000	84,147	114,147	99,655	14,492
Lease Purchase Payments - School Buses	40,358	(1)	40,357	40,357	-
Contr. Serv. Aid in Lieu Payments-Non Public	120,596	4,244	124,840	124,839	1
Contr. Serv. Aid in Lieu Payments-Charter Sch.	5,110	10,191	15,301	15,301	-
Contr. Serv. (Bet Home & Sch)-Vendor	59,850	17,733	77,583	77,065	518
Contr. Serv. (Other Than Bet Home & Sch)-Vendor	50,000	(25,036)	24,964	24,963	1
Contr. Serv. (Bet. Home & Sch)-Joint Agreements	310,000	(75,619)	234,381	234,381	-
Contr. Serv. (Spec. Ed. Students)-Joint Agreements	1,023,390	(152,945)	870,445	870,444	1
Transportation Supplies	16,000	(2,171)	13,829	13,760	69
Other Objects	1,000	1,141	2,141	2,141	-
Total Student Transportation Services	1,975,790	(100,974)	1,874,816	1,858,221	16,595
Unallocated Employee Benefits					
Social Security Contributions	575,000	57,497	632,497	632,497	-
Other Retirement Contributions - PERS	560,000	56,394	616,394	616,394	-
Other Retirement Contributions - Deferred PERS Pymt	15,000	(551)	14,449	14,449	-
Other Retirement Contributions - DCRP	35,000	11,766	46,766	46,750	16
Unemployment Compensation	90,000	11,341	101,341	101,341	-
Workmen's Compensation	166,020	65,837	231,857	231,857	-
Health Benefits	6,273,537	(134,488)	6,139,049	5,995,636	143,413
Other Employee Benefits	268,300	(72,726)	195,574	195,099	475
Unused Sick Payments to Terminated/Retired Staff	80,000	85,600	165,600	165,600	-
Total Unallocated Employee Benefits	8,062,857	80,670	8,143,527	7,999,623	143,904
On-behalf TPAF Contributions (Nonbudgeted)					
Pension Benefit Contribution				7,735,969	(7,735,969)
Pension - NCGI Premium				95,828	(95,828)
Post Retirement Medical Benefit Contribution				2,288,457	(2,288,457)
Long-Term Disability Insurance Premium				3,825	(3,825)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	1,630,534	(1,630,534)
Total TPAF On-Behalf	-	-	-	11,754,613	(11,754,613)
Total Undistributed Expenditures	29,126,754	294,051	29,420,805	40,652,331	(11,231,526)
Total Current Expenditures	50,950,805	340,909	51,291,714	62,674,122	(11,382,408)
CAPITAL OUTLAY					
Equipment					
Undistrib. Expend. - School Buses - Regular	-	40,320	40,320	40,320	-
Total Equipment	-	40,320	40,320	40,320	-

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CAPITAL OUTLAY (Continued)					
Facilities Acquisition and Construction Services					
Construction Services		\$ 320,873	\$ 320,873	\$ 290,486	\$ 30,387
Lease Purchase Agreements - Principal		114,000	114,000	114,000	-
Assessment for Debt Service on SDA Funding	\$ 24,331	-	24,331	24,331	-
Total Facilities Acquisition and Construction Services	24,331	434,873	459,204	428,817	30,387
Assets Acquired under Capital Financing Agreements (Non Budget)					
Equipment - General Administration				17,980	(17,980)
Equipment - School Administration	-	-	-	390,095	(390,095)
Total Assets Acquired under Capital Leases	-	-	-	408,075	(408,075)
Total Capital Outlay	24,331	475,193	499,524	877,212	(377,688)
Transfer Funds to Charter Schools	289,526	5,282	294,808	294,807	1
Total Expenditures	51,264,662	821,384	52,086,046	63,846,141	(11,760,095)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	341,200	(572,584)	(231,384)	(173,004)	58,380
Other Financing Sources/(Uses)					
Capital Financing Agreement Proceeds (Non Budget)				408,075	408,075
Other Financing Agreement Proceeds (Non-Budget)				267,782	267,782
Transfer In - Capital Projects Fund				3,902	3,902
Transfer In - Technology Fee Enterprise Fund				2,336	2,336
Transfer Out - Special Revenue Fund	(110,000)	27,631	(82,369)	(80,000)	2,369
Transfer Out - Food Service Fund	(231,200)	(133,800)	(365,000)	(365,000)	-
Total Other Financing Sources/(Uses)	(341,200)	(106,169)	(447,369)	237,095	684,464
Net Change in Fund Balances	-	(678,753)	(678,753)	64,091	742,844
Fund Balances, Beginning of Year	2,587,115	-	2,587,115	2,587,115	-
Fund Balances, End of Year	\$ 2,587,115	\$ (678,753)	\$ 1,908,362	\$ 2,651,206	\$ 742,844
Recapitulation of Fund Balances					
Restricted Fund Balance					
Legally Restricted - Disallowed Grant Costs				\$ 301,224	
Capital Reserve				1,044,674	
Maintenance Reserve				216,589	
Assigned Fund Balance					
Year End Encumbrances				269,117	
Unassigned Fund Balance				819,602	
Fund Balance - Budgetary Basis				2,651,206	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Revenue Not Recognized on GAAP Basis				(1,053,505)	
Fund Balance Per Governmental Funds (GAAP)				\$ 1,597,701	

**LYNDHURST BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local		\$ 575,943	\$ 575,943	\$ 574,621	\$ (1,322)
State	\$ 326,468	223,729	550,197	476,147	(74,050)
Federal	1,274,454	385,493	1,659,947	1,576,998	(82,949)
Total Revenues	1,600,922	1,185,165	2,786,087	2,627,766	(158,321)
EXPENDITURES					
Instruction					
Salaries of Teachers	132,574	106,519	239,093	220,846	18,247
Purchased Professional and Technical Services	208,846	27,204	236,050	223,123	12,927
Other Purchased Services	607,500	89,776	697,276	697,275	1
General Supplies	64,061	84,860	148,921	132,124	16,797
Textbooks	13,736	2,833	16,569	16,537	32
Co-Curricular / Extracurricular Activities		478,545	478,545	478,545	-
Athletic Activities		92,180	92,180	92,180	-
Other Objects	-	2,000	2,000	1,474	526
Total Instruction	1,026,717	883,917	1,910,634	1,862,104	48,530
Support Services					
Salaries	30,233	35,393	65,626	63,341	2,285
Personnel Services - Employee Benefits	70,235	23,799	94,034	92,729	1,305
Purchased Professional and Technical Services	100,263	117,913	218,176	172,382	45,794
Purchased Professional - Educational Services	345,171	81,081	426,252	379,750	46,502
Other Purchased Services	17,100	16,576	33,676	27,298	6,378
Supplies and Materials	11,203	24,553	35,756	28,426	7,330
Scholarship Awards	-	81,933	81,933	81,933	-
Total Support Services	574,205	381,248	955,453	845,859	109,594
Total Expenditures	1,600,922	1,265,165	2,866,087	2,707,963	158,124
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	(80,000)	(80,000)	(80,197)	(197)
OTHER FINANCING SOURCES (USES)					
Transfers In - General Fund	-	80,000	80,000	80,000	-
Total Other Financing Sources (Uses)	-	80,000	80,000	80,000	-
Net Changes in Fund Balances	-	-	-	(197)	(197)
Fund Balance, Beginning of Year	424,685	-	424,685	424,685	-
Fund Balance, End of Year	\$ 424,685	\$ -	\$ 424,685	\$ 424,488	\$ (197)
Recapitulation of Fund Balance					
Restricted					
Student Activities				\$ 308,980	
Scholarships				115,508	
				<u>\$ 424,488</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**LYNDHURST BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

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 certain state aid payments and state aid advance loan payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of 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.

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1, C-2)	\$ 63,673,137	\$ 2,627,766
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP purposes not recognized for budgetary statements (2023/2024 State Aid)	1,075,872	
State Aid payments recognized for budgetary purpose not recognized for GAAP statements (2024/2025 State Aid)	(1,053,505)	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances - June 30, 2025		(15,754)
Encumbrances - June 30, 2024, net of cancellations	<u>-</u>	<u>23,379</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 63,695,504</u>	<u>\$ 2,635,391</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 63,846,141	\$ 2,707,963
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 financial reporting purposes.		
Encumbrances - June 30, 2025		(15,754)
Encumbrances - June 30, 2024, net of cancellations	<u>-</u>	<u>23,379</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 63,846,141</u>	<u>\$ 2,715,588</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**PENSION INFORMATION
AND
POST-EMPLOYMENT BENEFITS INFORMATION**

**LYNDHURST BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Ten Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Position Liability (Asset)	.04530%	.04436%	.04062%	.03994%	.04001%	.03949%	0.03927%	0.03978%	0.04315%	0.04463%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,155,201	\$ 6,425,382	\$ 6,130,719	\$ 4,731,595	\$ 6,524,298	\$ 7,115,362	\$ 7,731,520	\$ 9,259,540	\$ 12,781,011	\$ 10,020,439
District's Covered-Employee Payroll	\$ 3,896,367	\$ 3,664,002	\$ 3,360,452	\$ 3,001,620	\$ 2,931,262	\$ 2,962,592	\$ 2,838,200	\$ 2,752,274	\$ 2,770,142	\$ 2,970,168
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	157.97%	175.37%	182.44%	157.63%	222.58%	240.17%	272.41%	336.43%	461.38%	337.37%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

- * The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

**LYNDHURST BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 616,394	\$ 592,894	\$ 512,288	\$ 467,754	\$ 437,671	\$ 384,116	\$ 390,582	\$ 368,495	\$ 383,375	\$ 383,771
Contributions in Relation to the Contractually Required Contribution	<u>(616,394)</u>	<u>(592,894)</u>	<u>(512,288)</u>	<u>(467,754)</u>	<u>(437,671)</u>	<u>(384,116)</u>	<u>(390,582)</u>	<u>(368,495)</u>	<u>(383,375)</u>	<u>(383,771)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 3,834,905	\$ 3,896,367	\$ 3,664,002	\$ 3,360,452	\$ 3,001,529	\$ 2,931,262	\$ 2,962,592	\$ 2,838,200	\$ 2,752,274	\$ 2,770,142
Contributions as a Percentage of Covered-Employee Payroll	16.07%	15.22%	13.98%	13.92%	14.58%	13.10%	13.18%	12.98%	13.93%	13.85%

**LYNDHURST BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Position Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>87,818,174</u>	<u>87,143,469</u>	<u>88,964,174</u>	<u>81,854,529</u>	<u>118,361,592</u>	<u>107,527,548</u>	<u>110,414,592</u>	<u>117,743,077</u>	<u>130,571,153</u>	<u>98,187,722</u>
Total	<u>\$ 87,818,174</u>	<u>\$ 87,143,469</u>	<u>\$ 88,964,174</u>	<u>\$ 81,854,529</u>	<u>\$ 118,361,592</u>	<u>\$ 107,527,548</u>	<u>\$ 110,414,592</u>	<u>\$ 117,743,077</u>	<u>\$ 130,571,153</u>	<u>\$ 98,187,722</u>
District's Covered Payroll	\$ 23,079,524	\$ 22,082,562	\$ 20,749,795	\$ 19,616,743	\$ 18,897,150	\$ 18,556,187	\$ 19,086,107	\$ 18,271,889	\$ 17,772,618	\$ 17,618,977
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

**LYNDHURST BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and
statutorily required employer contribution are presented in Note 4D.

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

POSTEMPLOYMENT BENEFITS INFORMATION

**LYNDHURST BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Seven Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Cost	\$ 3,123,121	\$ 2,975,964	\$ 3,980,793	\$ 4,632,914	\$ 2,795,403	\$ 2,603,844	\$ 2,819,791	\$ 3,385,082
Interest on Total OPEB Liability	2,884,322	2,646,942	1,899,656	2,218,153	2,208,890	2,713,542	2,823,300	2,442,776
Changes of Benefit Terms			-	(91,012)		-	-	-
Differences Between Expected and Actual Experience	2,029,900	(303,897)	1,344,934	(17,283,786)	15,313,574	(11,690,490)	(4,529,198)	-
Changes of Assumptions	6,555,322	151,486	(19,229,377)	84,360	17,834,995	911,495	(7,851,005)	(10,162,066)
Gross Benefit Payments	(2,202,804)	(2,063,335)	(1,881,665)	(1,747,283)	(1,699,786)	(1,876,594)	(1,829,402)	(1,946,151)
Contribution from the Member	<u>75,426</u>	<u>67,832</u>	<u>60,365</u>	<u>56,707</u>	<u>51,520</u>	<u>55,627</u>	<u>63,227</u>	<u>71,662</u>
Net Change in Total OPEB Liability	12,465,287	3,474,992	(13,825,294)	(12,129,947)	36,504,596	(7,282,576)	(8,503,287)	(6,208,697)
Total OPEB Liability - Beginning	<u>75,157,133</u>	<u>71,682,141</u>	<u>85,507,435</u>	<u>97,637,382</u>	<u>61,132,786</u>	<u>68,415,362</u>	<u>76,918,649</u>	<u>83,127,346</u>
Total OPEB Liability - Ending	<u>\$ 87,622,420</u>	<u>\$ 75,157,133</u>	<u>\$ 71,682,141</u>	<u>\$ 85,507,435</u>	<u>\$ 97,637,382</u>	<u>\$ 61,132,786</u>	<u>\$ 68,415,362</u>	<u>\$ 76,918,649</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>87,622,420</u>	<u>75,157,133</u>	<u>71,682,141</u>	<u>85,507,435</u>	<u>97,637,382</u>	<u>61,132,786</u>	<u>68,415,362</u>	<u>76,918,649</u>
Total OPEB Liability - Ending	<u>\$ 87,622,420</u>	<u>\$ 75,157,133</u>	<u>\$ 71,682,141</u>	<u>\$ 85,507,435</u>	<u>\$ 97,637,382</u>	<u>\$ 61,132,786</u>	<u>\$ 68,415,362</u>	<u>\$ 76,918,649</u>
District's Covered Payroll	\$ 26,975,891	\$ 25,746,564	\$ 24,110,247	\$ 22,618,363	\$ 21,828,412	\$ 21,518,779	\$ 21,924,307	\$ 21,024,163
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%

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

*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**LYNDHURST BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4E.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

**LYNDHURST BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	IDEA Basic	IDEA Preschool	Title I	Title I SIA	Title II A	Title III	Title III Immigrant	To Exhibit E-1D
REVENUES								
Local								
State								
Federal	\$ 798,794	\$ 36,953	\$ 474,373	\$ 52,442	\$ 105,918	\$ 20,055	\$ 17,777	\$ 1,506,312
Total Revenues	\$ 798,794	\$ 36,953	\$ 474,373	\$ 52,442	\$ 105,918	\$ 20,055	\$ 17,777	\$ 1,506,312
EXPENDITURES								
Instruction								
Salaries of Teachers			\$ 134,860	\$ 11,800				\$ 146,660
Purchased Professional and Technical Services			223,123					223,123
Other Purchased Services	\$ 676,112	\$ 21,163						697,275
General Supplies	27,718	1,433	4,399	11,462		\$ 13,055		58,067
Textbooks		255						255
Co-Curricular / Extracurricular Activities								-
Athletic Activities								-
Other Objects	1,474	-	-	-	-	-	-	1,474
Total Instruction	\$ 705,304	\$ 22,851	\$ 362,382	\$ 23,262	\$ -	\$ 13,055	\$ -	\$ 1,126,854
Support Services								
Salaries		4,455	20,783	\$ 3,150	5,294		8,505	42,187
Personal Services - Employee Benefits			82,948	1,465	612		651	85,676
Purchased Professional and Technical Services				9,676	88,682	\$ 1,145	3,531	103,034
Purchased Professional - Educational Services	84,245	9,572	5,672					99,489
Other Purchased Services	6,857	75			10,816	2,955		20,703
Supplies and Materials	2,388		2,588	14,889	514	2,900	5,090	28,369
Scholarship Awards	-	-	-	-	-	-	-	-
Total Support Services	93,490	14,102	111,991	29,180	105,918	7,000	17,777	379,458
Total Expenditures	\$ 798,794	\$ 36,953	\$ 474,373	\$ 52,442	\$ 105,918	\$ 20,055	\$ 17,777	\$ 1,506,312
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**LYNDHURST BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	ARP ESSER III			Nonpublic Textbook	Nonpublic Technology	Nonpublic Nursing	Nonpublic Security	To Exhibit E-1D
	<u>ESSER III</u>	<u>Accelerated Learning Coaching & Educator Support</u>	<u>Evidence Based Comprehensive Beyond the School Day</u>					
REVENUES								
Local				\$ 16,282	\$ 15,859	\$ 42,120	\$ 66,420	\$ 140,681
State				-	-	-	-	24,960
Federal	\$ 19,607	\$ 700	\$ 4,653	-	-	-	-	-
Total Revenues	\$ 19,607	\$ 700	\$ 4,653	\$ 16,282	\$ 15,859	\$ 42,120	\$ 66,420	\$ 165,641
EXPENDITURES								
Instruction								
Salaries of Teachers								\$ -
Purchased Professional and Technical Services								-
Other Purchased Services								-
General Supplies	19,607	700	4,653		\$ 15,859			40,819
Textbooks				\$ 16,282				16,282
Co-Curricular / Extracurricular Activities								-
Athletic Activities								-
Other Objects	-	-	-	-	-	-	-	-
Total Instruction	19,607	700	4,653	16,282	15,859	-	-	57,101
Support Services								
Salaries								-
Personnel Services - Employee Benefits								-
Purchased Professional and Technical Services							\$ 66,420	66,420
Purchased Professional - Educational Services						\$ 42,120		42,120
Other Purchased Services								-
Supplies and Materials								-
Scholarship Awards	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	42,120	66,420	108,540
Total Expenditures	\$ 19,607	\$ 700	\$ 4,653	\$ 16,282	\$ 15,859	\$ 42,120	\$ 66,420	\$ 165,641
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**LYNDHURST BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Nonpublic Chapter 192</u>		<u>Nonpublic Chapter 193</u>			<u>L. Acceleration</u>	<u>Nonpublic</u>	<u>To Exhibit</u>
	<u>Compensatory</u>	<u>ESL</u>	<u>Examination &</u>	<u>Corrective</u>	<u>Supplemental</u>	<u>Hi Impact</u>	<u>Teacher</u>	<u>E-1D</u>
REVENUES	<u>Education</u>		<u>Classification</u>	<u>Speech</u>	<u>Instruction</u>	<u>Tutoring</u>	<u>STEM</u>	
Local								\$ -
State	\$ 130,729	\$ 20,836	\$ 30,711	\$ 33,480	\$ 22,385	\$ -	\$ 52,010	290,151
Federal	-	-	-	-	-	45,726	-	45,726
Total Revenues	\$ 130,729	\$ 20,836	\$ 30,711	\$ 33,480	\$ 22,385	\$ 45,726	\$ 52,010	\$ 335,877
EXPENDITURES								
Instruction								
Salaries of Teachers						\$ 25,872	\$ 48,314	\$ 74,186
Purchased Professional and Technical Services								-
Other Purchased Services								-
General Supplies								-
Textbooks								-
Co-Curricular / Extracurricular Activities								-
Athletic Activities								-
Other Objects	-	-	-	-	-	-	-	-
Total Instruction	-	-	-	-	-	25,872	48,314	74,186
Support Services								
Salaries						16,604		16,604
Personnel Services - Employee Benefits						3,250	3,696	6,946
Purchased Professional and Technical Services								-
Purchased Professional - Educational Services	\$ 130,729	\$ 20,836	\$ 30,711	\$ 33,480	\$ 22,385			238,141
Other Purchased Services								-
Supplies and Materials								-
Scholarship Awards	-	-	-	-	-	-	-	-
Total Support Services	130,729	20,836	30,711	33,480	22,385	19,854	3,696	261,691
Total Expenditures	\$ 130,729	\$ 20,836	\$ 30,711	\$ 33,480	\$ 22,385	\$ 45,726	\$ 52,010	\$ 335,877
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**LYNDHURST BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

REVENUES	Expanding Access to Computer <u>Science</u>	Local Grant <u>Programs</u>	Student <u>Activities</u>	Scholarships	Exhibit E-1A <u>Subtotal</u>	Exhibit E-1B <u>Subtotal</u>	Exhibit E-1C <u>Subtotal</u>	<u>Total</u>
Local		\$ 2,160	\$ 514,923	\$ 57,538	-	\$ -	\$ -	\$ 574,621
State	\$ 45,315				-	140,681	290,151	476,147
Federal	-	-	-	-	1,506,312	24,960	45,726	1,576,998
Total Revenues	\$ 45,315	\$ 2,160	\$ 514,923	\$ 57,538	\$ 1,506,312	\$ 165,641	\$ 335,877	\$ 2,627,766
EXPENDITURES								
Instruction								
Salaries of Teachers					\$ 146,660	\$ -	\$ 74,186	\$ 220,846
Purchased Professional and Technical Services					223,123	-	-	223,123
Other Purchased Services	-				697,275	-	-	697,275
General Supplies	31,078	\$ 2,160		-	58,067	40,819	-	132,124
Textbooks					255	16,282	-	16,537
Co-Curricular / Extracurricular Activities			\$ 478,545		-	-	-	478,545
Athletic Activities			92,180		-	-	-	92,180
Other Objects	-	-	-	-	1,474	-	-	1,474
Total Instruction	31,078	2,160	570,725	-	1,126,854	57,101	74,186	1,862,104
Support Services								
Salaries	4,550	-			42,187	-	16,604	63,341
Personnel Services - Employee Benefits	107				85,676	-	6,946	92,729
Purchased Professional and Technical Services	2,928				103,034	66,420	-	172,382
Purchased Professional - Educational Services					99,489	42,120	238,141	379,750
Other Purchased Services	6,595				20,703	-	-	27,298
Supplies and Materials	57				28,369	-	-	28,426
Scholarship Awards	-	-	-	81,933	-	-	-	81,933
Total Support Services	14,237	-	-	81,933	379,458	108,540	261,691	845,859
Total Expenditures	\$ 45,315	\$ 2,160	\$ 570,725	\$ 81,933	\$ 1,506,312	\$ 165,641	\$ 335,877	\$ 2,707,963
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	(55,802)	(24,395)	-	-	-	(80,197)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	80,000	-	-	-	-	80,000
Total Other Financing Sources (Uses)	-	-	80,000	-	-	-	-	80,000
Net Changes in Fund Balances	-	-	24,198	(24,395)	-	-	-	(197)
Fund Balance, Beginning of Year	-	-	284,782	139,903	-	-	-	424,685
Fund Balance, End of Year	\$ -	\$ -	\$ 308,980	\$ 115,508	\$ -	\$ -	\$ -	\$ 424,488

CAPITAL PROJECTS FUND

LYNDHURST BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

<u>Issue/Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Transfer to General Fund</u>	<u>Balance June 30, 2025</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Acquisition of School Buses	\$ 306,673	\$ 144,421	\$ 158,350	\$ 3,902	\$ -
	<u>\$ 306,673</u>	<u>\$ 144,421</u>	<u>\$ 158,350</u>	<u>\$ 3,902</u>	<u>\$ -</u>
<u>Reconciliation to GAAP Basis</u>					
Project Balance, June 30, 2025					\$ -
Fund Balance, June 30, 2025 - GAAP Basis					<u>\$ -</u>

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

Revenues and Other Financing Sources

Revenues:

Local Sources - Dividends	\$ <u>3,411</u>
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Total Revenues and Other Financing sources	<u>3,411</u>
--	--------------

Expenditures and Other Financing Uses

Expenditures:

Equipment - School Buses	158,350
--------------------------	---------

Other Financing Uses

Transfer Out - General Fund	<u>3,902</u>
-----------------------------	--------------

Total Expenditures and Other Financing Uses	<u>162,252</u>
---	----------------

Excess (Deficiency) of Revenues and Other Financing Sources

Over (Under) Expenditures and Other Financing Uses	(158,841)
--	-----------

Fund Balance, Beginning of Year

	<u>158,841</u>
--	----------------

Fund Balance, End of Year

	<u><u>\$ -</u></u>
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LYNDHURST BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
ACQUISITION OF SCHOOL BUSES
FROM INCEPTION THROUGH JUNE 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenues and Other Financing Sources				
Capital Lease Proceeds	\$ 253,302		\$ 253,302	\$ 253,302
Dividends on Investments	12,052	\$ 3,411	15,463	15,463
Transfer from Capital Outlay	37,908	-	37,908	37,908
	<u>303,262</u>	<u>3,411</u>	<u>306,673</u>	<u>306,673</u>
Total Revenues and Other Financing Sources				
	<u>303,262</u>	<u>3,411</u>	<u>306,673</u>	<u>306,673</u>
Expenditures				
Equipment - School Buses	144,421	158,350	302,771	302,771
Transfer to General Fund	-	3,902	3,902	3,902
	<u>144,421</u>	<u>162,252</u>	<u>306,673</u>	<u>306,673</u>
Total Expenditures				
	<u>144,421</u>	<u>162,252</u>	<u>306,673</u>	<u>306,673</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 158,841	\$ (158,841)	\$ -	\$ -

ENTERPRISE FUND

SCHEDULE G-1

**LYNDHURST BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

SCHEDULE G-2

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

SCHEDULE G-3

**COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**LYNDHURST BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1 2024</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance, June 30, 2025</u>
2020 School Bonds	9/1/2020	\$ 19,845,000	9/1/2025	850,000	2.00%				
			9/1/2026	890,000	2.00%				
			9/1/2027	920,000	2.00%				
			9/1/2028	950,000	2.00%				
			9/1/2029	970,000	2.00%				
			9/1/2030	1,000,000	2.00%				
			9/1/2031	1,035,000	2.00%				
			9/1/2032	1,065,000	2.00%				
			9/1/2033	1,100,000	2.00%				
			9/1/2034	1,130,000	2.00%				
			9/1/2035	1,160,000	2.00%				
			9/1/2036	1,200,000	2.00%				
			9/1/2037	1,230,000	2.00%				
			9/1/2038	1,270,000	2.00%				
			9/1/2039	1,300,000	2.00%				
			9/1/2040	1,345,000	2.00%				
						<u>\$ 18,250,000</u>	<u>\$ -</u>	<u>\$ 835,000</u>	<u>\$ 17,415,000</u>

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS, OTHER FINANCING
AGREEMENT AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Amount of Original Issue	Interest Rate	Balance, July 1 2024	Issued	Retired	Balance, June 30, 2025
<u>Capital Financing Agreements</u>						
2022 Copiers	\$ 216,777	5.75%	\$ 55,687		\$ 55,687	
2023 Buses	253,302	3.40%	179,824		34,247	\$ 145,577
Land Improvement - Turf Field Replacement - Interlocal	1,200,000	4.25%	1,026,000		114,000	912,000
2024 Copiers #1	175,194	5.19%	143,607		33,227	110,380
2024 Copiers #2	170,856	6.40%	170,856	-	29,975	140,881
2024 Copiers #3	160,000	5.34%		\$ 160,000	76,822	83,178
2025 Copier #1	136,525	4.69%		136,525	25,917	110,608
2025 Copiers #2	93,570	4.69%		93,570	18,967	74,603
Mail Machine	17,980	4.69%	-	17,980	4,691	13,289
			<u>\$ 1,575,974</u>	<u>\$ 408,075</u>	<u>\$ 393,533</u>	<u>\$ 1,590,516</u>

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS, OTHER FINANCING
AGREEMENT AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Amount of Original Issue	Interest Rate	Balance, July 1 2024	Issued	Retired	Balance, June 30, 2025
<u>Other Financing Agreement</u>						
2023 Technology Supplies	\$ 283,828	6.57%	\$ 221,458		\$ 60,372	\$ 161,086
2024 Chromebooks	345,000	4.01%	345,000		81,229	263,771
2024 Chromebooks	267,782	13.56%	<u>-</u>	<u>\$ 267,782</u>	<u>\$ 179,001</u>	<u>88,781</u>
			<u>\$ 566,458</u>	<u>\$ 267,782</u>	<u>\$ 320,602</u>	<u>\$ 513,638</u>
<u>Leases Payable</u>						
Rental of Building - Jefferson Community School	2,130,598	1.83%	\$ 535,289		130,204	\$ 405,085
Rental of Facility - Community Pool	3,195,896	1.83%	<u>802,933</u>	<u>-</u>	<u>195,306</u>	<u>607,627</u>
Total Leases Payable			<u>\$ 1,338,222</u>	<u>\$ -</u>	<u>\$ 325,510</u>	<u>\$ 1,012,712</u>

**LYNDHURST BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 969,392	-	\$ 969,392	\$ 969,392	-
State Sources					
Debt Service Aid	<u>218,083</u>	<u>-</u>	<u>218,083</u>	<u>218,083</u>	<u>-</u>
Total Revenues	<u>1,187,475</u>	<u>-</u>	<u>1,187,475</u>	<u>1,187,475</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Interest on Bonds	352,475		352,475	352,475	-
Redemption of Bond Principal	<u>835,000</u>	<u>-</u>	<u>835,000</u>	<u>835,000</u>	<u>-</u>
Total Expenditures	<u>1,187,475</u>	<u>-</u>	<u>1,187,475</u>	<u>1,187,475</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, 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 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government 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 for the relevant year.

LYNDHURST BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment In Capital Assets	\$ 20,252,716	\$ 17,450,063	\$ 17,736,926	\$ 98,561	\$ 722,011	\$ 52,128,884	\$ 51,624,397	\$ 50,423,352	\$ 48,997,154	\$ 47,275,704
Restricted			45,650	139,612	1,095,818	2,415,800	2,292,318	1,681,748	1,834,330	1,685,751
Unrestricted	<u>(13,247,268)</u>	<u>(15,753,809)</u>	<u>(17,651,548)</u>	<u>(16,794,105)</u>	<u>(15,397,141)</u>	<u>(14,415,956)</u>	<u>(13,962,164)</u>	<u>(12,617,862)</u>	<u>(12,788,579)</u>	<u>(11,832,638)</u>
Total Governmental Activities Net Position	<u>\$ 7,005,448</u>	<u>\$ 1,696,254</u>	<u>\$ 131,028</u>	<u>\$ (16,555,932)</u>	<u>\$ (13,579,312)</u>	<u>\$ 40,128,728</u>	<u>\$ 39,954,551</u>	<u>\$ 39,487,238</u>	<u>\$ 38,042,905</u>	<u>\$ 37,128,817</u>
Business-Type Activities										
Net Investment In Capital Assets		\$ 3,295	\$ 2,030	\$ 3,192	\$ 2,136	\$ 5,583	\$ 4,457	\$ 16,477	\$ 17,938	\$ 16,784
Restricted										
Unrestricted	<u>\$ 819</u>	<u>(21,300)</u>	<u>8,341</u>	<u>19,556</u>	<u>26,583</u>	<u>545,802</u>	<u>194,855</u>	<u>8,192</u>	<u>3,503</u>	<u>56,751</u>
Total Business-Type Activities Net Position	<u>\$ 819</u>	<u>\$ (18,005)</u>	<u>\$ 10,371</u>	<u>\$ 22,748</u>	<u>\$ 28,719</u>	<u>\$ 551,385</u>	<u>\$ 199,312</u>	<u>\$ 24,669</u>	<u>\$ 21,441</u>	<u>\$ 73,535</u>
District-Wide										
Net Investment In Capital Assets	\$ 20,252,716	\$ 17,453,358	\$ 17,738,956	\$ 101,753	\$ 724,147	\$ 52,134,467	\$ 51,628,854	\$ 50,439,829	\$ 49,015,092	\$ 47,292,488
Restricted	-	-	45,650	139,612	1,095,818	2,415,800	2,292,318	1,681,748	1,834,330	1,685,751
Unrestricted	<u>(13,246,449)</u>	<u>(15,775,109)</u>	<u>(17,643,207)</u>	<u>(16,774,549)</u>	<u>(15,370,558)</u>	<u>(13,870,154)</u>	<u>(13,767,309)</u>	<u>(12,609,670)</u>	<u>(12,785,076)</u>	<u>(11,775,887)</u>
Total District Net Position	<u>\$ 7,006,267</u>	<u>\$ 1,678,249</u>	<u>\$ 141,399</u>	<u>\$ (16,533,184)</u>	<u>\$ (13,550,593)</u>	<u>\$ 40,680,113</u>	<u>\$ 40,153,863</u>	<u>\$ 39,511,907</u>	<u>\$ 38,064,346</u>	<u>\$ 37,202,352</u>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2019 is restated to reflect corrections to capital assets values and unrecorded long-term liabilities.

Note 3 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Note 4 - Net Position at June 30, 2021 is restated to reflect the implementation of GASB Statement No. 87, "Leases".

Note 5 - Net Position at June 30, 2023 is restated to reflect corrections to certain capital assets and long-term liabilities which were unrecorded at year-end.

Source: District financial statements

LYNDHURST BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 12,561,431	\$ 12,313,239	\$ 24,875,552	\$ 23,011,167	\$ 21,610,822	\$ 26,341,161	\$ 25,557,702	\$ 23,767,487	\$ 24,827,903	\$ 23,760,732
Special Education	3,416,548	3,740,517	9,527,569	9,780,983	9,818,021	9,652,001	9,520,103	10,173,432	10,555,149	11,046,846
Other Instruction	783,158	785,683	1,538,544	1,161,515	1,152,865	1,184,008	1,022,319	844,416	832,760	745,489
School Sponsored Activities and Athletics	743,964	793,920	1,129,029	1,093,371	1,053,955	1,325,123	1,560,933	1,720,811	1,791,339	1,885,675
Support Services										
Student and Instruction Related Services	3,919,115	4,381,210	7,771,240	5,888,655	6,354,445	7,107,562	7,826,643	8,560,556	9,240,288	8,927,953
General Administration	1,067,944	1,151,908	1,330,676	1,302,704	1,388,349	1,715,696	1,735,073	1,631,909	1,645,484	1,648,262
School Administrative Services	1,832,175	1,862,961	3,388,005	3,196,004	3,136,804	3,845,668	3,637,828	3,420,725	3,331,080	3,472,347
Central and Other Support Services	654,175	723,973	1,126,547	1,117,163	1,061,407	1,216,291	1,241,363	1,207,089	1,174,221	1,257,023
Plant Operation and Maintenance	3,879,186	3,780,148	4,459,533	3,982,590	3,523,808	4,883,204	4,978,907	5,303,986	5,250,256	5,536,528
Student Transportation Services	849,073	1,361,325	1,217,608	1,490,206	1,189,341	1,164,872	1,495,494	1,984,758	2,103,987	1,988,637
Unallocated Expenditures	12,858,478	25,558,417								
Interest on Long-Term Debt	147,653	23,643	186,076	305,972	366,987	387,796	431,172	358,826	483,720	480,567
Total Governmental Activities Expenses	42,712,900	56,476,944	56,550,379	52,330,330	50,656,804	58,823,382	59,007,537	58,973,995	61,236,187	60,750,059
Business-Type Activities:										
Food service	782,963	791,406	802,711	813,994	725,106	586,267	1,601,993	1,478,741	1,220,420	1,339,343
Pre-K Program		329	395,178	446,530	105,626					
Technology Repair Program	-	-	-	-	-	-	-	-	42,884	31,886
Total Business-Type Activities Expense	782,963	791,735	1,197,889	1,260,524	830,732	586,267	1,601,993	1,478,741	1,263,304	1,371,229
Total District Expenses	<u>\$ 43,495,863</u>	<u>\$ 57,268,679</u>	<u>\$ 57,748,268</u>	<u>\$ 53,590,854</u>	<u>\$ 51,487,536</u>	<u>\$ 59,409,649</u>	<u>\$ 60,609,530</u>	<u>\$ 60,452,736</u>	<u>\$ 62,499,491</u>	<u>\$ 62,121,288</u>
Program Revenues										
Governmental Activities:										
Charges for services	27,834		113,029	227,015	205,672	484,674	761,717	951,642	818,491	923,192
Operating grants and contributions	7,788,434	14,662,579	17,351,828	14,708,024	13,183,013	18,432,348	14,878,949	12,609,805	12,015,189	10,700,673
Capital grants and contributions						80,784	294,021	146,814	57,771	-
Total Governmental Activities Program Revenues	7,816,268	14,662,579	17,464,857	14,935,039	13,388,685	18,997,806	15,934,687	13,708,261	12,891,451	11,623,865
Business-Type Activities:										
Charges for services										
Food Service	191,362	190,928	164,716	175,180	132,344	4,030	65,273	347,743	363,204	378,680
Pre-K Program			235,361	248,165	79,595					
Technology Insurance Program									60,071	17,035
Operating grants and contributions	247,039	258,067	283,475	287,859	248,523	1,092,317	1,175,640	608,200	587,662	662,947
Capital grants and contributions										
Total Business Type Activities Program Revenues	438,401	448,995	683,552	711,204	460,462	1,096,347	1,240,913	955,943	1,010,937	1,058,662
Total District Program Revenues	<u>\$ 8,254,669</u>	<u>\$ 15,111,574</u>	<u>\$ 18,148,409</u>	<u>\$ 15,646,243</u>	<u>\$ 13,849,147</u>	<u>\$ 20,094,153</u>	<u>\$ 17,175,600</u>	<u>\$ 14,664,204</u>	<u>\$ 13,902,388</u>	<u>\$ 12,682,527</u>

LYNDHURST BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental Activities	\$ (34,896,632)	\$ (41,814,365)	\$ (39,085,522)	\$ (37,395,291)	\$ (37,268,119)	\$ (39,825,576)	\$ (43,072,850)	\$ (45,265,734)	\$ (48,344,736)	\$ (49,126,194)
Business-Type Activities	<u>(344,562)</u>	<u>(342,740)</u>	<u>(514,337)</u>	<u>(549,320)</u>	<u>(370,270)</u>	<u>510,080</u>	<u>(361,080)</u>	<u>(522,798)</u>	<u>(252,367)</u>	<u>(312,567)</u>
Total District-Wide Net Expense	<u>\$ (35,241,194)</u>	<u>\$ (42,157,105)</u>	<u>\$ (39,599,859)</u>	<u>\$ (37,944,611)</u>	<u>\$ (37,638,389)</u>	<u>\$ (39,315,496)</u>	<u>\$ (43,433,930)</u>	<u>\$ (45,788,532)</u>	<u>\$ (48,597,103)</u>	<u>\$ (49,438,761)</u>
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 35,462,096	\$ 36,576,884	\$ 36,860,579	\$ 38,039,648	\$ 38,800,441	\$ 39,993,197	\$ 40,793,061	\$ 41,608,922	\$ 43,252,126	\$ 44,698,864
Property Taxes Levied for Debt Service			640,223	649,622	754,800	629,003	784,184	807,469	955,698	969,392
Unrestricted State and Federal Aid	28,749	1,784,790	428,077	410,128	410,053	558,300	1,023,738	2,452,684	2,562,775	2,564,696
State Aid for Debt Service Principal						25,997	40,886	144,168	148,759	153,350
Investment Earnings			58,222	153,850	174,567	192,107	150,446	122,230	172,530	152,661
Unrestricted Miscellaneous Revenues	183,490	325,617	75,510	102,934	72,620	356,349	106,358	95,765	53,166	35,807
Donated Capital Assets						51,852,237	-			-
Transfers	<u>(345,000)</u>	<u>(320,500)</u>	<u>(542,315)</u>	<u>(561,000)</u>	<u>(375,000)</u>	<u>(9,500)</u>	<u>-</u>	<u>(345,000)</u>	<u>(244,651)</u>	<u>(362,664)</u>
Total Governmental Activities	<u>35,329,335</u>	<u>38,366,791</u>	<u>37,520,296</u>	<u>38,795,182</u>	<u>39,837,481</u>	<u>93,597,690</u>	<u>42,898,673</u>	<u>44,886,238</u>	<u>46,900,403</u>	<u>48,212,106</u>
Business-Type Activities:										
Investment Earnings	83	121	398	697	1,241	3,086	9,007	3,155	4,498	1,997
Transfers	<u>345,000</u>	<u>320,500</u>	<u>542,315</u>	<u>561,000</u>	<u>375,000</u>	<u>9,500</u>	<u>-</u>	<u>345,000</u>	<u>244,651</u>	<u>362,664</u>
Total Business-Type Activities	<u>345,083</u>	<u>320,621</u>	<u>542,713</u>	<u>561,697</u>	<u>376,241</u>	<u>12,586</u>	<u>9,007</u>	<u>348,155</u>	<u>249,149</u>	<u>364,661</u>
Total District-Wide	<u>\$ 35,674,418</u>	<u>\$ 38,687,412</u>	<u>\$ 38,063,009</u>	<u>\$ 39,356,879</u>	<u>\$ 40,213,722</u>	<u>\$ 93,610,276</u>	<u>\$ 42,907,680</u>	<u>\$ 45,234,393</u>	<u>\$ 47,149,552</u>	<u>\$ 48,576,767</u>
Change In Net Position										
Governmental Activities	\$ 432,703	\$ (3,447,574)	\$ (1,565,226)	\$ 1,399,891	\$ 2,569,362	\$ 53,772,114	\$ (174,177)	\$ (379,496)	\$ (1,444,333)	\$ (914,088)
Business-Type Activities	<u>521</u>	<u>(22,119)</u>	<u>28,376</u>	<u>12,377</u>	<u>5,971</u>	<u>522,666</u>	<u>(352,073)</u>	<u>(174,643)</u>	<u>(3,218)</u>	<u>52,094</u>
Total District	<u>\$ 433,224</u>	<u>\$ (3,469,693)</u>	<u>\$ (1,536,850)</u>	<u>\$ 1,412,268</u>	<u>\$ 2,575,333</u>	<u>\$ 54,294,780</u>	<u>\$ (526,250)</u>	<u>\$ (554,139)</u>	<u>\$ (1,447,551)</u>	<u>\$ (861,994)</u>

Source: District financial statements

LYNDHURST BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2016	2017 (Restated)	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted			\$ 301,224	\$ 301,224	\$ 841,245	\$ 2,162,739	\$ 2,060,326	\$ 1,589,472	\$ 1,710,869	\$ 1,562,487
Committed						339,100	-	-	-	-
Assigned			350,233	455,425	1,100,032	1,146,085	384,734	312,136	76,294	269,117
Unassigned	\$ (8,777)	\$ (2,847,479)	(4,927,771)	126,674	202,759	144,310	150,641	23,441	(275,920)	(233,903)
Total General Fund	<u>\$ (8,777)</u>	<u>\$ (2,847,479)</u>	<u>\$ (4,276,314)</u>	<u>\$ 883,323</u>	<u>\$ 2,144,036</u>	<u>\$ 3,792,234</u>	<u>\$ 2,595,701</u>	<u>\$ 1,925,049</u>	<u>\$ 1,511,243</u>	<u>\$ 1,597,701</u>
All Other Governmental Funds										
Restricted			\$ 45,650	\$ 139,612	\$ 555,797	\$ 4,650,254	\$ 533,216	\$ 508,581	\$ 583,526	\$ 424,488
Unassigned	-	\$ (692,660)	(1,818,880)	(3,976,532)	(5,531,932)	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ -</u>	<u>\$ (692,660)</u>	<u>\$ (1,773,230)</u>	<u>\$ (3,836,920)</u>	<u>\$ (4,976,135)</u>	<u>\$ 4,650,254</u>	<u>\$ 533,216</u>	<u>\$ 508,581</u>	<u>\$ 583,526</u>	<u>\$ 424,488</u>

Note 1 - Fund Balances at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

Source: District financial statements

LYNDHURST BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	\$ 35,462,096	\$ 36,576,884	\$ 37,500,802	\$ 38,689,270	\$ 39,555,241	\$ 40,622,200	\$ 41,577,245	\$ 42,416,391	\$ 43,252,126	\$ 45,668,256
Tuition Charges			40,171	75,581	55,827	31,234	86,981	107,286	59,046	54,779
Transportation Fees			72,858	151,434	149,845	280,338				
Interest and Investment Earnings			58,222	153,850	174,567	192,107	150,446	122,230	172,530	152,661
Miscellaneous Revenues	218,124	325,617	75,510	102,934	73,567	601,208	895,376	1,045,970	953,995	963,918
State Sources	6,712,380	7,495,052	8,041,472	9,294,677	9,941,608	11,275,904	14,901,341	16,703,535	17,924,725	19,065,439
Federal Sources	1,098,003	1,105,976	1,127,947	1,170,194	1,086,779	1,982,591	3,377,343	2,930,597	2,250,405	1,616,728
Total Revenue	43,490,603	45,503,529	46,916,982	49,637,940	51,037,434	54,985,582	60,988,732	63,326,009	64,612,827	67,521,781
Expenditures										
Instruction										
Regular	12,561,431	12,313,239	19,675,191	20,538,470	19,722,336	22,353,402	25,677,934	25,077,771	26,364,461	26,254,067
Special Education	3,416,548	3,740,517	8,153,673	9,117,197	9,302,613	8,631,851	9,463,239	10,491,146	10,929,713	11,673,791
Other Instruction	783,158	785,683	1,198,003	1,029,531	1,045,598	979,404	996,052	854,991	837,240	771,987
School Sponsored Activities and Athletics	743,964	793,920	1,030,173	1,075,344	1,049,497	1,250,421	1,557,661	1,772,854	1,780,010	1,822,236
Undistributed Expenditures										
Student and Instruction Related Services	3,932,104	4,381,210	6,681,807	5,583,558	5,883,172	6,113,064	7,845,525	9,000,693	9,796,317	9,764,393
General Administration	1,088,102	1,151,908	1,254,322	1,287,516	1,448,485	1,577,202	1,743,819	1,699,240	1,689,519	1,699,183
School Administrative Services	1,876,788	1,862,961	2,755,784	2,918,434	2,923,768	3,290,002	3,631,135	3,599,542	3,442,134	3,687,853
Central and Other Support Services	654,175	723,973	1,036,303	1,095,235	1,055,782	1,106,179	1,218,886	1,248,634	1,164,768	1,203,458
Plant Operation and Maintenance	3,889,506	3,780,148	4,202,357	3,941,029	3,515,567	4,588,224	4,984,237	5,489,050	6,841,207	5,347,764
Student Transportation Services	849,073	1,361,325	1,172,226	1,481,367	1,186,451	1,135,471	1,464,962	2,004,335	2,096,414	1,956,686
Unallocated Expenditures	12,855,121	14,732,987								
Capital Outlay	136,325	851,899	1,126,220	2,157,652	2,242,003	11,039,111	6,127,595	852,133	937,417	897,231
Debt Service:										
Principal	510,000	525,000	565,000	425,000	1,436,604	1,188,174	1,213,816	1,734,723	1,118,684	2,354,645
Interest and Other Charges	147,653	93,643	82,673	224,622	435,667	293,990	594,219	388,314	53,339	474,260
Total Expenditures	43,443,948	47,098,413	48,933,732	50,874,955	51,247,543	63,546,495	66,519,080	64,213,426	67,051,223	67,907,554
Excess (Deficiency) Of Revenues Over (Under) Expenditures	46,655	(1,594,884)	(2,016,750)	(1,237,015)	(210,109)	(8,560,913)	(5,530,348)	(887,417)	(2,438,396)	(385,773)
Other Financing Sources (Uses)										
Bond Proceeds						19,845,000				
Capital Lease Proceeds					237,322		216,777	253,302	346,050	408,075
Other Financing Agreement Proceeds								283,828	345,000	267,782
Insurance Recoveries									1,653,136	-
State Aid Advance Loan Proceeds				4,800,000						
Premiums on Notes			49,660	93,962	62,027					
Transfers In			84,259	197,012	160,028	86,979	217,796	75,087	119,257	86,238
Transfers Out	(345,000)	(320,500)	(626,574)	(758,012)	(535,028)	(96,479)	(217,796)	(420,087)	(363,908)	(448,902)
Total Other Financing Sources (Uses)	(345,000)	(320,500)	(492,655)	4,332,962	(75,651)	19,835,500	216,777	192,130	2,099,535	313,193
Net Change In Fund Balances	\$ (298,345)	\$ (1,915,384)	\$ (2,509,405)	\$ 3,095,947	\$ (285,760)	\$ 11,274,587	\$ (5,313,571)	\$ (695,287)	\$ (338,861)	\$ (72,580)
Debt Service As A Percentage Of Noncapital Expenditures	1.52%	1.34%	1.35%	1.33%	3.82%	2.82%	2.99%	3.35%	1.77%	4.22%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

**LYNDHURST BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

106	Fiscal Year Ended June 30,	Interest on Investments	Tuition	Transportation Fees	Rentals	Prior Year Refunds	Town of Lyndhurst ACCP Program	E-Rate	Sale of Technology Equipment	Credits and Adjustments	Cancelled Prior Year Payables	Misc.	Total
	2016	\$ 6,526	\$ 27,554			\$ 85,948				\$ 61,887		\$ 1,575	\$ 183,490
	2017	9,106	26,707			228,002				2,407		439	266,661
	2018	23,623	40,171	\$ 72,858		27,523	\$ 25,000	\$ 18,732				4,255	212,162
	2019	50,800	75,581	151,434		50,050		12,912			\$ 36,469	3,503	380,749
	2020	102,566	55,827	149,845		66,923						5,697	380,858
	2021	145,128	31,234	280,338		74,574		212,399				69,376	813,049
	2022	148,638	86,981		\$ 254,740	36,704			\$ 67,542			2,112	596,717
	2023	115,943	107,286		335,600	62,720					20,404	12,641	654,594
	2024	166,678	59,046		297,635	34,851						18,315	576,525
	2025	149,250	54,779		353,490	16,076						19,731	593,326

Source: District financial statements

LYNDHURST BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^(a)
2016	\$ 40,684,000	\$ 1,571,756,600			\$ 386,804,700	\$ 534,765,200	\$ 146,464,000	\$ 2,680,474,500	\$ 4,042,008	\$ 2,684,516,508	\$ 2,806,717,871	1.342
2017	40,526,500	1,582,588,500			381,588,200	523,912,600	145,959,000	2,674,574,800	3,633,059	2,678,207,859	3,164,601,688	1.385
2018	40,303,400	1,602,980,300			465,671,000	407,708,000	145,649,900	2,662,312,600	3,407,271	2,665,719,871	3,342,149,248	1.385
2019	39,329,100	1,609,428,800			511,299,200	383,112,600	164,639,900	2,707,809,600	3,541,653	2,711,351,253	3,309,300,670	1.443
2020	53,454,200	1,613,755,950			487,727,300	387,211,000	164,442,400	2,706,590,850	3,755,173	2,710,346,023	3,159,375,520	1.479
2021	54,141,900	1,618,682,550			486,022,100	384,357,000	164,294,900	2,707,498,450	3,801,241	2,711,299,691	3,245,767,506	1.516
2022	48,136,900	1,626,247,750			409,119,200	392,797,100	226,505,900	2,702,806,850	3,767,452	2,706,574,302	3,410,394,459	1.552
2023	73,751,700	2,583,319,900			685,103,700	732,724,600	348,276,000	4,423,175,900	5,185,937	4,428,361,837	4,297,527,064	0.978
2024	62,772,600	2,618,295,900			696,228,500	742,195,100	364,408,400	4,483,900,500	5,329,097	4,489,229,597	4,509,925,341	1.001
2025	60,423,900	2,652,961,100			699,918,200	761,084,400	351,079,700	4,525,467,300	9,191,408	4,534,658,708	7,825,526,395	1.090

Source: County Abstract of Ratables

N/A = Not Available

* Revaluation Year

LYNDHURST BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Total Direct School Tax Rate	Overlapping Rates				Total Direct and Overlapping Tax Rate
	Lyndhurst Local School District	Municipality of Lyndhurst	Municipal Library	County Open Space	County of Bergen	
2016	1.342	1.217	0.034	0.003	0.240	2.836
2017	1.385	1.188	0.039	0.012	0.277	2.901
2018	1.428	1.202	0.042	0.012	0.292	2.976
2019	1.443	1.178	0.040	0.011	0.280	2.952
2020	1.479	1.167	0.039	0.011	0.278	2.974
2021	1.516	1.187	0.040	0.012	0.285	3.040
2022	1.552	1.277	0.041	0.013	0.289	3.172
2023	0.978	0.791	0.031	0.010	0.222	2.032
2024	1.001	0.818	0.033	0.011	0.223	2.086
2025	1.090	0.850	0.037	0.011	0.237	2.225

Source: County Abstract of Ratables

**LYNDHURST BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2025		2016	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
1301 Wall, LLC	\$ 102,000,000	2.25%	\$ 65,600,000	2.44%
340 Orient Way, LLC	68,850,200	1.52%	54,592,400	2.03%
Tiger Den Partners VI, LLC	49,000,000	1.08%		0.00%
125 Chubb Avenue, LLC	54,181,200	1.19%	31,607,000	1.18%
JERC Partners VII, LLC	42,500,000	0.94%	37,000,000	1.38%
Veterans Square 2016, LLC	49,768,100	1.10%	32,875,000	1.22%
Wells Operating Partnership	47,032,900	1.04%	45,000,000	1.68%
AP RNL TIC I&II, LLC (2 Properties)	40,194,800	0.89%	24,750,000	0.92%
Sika Chemical Corp./ANJ Corp.	46,461,000	1.02%	30,311,700	1.13%
Valley Brook 1201 SG, LLC	33,000,000	0.73%		0.00%
1200 Wall St. West Holdings		0.00%	22,554,100	0.84%
Moody Nat CY Lyndhurst H, LLC		0.00%	20,213,600	0.75%
	<u>\$ 485,955,300</u>	<u>10.72%</u>	<u>\$ 364,503,800</u>	<u>7.66%</u>

Source: Municipal Tax Assessor

**LYNDHURST BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	35,462,096	\$ 35,462,096	100%	
2017	36,576,884	36,576,884	100%	
2018	37,500,802	37,500,802	100%	
2019	38,689,270	38,689,270	100%	
2020	39,555,241	39,555,241	100%	
2021	40,622,200	40,622,200	100%	
2022	41,577,245	41,577,245	100%	
2023	42,416,391	42,416,391	100%	
2024	44,207,824	44,207,824	100%	
2025	45,668,256	45,668,256	100%	

Source: District records

LYNDHURST BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Governmental Activities								
Fiscal Year Ended June 30,	General Obligation Bonds	Bond Anticipation Notes	State Aid Advance Loan	Capital and Other Financing Agreements	Leases Payable	Total District	Population	Per Capita
2016	\$ 2,725,000					\$ 2,725,000	\$ 21,992	\$ 124
2017	2,130,000	\$ 1,000,000				3,130,000	21,976	142
2018	1,565,000	12,000,000				13,565,000	22,040	615
2019	1,140,000	12,000,000	\$ 4,800,000	\$ 1,139,005		19,079,005	22,484	849
2020	755,000	11,974,000	4,320,000	804,723		17,853,723	22,916	779
2021	20,220,000		3,840,000	476,549		24,536,549	22,781	1,077
2022	19,845,000		3,360,000	469,290	\$ 93,709	23,767,999	22,324	1,065
2023	19,060,000		2,880,000	614,138	16,268	22,570,406	22,286	1,013
2024	18,250,000		2,400,000	2,142,432	1,338,222	24,130,654	22,276	1,083
2025	17,415,000		1,920,000	2,104,154	1,012,712	22,451,866	22,642	992

Source: District records

E - Estimate

LYNDHURST BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ 2,725,000		\$ 2,725,000	0.10%	\$ 124
2017	2,130,000		2,130,000	0.08%	97
2018	1,565,000	\$ 45,650	1,519,350	0.06%	69
2019	1,140,000	139,612	1,000,388	0.04%	44
2020	755,000	148,539	606,461	0.02%	26
2021	20,220,000	188,907	20,031,093	0.74%	879
2022	19,845,000	134,330	19,710,670	0.73%	883
2023	19,060,000		19,060,000	0.43%	855
2024	18,250,000		18,250,000	0.41%	819
2025	17,415,000		17,415,000	0.38%	769

Source: District records

**LYNDHURST BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2024
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Lyndhurst Board of Education (as of June 30, 2025)	\$ 17,415,000
Township of Lyndhurst	<u>90,400,773</u>
	<u>107,815,773</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	33,484,864
Passaic Valley Sewerage Commission (B)	<u>7,347,057</u>
	<u>40,831,921</u>
Total Direct and Overlapping Debt	<u>\$ 148,647,694</u>

Source:

(1) Borough's 2024 Annual Debt Statement

(A) The debt for this entity was apportioned to the Township by dividing the municipality's 2024 equalized value by the total 2024 equalized value for Bergen County.

(B) The debt was computed based upon dividing the Township's 2024 billings by the total 2024 billings of the Commission.

**LYNDHURST BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized valuation basis	
2022	\$ 4,116,367,423
2023	4,480,526,641
2024	5,086,094,034
	<u>\$ 13,682,988,098</u>

Average equalized valuation of taxable property	<u>\$ 4,560,996,033</u>
Debt limit (4% of average equalization value)	\$ 182,439,841
Total Net Debt Applicable to Limit	<u>17,415,000</u>
Legal debt margin	<u>\$ 165,024,841</u>

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 108,129,248	\$ 113,738,883	\$ 123,269,568	\$ 129,520,287	\$ 129,348,949	\$ 127,861,826	\$ 130,036,526	\$ 143,095,513	\$ 114,625,254	\$ 182,439,841
Total net debt applicable to limit	<u>2,740,000</u>	<u>21,788,807</u>	<u>21,403,807</u>	<u>21,013,807</u>	<u>20,602,807</u>	<u>20,222,807</u>	<u>19,845,000</u>	<u>19,060,000</u>	<u>18,250,000</u>	<u>17,415,000</u>
Legal debt margin	<u>\$ 105,389,248</u>	<u>\$ 91,950,076</u>	<u>\$ 101,865,761</u>	<u>\$ 108,506,480</u>	<u>\$ 108,746,142</u>	<u>\$ 107,639,019</u>	<u>\$ 110,191,526</u>	<u>\$ 124,035,513</u>	<u>\$ 96,375,254</u>	<u>\$ 165,024,841</u>
Total net debt applicable to the limit as a percentage of debt limit	2.53%	19.16%	17.36%	16.22%	15.93%	15.82%	15.26%	13.32%	15.92%	9.55%

Source: Annual Debt Statements

**LYNDHURST BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2016	21,992	\$ 71,942	4.7%
2017	21,976	75,016	4.2%
2018	22,040	76,367	3.8%
2019	22,484	78,611	3.1%
2020	22,916	82,731	10.7%
2021	22,781	86,871	7.3%
2022	22,324	88,256	3.70%
2023	22,286	94,342	4.00%
2024	22,276	96,434	4.00%
2025	22,642	102,229	N/A

Source: New Jersey State Department of Education

LYNDHURST BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

<u>2024</u>			<u>2015</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

LYNDHURST BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</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>	<u>2025</u>
Instruction										
Regular Programs (Including Aides)	163	164	158	164	158	166	169	178	177	163
Special Education (Including Aides)	64	66	71	83	72	60	62	72	71	91
Other Instruction	13	13	12	13	10	10	10	6	7	5
School Sponsored Activities and Athletics	1	1	1	1	1	1	1	1	1	1
Support Services:										
Student and Instruction Related Services	46	52	53	55	47	46	50	55	45	47
General Administration	6	5	5	5	5	6	6	6	6	5
School Administrative Services	20	22	21	21	22	22	22	22	20	23
Central Services and Admin. Info. Technology	6	8	10	10	9	9	9	9	10	15
Operation and Maintenance of Plant Svs.	27	40	32	32	33	33	38	38	34	29
Student Transportation Services	5	6	7	7	7	6	7	5	5	5
Total	351	377	370	391	364	359	374	392	376	384

Source: District Personnel Records

N/A - Not Available

**LYNDHURST BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Teacher/Pupil Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	2,385.0	\$ 39,610,060	\$ 16,608	4.2%	167	14.6	2,385.0	2,269.8	-0.2%	95.2%
2017	2,468.0	42,505,052	17,222	3.7%	171	14.8	2,468.0	2,351.7	3.5%	95.3%
2018	2,507.0	47,159,839	18,811	9.2%	180	13.9	2,503.1	2,356.9	1.4%	94.2%
2019	2,615.0	48,067,681	18,382	-2.3%	217	12.1	2,610.1	2,461.4	4.3%	94.3%
2020	2,550.0	47,133,269	18,484	0.6%	217	12.0	2,550.0	2,403.0	-2.3%	94.2%
2021	2,468.0	51,025,220	20,675	11.9%	219	11.2	2,468.0	2,330.3	-3.2%	94.4%
2022	2,558.0	58,583,450	22,902	10.8%	227	11.3	2,558.0	2,445.5	3.6%	95.6%
2023	2,609.0	61,238,256	23,472	2.5%	227	11.5	2,609.0	2,490.9	2.0%	95.5%
2024	2,692.0	64,941,783	24,124	2.8%	222	12.1	2,692.0	2,580.5	3.2%	95.9%
2024	2,587.0	64,181,418	24,809	5.7%	197	13.1	2,587.0	2,465.7	-0.8%	95.3%

Sources: District records

Note: a Enrollment based on annual October district count.
b Operating expenditures equal total expenditures less debt service and capital outlay.
c Cost per pupil represents operating expenditures divided by enrollment.

**LYNDHURST BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Building										
<u>Elementary</u>										
Columbus										
Square Feet	10,500	10,500	10,500	10,500	6,500	10,500	10,500	10,500	10,500	10,500
Capacity (students)	126.90	126.90	126.90	126.90	78.60	126.90	126.90	126.90	126.90	126.90
Enrollment	213.96	214.00	211.00	181.00	87.00	111.00	120.00	120.00	114.00	114.00
Franklin										
Square Feet	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400
Capacity (students)	205.20	205.20	205.20	205.20	205.20	205.20	205.20	205.20	205.20	205.20
Enrollment	220.34	232.00	234.00	244.00	204.00	205.00	193.00	193.00	194.00	194.00
Jefferson										
Square Feet	32,060	32,060	32,060	32,060	32,060	32,060	32,060	32,060	32,060	32,060
Capacity (students)	260.10	260.10	260.10	260.10	260.10	260.10	260.10	260.10	260.10	260.10
Enrollment	268.00	274.00	270.00	271.00	261.00	277.00	238.00	238.00	244.00	244.00
Lincoln (Transferred to Township 2020/2021)										
Square Feet	24,300	24,300	24,300	24,300	-	-	-			
Capacity (students)	283.50	283.50	283.50	283.50	-	-	-			
Enrollment	265.06	266.00	255.00	256.00	-	-	-			
Roosevelt										
Square Feet	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600
Capacity (students)	431.10	431.10	431.10	431.10	431.10	431.10	431.10	431.10	431.10	431.10
Enrollment	401.95	400.00	416.00	445.00	296.00	327.00	296.00	296.00	297.00	297.00
Washington										
Square Feet	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500
Capacity (students)	273.70	273.70	273.70	273.70	273.70	273.70	273.70	273.70	273.70	273.70
Enrollment	184.00	212.00	184.00	200.00	196.00	184.00	164.00	164.00	168.00	168.00
Memorial Campus										
Square Feet	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800
Capacity (students)	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00
Enrollment	182.61	162.00	204.00	172.00	-	79.00	105.00	105.00	104.00	104.00
<u>Middle School</u>										
Lyndhurst Middle School										
Square Feet					143,000	143,000	143,000	143,000	143,000	143,000
Capacity (students)					650.00	650.00	650.00	650.00	650.00	650.00
Enrollment					573.00	661.00	617.00	617.00	622.00	622.00
<u>High School</u>										
Lyndhurst Senior High School										
Square Feet	112,300	112,300	112,300	112,300	112,300	112,300	112,300	112,300	112,300	112,300
Capacity (students)	906.95	906.95	906.95	906.95	906.95	906.95	906.95	906.95	906.95	906.95
Enrollment	732.07	747.00	753.00	781.00	743.00	884.00	834.00	834.00	821.00	821.00
<u>Community School</u>										
Square Feet					4,000	4,000	4,000	4,000	4,000	4,000
Capacity (students)					48.30	48.30	48.30	48.30	48.30	48.30
Enrollment					39.00	57.00	42.00	42.00	48.00	48.00

Number of Schools at June 30, 2025

Elementary = 6

Middle School = 1

High School = 1

Community School = 1

N/A - Information was not available.

Source: District Records

**LYNDHURST BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(Unaudited)**

		Gross Building Area (SF)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
			<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>	<u>2025</u>
*School Facilities	<u>Project # (s)</u>											
Lyndhurst Senior High School	N/A		\$ 512,059	\$ 450,383	\$ 388,111	\$ 361,366	\$ 319,021	\$ 374,433	\$ 288,869	\$ 336,067	\$ 389,755	\$ 311,762
Lyndhurst Middle School	N/A							78,021	136,390	138,853	365,312	274,604
Columbus Elementary School	N/A		101,332	127,886	36,288	33,787	29,828	52,305	81,751	80,588	28,691	22,768
Franklin Elementary School	N/A		83,979	137,700	63,591	59,209	52,271	85,277	39,101	125,004	60,302	43,214
Jefferson Elementary School	N/A		164,834	177,053	110,800	103,165	91,076	139,196	35,021	46,507	185,916	127,440
Lincoln Elementary School	N/A		60,881	66,450	83,981	78,194	69,031	4,795	-	-	-	-
Roosevelt Elementary School	N/A		114,043	92,652	74,650	69,506	61,361	72,042	252,477	245,763	52,523	132,511
Washington Elementary School	N/A		103,397	71,062	67,393	62,748	55,396	3,831	29,552	14,096	1,639,169	88,411
Community School	N/A								26,533	5,000	8,991	7,424
Memorial Campus	N/A		74,854	64,789	61,517	57,278	50,566	3,910	15,185	32,658	45,032	44,303
Grand Total			<u>\$ 1,215,379</u>	<u>\$ 1,187,975</u>	<u>\$ 886,331</u>	<u>\$ 825,253</u>	<u>\$ 728,550</u>	<u>\$ 813,810</u>	<u>\$ 904,879</u>	<u>\$ 1,024,536</u>	<u>\$ 2,775,691</u>	<u>\$ 1,052,437</u>

Source: District Records

N/A - Not Available

**LYNDHURST BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2025
(Unaudited)**

	<u>Coverage</u>	<u>Insurance Company</u>	<u>Deductible</u>
Property			
Blanket Building and Contents Coverage	\$ 500,000,000	School Alliance Insurance Fund	\$ 2,500
Special Flood Hazard Area Flood Zones	10,000,000	School Alliance Insurance Fund	
All Flood Zones	100,000,000	School Alliance Insurance Fund	
Earthquake	25,000,000	School Alliance Insurance Fund	
Terrorism	200,000,000	School Alliance Insurance Fund	
Comprehensive General Liability			
Bodily Injury and Property Damage	5,000,000	School Alliance Insurance Fund	
Products/Completed Operations	50,000,000	School Alliance Insurance Fund	
Sexual Abuse	10,000,000		
Personal and Advertising Injury	5,000,000	School Alliance Insurance Fund	
Communicable Disease Outbreak (Per Occurrence)	10,000,000	School Alliance Insurance Fund	
Terrorism (Per Occurrence)	100,000,000	School Alliance Insurance Fund	
Premises Medical Expense (Per Person)	5,000	School Alliance Insurance Fund	
Employee Benefits	5,000,000	School Alliance Insurance Fund	
School Leaders Professional Liability			
General Aggregate	10,000,000	School Alliance Insurance Fund	
Each Occurrence	5,000,000	School Alliance Insurance Fund	
Environmental Liability			
Per Incident	1,000,000	School Alliance Insurance Fund	
Fund Annual Aggregate	10,000,000	School Alliance Insurance Fund	10,000
Cyber Liability			
Limit of Liability	2,000,000	School Alliance Insurance Fund	2,500
Student Accident			
Maximum Benefit	25,000	McCloskey Agency	
Benefit Period	10 Years	McCloskey Agency	
Catastrophic Plan	7,500,000	McCloskey Agency	25,000
Business Auto			
Liability - Combined Single Limit (Per Accident)	10,000,000	School Alliance Insurance Fund	
Medical Payments (Each Person)	10,000	School Alliance Insurance Fund	1,000
Uninsured/Underinsured Motorists - Private Passenger	25,000	School Alliance Insurance Fund	
Uninsured/Underinsured Motorists - All Others	25,000	School Alliance Insurance Fund	
Crime			
Public Employee Dishonesty w/ Faithful Performance	500,000	School Alliance Insurance Fund	1,000
Forgery or Alteration	50,000	School Alliance Insurance Fund	1,000
Inside Premises	50,000	School Alliance Insurance Fund	1,000
Outside Premises	50,000	School Alliance Insurance Fund	1,000
Money Order and Counterfeit Paper Currency	50,000	School Alliance Insurance Fund	1,000
Computer Fraud	50,000	School Alliance Insurance Fund	1,000

**LYNDHURST BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2025
(Unaudited)**

	<u>Coverage</u>	<u>Insurance Company</u>	<u>Deductible</u>
Electronic Data Processing			
Data Processing Equipment Including Data	\$ 500,000,000	School Alliance Insurance Fund	\$ 1,000
Computer Virus	250,000	School Alliance Insurance Fund	
Reinsurance Coverage			
Property Coverage (Per Occurrence)	500,000,000	School Excess Liability Insurance Fund	
Boiler and Machinery	100,000,000	School Excess Liability Insurance Fund	
Cyber Coverage (Aggregate Limit)	40,000,000	School Excess Liability Insurance Fund	
Business Administrator Surety Bond			
Bond Amount	500,000	Hartford Fire Insurance Company	
Treasurer of School Monies Surety Bond			
Bond Amount	500,000	Selective Insurance Company	

Source: School District records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Lyndhurst Board of Education
Lyndhurst, New Jersey

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

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Lyndhurst Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated October 30, 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 Lyndhurst Board of Education'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 Lyndhurst Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Leach, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 30, 2025



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL
ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Lyndhurst Board of Education
Lyndhurst, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Lyndhurst Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Lyndhurst Board of Education's major federal and state programs for the fiscal year ended June 30, 2025. The Lyndhurst 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 Lyndhurst Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Lyndhurst 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 the Lyndhurst 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, regulation, rules, and provisions of contracts or grant agreements applicable to the Lyndhurst 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 the Lyndhurst 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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey 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 omission, misrepresentation, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Lyndhurst 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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Lyndhurst 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 the Lyndhurst 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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Lyndhurst Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lyndhurst Board of Education, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated October 30, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 30, 2025

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

													Balance, June 30, 2025			Memo GAAP Receivable	
Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN	Grant Period	Award Amount	Balance July 1, 2024			Unearned Revenue Carryover/ Transfer Amount	Accounts Receivable Carryover/ Transfer Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years Balances	(Account Receivable)	Unearned Revenue	Due to Grantor		
					(Accounts Receivable)	Unearned Revenue	Due to Grantor										
U.S. Department of Agriculture Passed-through State Department of Agriculture																	
Enterprise Fund:																	
Child Nutrition Cluster																	
National School Breakfast Program																	
Cash Assistance	10.553	251NJ304N1099	7/1/24-6/30/25	\$ 51,982						\$ 46,665	\$ 51,982		\$ (5,317)			\$ (5,317)	
Cash Assistance	10.553	241NJ304N1099	7/1/23-6/30/24	33,348	\$ (2,561)					2,561			-				
National School Lunch Program																	
Non-Cash Assistance	10.555	251NJ304N1099	7/1/24-6/30/25	86,619						86,619	80,962			\$ 5,657			
Non-Cash Assistance	10.555	241NJ304N1099	7/1/23-6/30/24	100,278		20,507					20,507						
Cash Assistance	10.555	251NJ304N1099	7/1/24-6/30/25	472,045						433,052	472,045		(38,993)			(38,993)	
Cash Assistance	10.555	241NJ304N1099	7/1/23-6/30/24	380,063	(29,126)					29,126			-				
P-EBT Administrative Costs	10.646	2022225900941	7/1/24-6/30/25	321	-	-	-	-	-	321	321	-	-	-	-	-	
Total U.S. Department of Agriculture/Child Nutrition Cluster						(31,687)	20,507	-	-	-	598,344	625,817	-	(44,310)	5,657	-	(44,310)
U.S. Department of Education Passed-through State Department of Education																	
SPECIAL REVENUE FUND																	
Special Education Cluster (IDEA)																	
I.D.E.A. Part B, Basic Regular	84.027	H027A240100	7/1/24-9/30/25	788,173				\$ 17,491	\$ (17,608)	718,077	798,794		(87,704)	6,870		(80,834)	
I.D.E.A. Part B, Basic Regular	84.027	H027A230100	7/1/23-9/30/24	777,525	(86,519)	17,491		(17,491)	17,608	68,911			-	-		-	
I.D.E.A. Part B, Preschool	84.173	H173A240114	7/1/24-9/30/25	29,031				12,933	(12,933)	26,546	36,953		(15,418)	5,011		(10,407)	
I.D.E.A. Part B, Preschool	84.173	H173A230114	7/1/23-9/30/24	29,748	(15,580)	12,934		(12,933)	12,933	4,548					\$ 1,902	-	
I.D.E.A. Part B, Preschool	84.173	H173A220114	7/1/22-9/30/23	29,388	-	-	2,735	-	-	-	-	2,735	-	-	-	-	
Total Special Education Cluster IDEA						(102,099)	30,425	2,735	-	-	818,082	835,747	2,735	(103,122)	11,881	1,902	(91,241)
ESEA																	
Title I, Part A	84.010	S010A240030	7/1/24-9/30/25	470,676				30,583	(31,036)	251,358	474,373		(250,354)	26,886		(223,468)	
Title I, Part A	84.010	S010A230030	7/1/23-9/30/24	470,031	(125,871)	30,583		(30,583)	31,036	94,835		-	-	-	-	-	
Title I, SIA Part A	84.010	S010A240030	7/1/24-9/30/25	50,000				12,500	(12,500)	42,321	52,442		(20,179)	10,058		(10,121)	
Title I, SIA Part A	84.010	S010A230030	7/1/23-9/30/24	12,500	(12,500)	12,500	-	(12,500)	12,500	-	-	-	-	-	-	-	
Total ESEA Title I						(138,371)	43,083	-	-	-	388,514	526,815	-	(270,533)	36,944	-	(233,589)
Title II, Part A	84.367A	S367A240029	7/1/24-9/30/25	71,317				60,760	(61,439)	88,591	105,918		(44,165)	26,159		(18,006)	
Title II, Part A	84.367A	S367A230029	7/1/23-9/30/24	87,746	(43,452)	\$ 28,025	-	(28,025)	28,704	14,748		-	-	-	-	-	
Total ESEA Title II						(43,452)	28,025	-	32,735	(32,735)	103,339	105,918	-	(44,165)	26,159	-	(18,006)
Title III	84.365	S365A240030	7/1/24-9/30/25	22,534				4,924	(5,003)	14,639	20,055		(12,898)	7,403		(5,495)	
Title III	84.365	S365A230030	7/1/23-9/30/24	17,096	(7,613)	4,924		(4,924)	5,003	2,610			-	-		-	
Title III - Immigrant	84.365	S365A240030	7/1/24-9/30/25	-				18,881	(18,881)	7,571	17,777		(11,310)	1,104		(10,206)	
Title III - Immigrant	84.365	S365A230030	7/1/23-9/30/24	18,881	(27,590)	21,197		(18,881)	18,881	7,304					911	-	
Title III - Immigrant	84.365	S365A220030	7/1/22-9/30/23	16,687	-	-	49	-	-	-	-	49	-	-	-	-	
Total ESEA Title III						(35,203)	26,121	49	-	-	32,124	37,832	49	(24,208)	8,507	911	(15,701)
Title IV	84.424	S358B240030	7/1/24-9/30/25	32,735				(32,735)	32,735				-	-		-	
Total NCLB Title IV						-	-	-	-	-	-	-	-	-	-	-	-
Temporary Emergency Impact Aid	84.938C	S938C18005	N/A	10,688	-	-	\$ 10,688	-	-	-	-	10,688	-	-	-	-	
Elementary and Secondary School Emergency Relief (ESSER) Coronavirus Aid, Relief, and Economic Security (CARES) Act American Rescue Plan Consolidated																	
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	2,265,726	(281,189)	30,466				281,189	19,607		-	-	\$ 10,859	-	
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	223,394	(18,494)	700				18,494	700		-	-		-	
Evidence Based Summer Learning and Enrichment	84.425D	S425U210027	3/13/20-9/30/24	40,000		3							-		3	-	
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(7,285)	4,685				7,253	4,653		-	-		-	
High Impact Tutoring Competitive	84.425V		10/11/23-8/31/24	153,990	(69,889)	33,215	-	-	-	36,675	-	-	\$ -	\$ -	1	\$ -	
Total ESSER Cluster						(376,857)	69,069	-	-	-	343,611	24,960	-	-	-	10,863	-

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN	Grant Period	Award Amount	Balance July 1, 2024			Unearned Revenue Carryover/ Transfer Amount	Accounts Receivable Carryover/ Transfer Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years Balances	Balance, June 30, 2025			Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Account Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education																
Passed-through State Department of Education (Continued)																
Coronavirus State and Local Fiscal Recovery																
High Impact Tutoring Competitive	21.027		7/1/24-6/30/25	45,726						34,076	45,726		(11,650)	-		(11,650)
Additional or Compensatory Special Education and Related Servi	21.027	SLFRFDOE1SES	7/1/23-6/30/24	90,040	(46,164)	1				46,164			-	-	\$ 1	-
Additional or Compensatory Special Education and Related Servi	21.027	SLFRFDOE1SES	7/1/22-6/30/23	507,631	-	-	\$ 2,552	-	-	-	-	2,552	-	-	-	-
Total CRF Cluster					(46,164)	1	2,552	-	-	80,240	45,726	2,552	(11,650)	-	1	(11,650)
Total Special Revenue Fund					(742,146)	196,724	\$ 16,024	-	-	1,765,910	1,576,998	16,024	(453,678)	83,491	13,677	(370,187)
Total U.S. Department of Education					(742,146)	196,724	16,024	-	-	1,765,910	1,576,998	16,024	(453,678)	83,491	13,677	(370,187)
U.S Department of Health and																
Human Services																
General Fund																
Medical Assistance Program	93.778	2005NJ5MAP	7/1/24-6/30/25	55,484	-	-	-	-	-	55,484	55,484	-	-	-	-	-
Total Medical Assistant Program Cluster					-	-	-	-	-	55,484	55,484	-	-	-	-	-
Total General Fund					-	-	-	-	-	55,484	55,484	-	-	-	-	-
Total Federal Awards					\$ (773,833)	\$ 217,231	\$ 16,024	\$ -	\$ -	\$ 2,419,738	\$ 2,258,299	\$ 16,024	\$ (497,988)	\$ 89,148	\$ 13,677	(414,497)

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2024	Cash Received	Budgetary Expenditures	Adjustment	Refund of	Balance, June 30, 2025			Memo		
								Prior Years' Balances	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education														
General Fund:														
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	\$ 2,573,122		\$ 2,374,776	\$ 2,573,122			\$ (198,346)				\$ 2,573,122	
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	2,573,122	\$ (189,920)	189,920				-				-	
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	3,007,849		2,775,993	3,007,849			(231,856)				3,007,849	
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	2,462,718	(181,771)	181,771				-				-	
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	75,106		69,317	75,106			(5,789)				75,106	
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	75,106	(5,544)	5,544		-	-	-	-	-	-	-	
Total State Aid - Public Cluster					(377,235)	5,597,321	5,656,077	-	-	(435,991)	-	-	-	5,656,077
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	239,630		221,158	239,630			(18,472)				239,630	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	239,630	(17,687)	17,687				-				-	
Non-Public Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	47,167			47,167			(47,167)			\$ (47,167)	47,167	
Non-Public Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	47,775	(47,775)	47,775	-	-	-	-	-	-	-	-	
Total Transportation Aid Cluster					(65,462)	286,620	286,797	-	-	(65,639)	-	-	(47,167)	286,797
Extraordinary Aid	25-495-034-5120-044	7/1/24-6/30/25	599,042			599,042			(599,042)				599,042	
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	680,950	(680,950)	680,950				-				-	
Payment for Institutionalized Children - Unknown														
District of Residence	25-495-034-5120-005	7/1/24-6/30/25	28,934			28,934			(28,934)			\$ (28,934)	28,934	
Payment for Institutionalized Children - Unknown														
District of Residence	24-495-034-5120-005	7/1/23-6/30/24	11,015	(11,015)	11,015				-			-	-	
Reimbursed TPAF Social Security Contribution	25-495-034-5094-003	7/1/24-6/30/25	1,630,534		1,552,432	1,630,534			(78,102)			(78,102)	1,630,534	
Reimbursed TPAF Social Security Contribution	24-495-034-5094-003	7/1/23-6/30/24	1,694,819	(80,807)	80,807				-			-	-	
On-Behalf TPAF														
Pension Benefit Cost	25-495-034-5094-002	7/1/24-6/30/25	7,735,969		7,735,969	7,735,969							7,735,969	
Pension - NCGI Premium	25-495-034-5094-004	7/1/24-6/30/25	95,828		95,828	95,828							95,828	
Post Retire. Medical	25-495-034-5094-001	7/1/24-6/30/25	2,288,457		2,288,457	2,288,457							2,288,457	
Long-Term Disability Insurance Prem.	25-495-034-5094-004	7/1/24-6/30/25	3,825	-	3,825	3,825	-	-	-	-	-	-	3,825	
Total General Fund					(1,215,469)	18,333,224	18,325,463	-	-	(1,207,708)	-	-	(154,203)	18,325,463
Special Revenue:														
New Jersey Nonpublic Aid:														
Auxiliary Services:														
Compensatory Education	25-100-034-5120-067	7/1/24-6/30/25	154,321		154,321	130,729			-		\$ 23,592	-	130,729	
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	163,993	15,372				\$ 15,372			-			
English as a Second Language	25-100-034-5120-067	7/1/24-6/30/25	27,811		27,811	20,836					6,975		20,836	
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	20,601	4,944				4,944	-	-	-	-	-	
Nonpublic Home Instruction			737	(737)	737	-	-	-	-	-	-	-	-	
Total Nonpublic Auxiliary Services Aid (Chapter 192) Cluster					19,579	182,869	151,565	-	20,316	-	-	30,567	-	151,565
Handicapped Services:														
Examination & Classification	25-100-034-5120-066	7/1/24-6/30/25	35,830		35,830	30,711			-		5,119		30,711	
Examination & Classification	24-100-034-5120-066	7/1/23-6/30/24	56,401	30,615				30,615			-			
Supplemental Instruction	25-100-034-5120-066	7/1/24-6/30/25	24,945		24,945	22,385					2,560		22,385	
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	24,037	3,717				3,717			-		-	
Corrective Speech	25-100-034-5120-066	7/1/24-6/30/25	39,060		39,060	33,480			-		5,580	-	33,480	
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	43,710	7,161	-	-	-	7,161	-	-	-	-	-	
Total Nonpublic Handicapped Aid (Chapter 193) Cluster					41,493	99,835	86,576	-	41,493	-	-	13,259	-	86,576

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2024	Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Years' Balances	Balance, June 30, 2025			Memo	
									(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education (Continued)													
Textbook Aid	25-100-034-5120-064	7/1/24-6/30/25	\$ 16,569		\$ 16,569	\$ 16,282					\$ 287		\$ 16,282
Nursing Services	25-100-034-5120-070	7/1/24-6/30/25	42,120		42,120	42,120							42,120
Technology Aid	25-100-034-5120-373	7/1/24-6/30/25	15,876		15,876	15,859					17		15,859
Technology Aid	24-100-034-5120-373	7/1/23-6/30/24	14,553	157				157			-		-
Security Aid	25-100-034-5120-509	7/1/24-6/30/25	66,420		66,420	66,420							66,420
Security Aid	24-100-034-5120-509	7/1/23-6/30/24	60,885	307				307			-		-
										-	-	-	-
Expanding Access to Computer High School Courses Program	25-100-034-5063-349	6/1/24-8/31/25	45,679		34,870	45,315			(10,809)	364		(10,445)	45,315
New Jersey Schools Development Authority Emergent and Capital Maintenance Needs	N/A	N/A	90,951	6,683					-		6,683	-	-
Nonpublic Teacher STEM	25-100-034-5068-051	7/1/24-6/30/25	58,187		23,168	52,010			(28,842)			(28,842)	52,010
Nonpublic Teacher STEM	24-100-034-5068-051	7/1/23-6/30/24	21,182	(4,834)	4,320	-	514	-	\$ -	-	-	\$ -	-
Total Special Revenue Fund				63,385	486,047	476,147	514	62,273	(39,651)	364	50,813	(39,287)	476,147
Debt Service Fund													
School Construction Debt Service Aid	25-495-034-5120-075	7/1/24-6/30/25	218,083	-	218,083	218,083	-	-	-	-	-	-	218,083
State Department of Agriculture													
Enterprise Funds:													
State School Lunch Program	25-100-010-3350-023	7/1/24-6/30/25	15,975		14,769	15,975			(1,206)			(1,206)	15,975
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	17,094	(1,295)	1,295		-	-	-	-	-	-	-
State Lunch Working Class Families State Supp	N/A	7/1/24-6/30/25	18,458		16,926	18,458			(1,532)			(1,532)	18,458
State Lunch Working Class Families State Supp	N/A	7/1/23-6/30/24	3,092	(231)	231				-			-	-
State School Breakfast Program	25-100-010-3350-023	7/1/24-6/30/25	511		481	511			(30)			(30)	511
State School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	800	(72)	72		-	-	-	-	-	-	-
State Breakfast Working Class Families State S	N/A	7/1/24-6/30/25	1,864		1,676	1,864			(188)			(188)	1,864
State Breakfast Working Class Families State S	N/A	7/1/23-6/30/24	388	(47)	47	-	-	-	-	-	-	-	-
P-EBT State	25-100-010-3370-003	7/1/24-6/30/25	322	-	322	322	-	-	-	-	-	-	322
Total Enterprise Funds/Child Nutrition Cluster				(1,645)	35,497	36,808	-	-	(2,956)	-	-	(2,956)	36,808
Total State Financial Assistance Subject to Single Audit Determination				(1,153,729)	19,072,851	19,056,501	514	62,273	(1,250,315)	364	50,813	(196,446)	19,056,501
State Financial Assistance Not Subject to Major Program Determination													
General Fund													
On-Behalf TPAF													
Pension Benefit Cost	25-495-034-5094-002	7/1/24-6/30/25			(7,735,969)	(7,735,969)							(7,735,969)
Pension - NCGI Premium	25-495-034-5094-004	7/1/24-6/30/25			(95,828)	(95,828)							(95,828)
Post Retire. Medical	25-495-034-5094-001	7/1/24-6/30/25			(2,288,457)	(2,288,457)							(2,288,457)
Long-Term Disability Insurance Prem.	25-495-034-5094-004	7/1/24-6/30/25	-	-	(3,825)	(3,825)	-	-	-	-	-	-	(3,825)
Total State Financial Assistance Subject to Major Program Determination				\$ (1,153,729)	\$ 8,948,772	\$ 8,932,422	\$ 514	\$ 62,273	\$ (1,250,315)	\$ 364	\$ 50,813	\$ (196,446)	\$ 8,932,422

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

NOTE 1 REPORTING ENTITY

The Lyndhurst Board of Education (the “Board” or the “District”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board’s Financial Statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Board. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedules are prepared and presented using 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 basis of accounting are described in the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the Board's financial statements, respectively. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The Board’s summary of significant accounting policies are described in Note 1 to the Board’s financial statements.

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

The 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 a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments 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 an increase of \$22,367 for the general fund and an increase of \$7,625 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 55,484	\$ 18,347,830	\$ 18,403,314
Special Revenue Fund	1,561,244	499,526	2,060,770
Debt Service Fund		218,083	218,083
Food Service Fund	625,817	37,130	662,947
Total Awards and Financial Assistance	<u>\$ 2,242,545</u>	<u>\$ 19,102,569</u>	<u>\$ 21,345,114</u>

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

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,630,534 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2025. The amount reported as TPAF Pension System Contributions in the amount of \$7,831,797, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,288,457 and TPAF Long-Term Disability Insurance in the amount of \$3,825 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

NOTE 7 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments 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 8 DE MINIMIS INDIRECT COST RATE

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

Financial Statement Section

Unmodified

 yes X no

yes X none reported

yes X no

yes X no

yes X none reported

Unmodified

yes X no

Name of Federal Program or Cluster

Title I Part A & SIA Cluster

\$750,000

X	yes	no
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State Awards Section

1) Material weakness(es) identified:

	yes	☒	no
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Type of auditor's report issued on compliance for major programs	Unmodified
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Identification of major state programs:

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

135

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

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.