

LYNDHURST BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Lyndhurst, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Lyndhurst Board of Education
Lyndhurst, New Jersey
For The Fiscal Year Ended June 30, 2024**

**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

November 4, 2024

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, 2024 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, 2024, 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 2023-2024 fiscal year with an average daily enrollment 2,636 students.

Average Daily Enrollment
(ADE)

<u>Fiscal Year</u>	<u>Student Enrollment</u>
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
2014-2015	2,390

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 2023-2024) ended with an unassigned budgetary fund balance of \$799,952.

3) MAJOR INITIATIVES UNDERTAKING DURING 2023-2024: The Lyndhurst Public School District is proud of all that it accomplished during the 2023-2024 school year. The following is a sampling of the District's achievements:

Facilities and Equipment

New Playground at Washington School
New Fence at the Football Field by the High School
New LED Lights at the Football Field by the High School
New Roof at the High School over the rooms between the Cafeteria and Auditorium
Rental of Memorial to South Bergen Jointure Commission
Washington Fire Rebuild and Repairs

Instruction and Program

New Middle School Schedule
DIBELS 8 as Universal Screener (K-3)
LinkIt Benchmark Assessments (6-8)
IXL intervention program at the Middle School
IReady diagnostic and intervention (3-5)
Targeted professional development on curriculum and instructional support for special education self-contained teachers in ELA and Math

Additional Staffing

Special Education Teacher at Roosevelt

Safety and Security

District SRO stationed at the High School
Class III Officer's (1 at the MS / 1 for Elementary Buildings)
2 Security staff stationed at the Middle School
2 Security staff stationed at the High School
Additional Cameras at the High School
New Camera System at Franklin 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, 2024.

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.

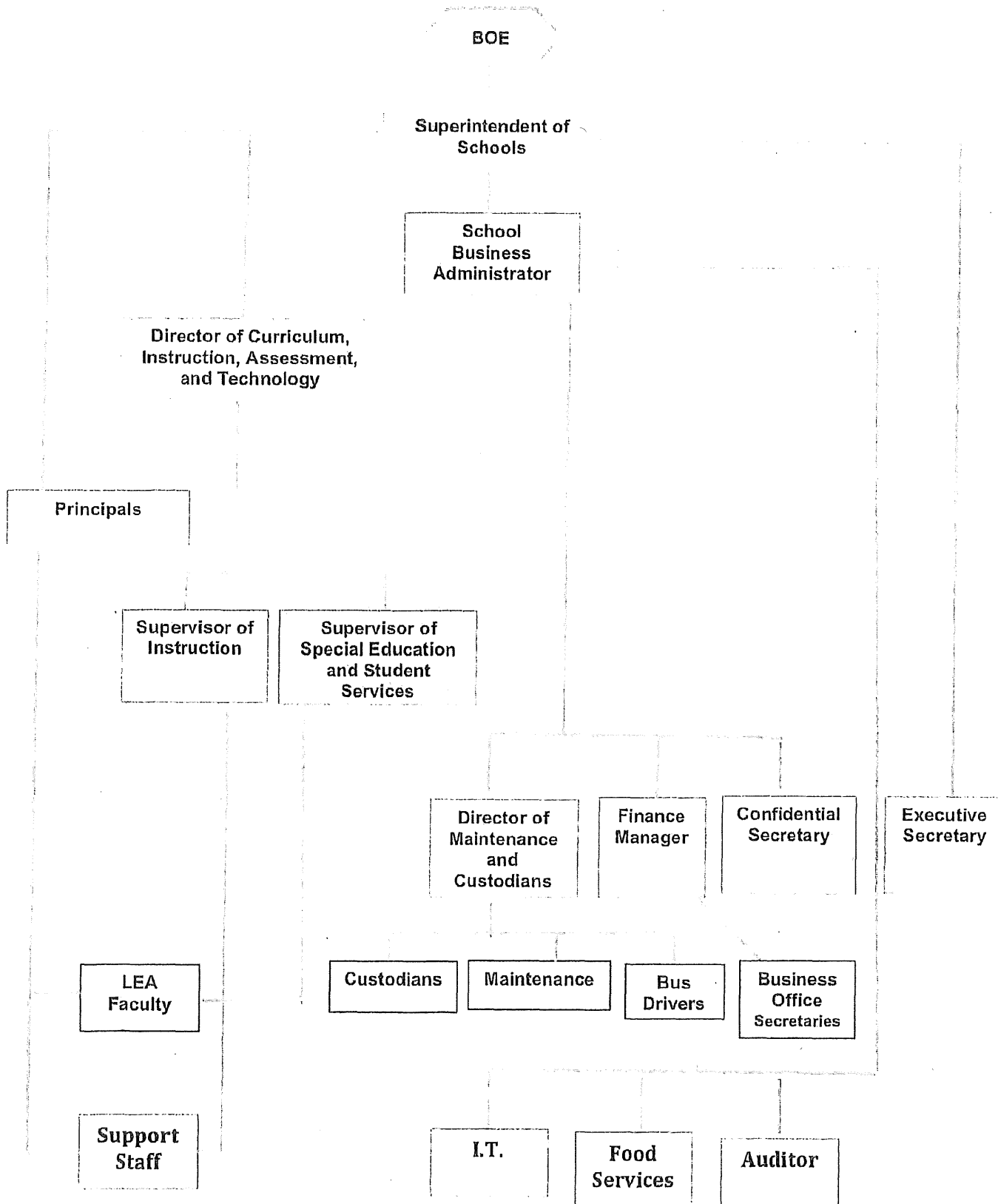
9) INDEPENDENT AUDIT: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was appointed by the Board of Education. In addition to meeting the requirements set forth in state statutes, 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 'J. 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, 2024

Board of Education President	<u>Term Expires</u>
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Paul Passamano Jr.	2024
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Board of Education Vice President	<u>Term Expires</u>
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Daniel Perrotta	2024
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<u>Members of Board of Education</u>	<u>Term Expires</u>
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Domenick Abbate, Jr.	2026
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Christopher Andrinopolous	2025
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Anna Passamano	2026
----------------	------

Peter Petronzio	2026
-----------------	------

Dr. Anthony Scardino	2024
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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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School Business Administrator	James Hyman
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Assistant Business Administrator	Nancy Loiacono
----------------------------------	----------------

LYNDHURST BOARD OF EDUCATION
CONSULTANTS & ADVISORS

State Monitor

Wayne Demikoff

N.J. Department of Education

District Treasurer of 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

Cornell, Merlino, McKeever & Osbourne, LLC.

1136 Route 22 – Suite 204, Mountainside, NJ 07092

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, 2024 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, 2024, 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 November 4, 2024 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.

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
November 4, 2024

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

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, 2024. 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 2023-2024 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 \$38,064,346. (Net Position)
- The District's total net position decreased by \$1,447,561, or 3.7%.
- Overall District revenues were \$61,051,930. General revenues accounted for \$41,149,552, or 77%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$13,902,378 or 23% of total revenues.
- The school district had \$61,236,187 in expenses for governmental activities; only \$12,891,451 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$47,145,054 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 \$2,094,769. Of this amount, \$1,408,001 is restricted for capital projects, \$160,485 is restricted for required maintenance of District facilities, \$725,909 is restricted for other purposes, \$76,294 is assigned for year-end encumbrances and the remaining amount is the unassigned fund deficit of \$(275,920).
- The General Fund fund balance at June 30, 2024 was \$1,511,243, a decrease of \$413,806 compared to the ending fund balance at June 30, 2023 of \$1,925,049.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$799,952, which represents a decrease of \$300,192 when compared to the ending unassigned budgetary fund balance at June 30, 2023 of \$1,100,144.

LYNDHURST BOARD OF EDUCATION

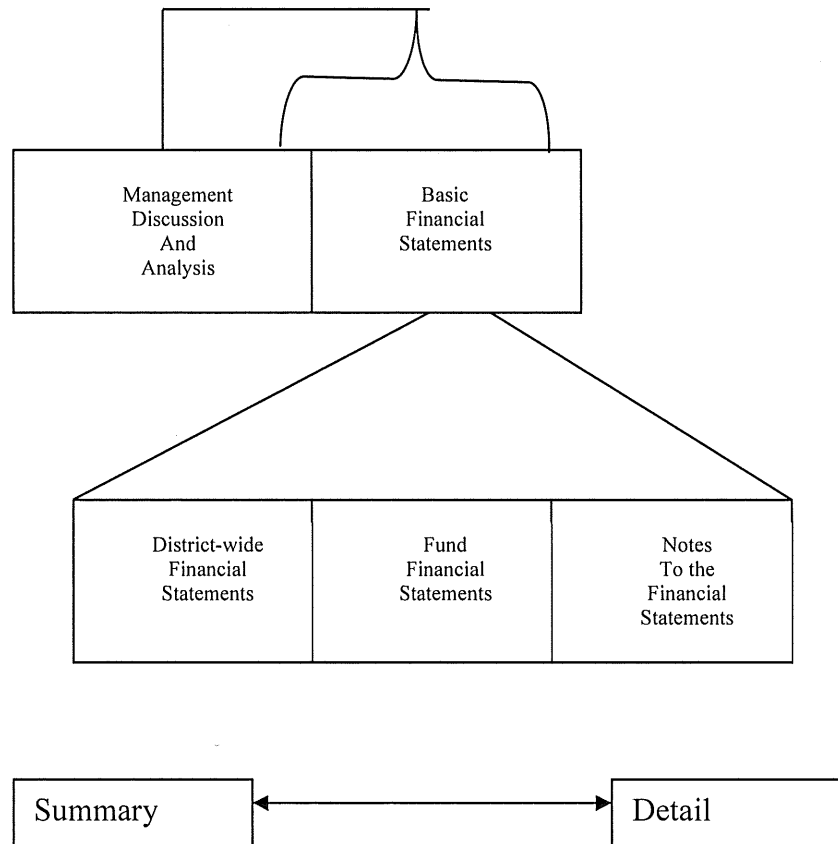
Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

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, 2024

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 thereafter; 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, 2024

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), preschool 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), preschool program 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, 2024

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$38,064,346 and \$39,511,907 on June 30, 2024 and 2023, respectively as follows:

Net Position As of June 30, 2024 and 2023						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current Assets	\$ 4,806,033	\$ 5,605,732	\$ 43,862	\$ 91,185	\$ 4,849,895	\$ 5,696,917
Capital Assets	<u>70,002,509</u>	<u>72,575,101</u>	<u>17,938</u>	<u>16,477</u>	<u>70,020,447</u>	<u>72,591,578</u>
Total Assets	<u>74,808,542</u>	<u>78,180,833</u>	<u>61,800</u>	<u>107,662</u>	<u>74,870,342</u>	<u>78,288,495</u>
Deferred Outflows of Resources	<u>712,015</u>	<u>481,734</u>	<u>-</u>	<u>-</u>	<u>712,015</u>	<u>481,734</u>
Liabilities						
Long-Term Liabilities	34,142,605	34,892,025			34,142,605	34,892,025
Other Liabilities	<u>2,770,444</u>	<u>3,025,598</u>	<u>19,852</u>	<u>73,925</u>	<u>2,790,296</u>	<u>3,099,523</u>
Total Liabilities	<u>36,913,049</u>	<u>37,917,623</u>	<u>19,852</u>	<u>73,925</u>	<u>36,932,901</u>	<u>37,991,548</u>
Deferred Inflows of Resources	<u>564,603</u>	<u>1,257,706</u>	<u>20,507</u>	<u>9,068</u>	<u>585,110</u>	<u>1,266,774</u>
Net Position:						
Net Investment in Capital Assets	48,997,154	50,423,352	17,938	16,477	49,015,092	50,439,829
Restricted	1,834,330	1,681,748			1,834,330	1,681,748
Unrestricted	<u>(12,788,579)</u>	<u>(12,617,862)</u>	<u>3,503</u>	<u>8,192</u>	<u>(12,785,076)</u>	<u>(12,609,670)</u>
Total Net Position	<u>\$ 38,042,905</u>	<u>\$ 39,487,238</u>	<u>\$ 21,441</u>	<u>\$ 24,669</u>	<u>\$ 38,064,346</u>	<u>\$ 39,511,907</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, 2024

The District's total net position of \$38,064,346 at June 30, 2024 represents a \$1,447,561, or 3.7%, decrease from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2024 and 2023.

Changes in Net Position For the Fiscal Years Ended June 30, 2024 and 2023

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues						
Charges for Services	\$ 818,491	\$ 951,642	\$ 423,275	\$ 347,743	\$ 1,241,766	\$ 1,299,385
Operating Grants and Contributions	12,015,189	12,609,805	587,652	608,200	12,602,841	13,218,005
Capital Grants and Contributions	57,771	146,814			57,771	146,814
General Revenues						
Property Taxes	44,207,824	42,416,391			44,207,824	42,416,391
State Aid - Unrestricted	2,711,534	2,596,852			2,711,534	2,596,852
Other	225,696	217,995	4,498	3,155	230,194	221,150
Total Revenues	60,036,505	58,939,499	1,015,425	959,098	61,051,930	59,898,597
Expenses						
Instruction						
Regular	24,827,903	23,767,487			24,827,903	23,767,487
Special Education	10,555,149	10,173,432			10,555,149	10,173,432
Other Instruction	832,760	844,416			832,760	844,416
School Sponsored Activities and Athletics	1,791,339	1,720,811			1,791,339	1,720,811
Support Services						
Student and Instruction Related Service	9,240,288	8,560,556			9,240,288	8,560,556
General Administrative Services	1,645,484	1,631,909			1,645,484	1,631,909
School Administrative Services	3,331,080	3,420,725			3,331,080	3,420,725
Central and Other Support Services	1,174,221	1,207,089			1,174,221	1,207,089
Plant Operations and Maintenance	5,250,256	5,303,986			5,250,256	5,303,986
Student Transportation	2,103,987	1,984,758			2,103,987	1,984,758
Interest on Long Term Debt	483,720	358,826			483,720	358,826
Food Services	-	-	1,220,420	1,478,741	1,220,420	1,478,741
Technology Insurance Program	-	-	42,884	-	42,884	-
Total Expenses	61,236,187	58,973,995	1,263,304	1,478,741	62,499,491	60,452,736
Increase (Decrease) in Net Position						
Before Transfers	(1,199,682)	(34,496)	(247,879)	(519,643)	(1,447,561)	(554,139)
Transfers	(244,651)	(345,000)	244,651	345,000	-	-
Increase (Decrease) in Net Position	(1,444,333)	(379,496)	(3,228)	(174,643)	(1,447,561)	(554,139)
Net Position, Beginning of Year	39,487,238	39,954,551	24,669	199,312	39,511,907	40,153,863
Prior Period Adjustment	-	(87,817)	-	-	-	(87,817)
Net Position, End of Year	\$ 38,042,905	\$ 39,487,238	\$ 21,441	\$ 24,669	\$ 38,064,346	\$ 39,511,907

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$60,036,505 for the fiscal year ended June 30, 2024, property taxes of \$44,207,824 represented 74% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$14,784,494 and represented 25% of revenues.

The total cost of all governmental activities programs and services was \$61,236,187 for the fiscal year ended June 30, 2024. The District's expenses are predominantly related to educating and caring for students. Instruction costs were \$38,007,151 (62%) of total expenses and support services costs were \$22,745,316 (37%) of total expenses for the fiscal year ended June 30, 2024.

For fiscal year 2024, total governmental activities expenses and transfers exceeded revenues decreasing net position for governmental activities by \$1,444,333 from the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services was \$61,236,187. After applying program revenues, derived from operating and capital grants and contributions of \$12,072,960 and charges for services of \$818,491 the net cost of services of the District is \$48,344,736 for the fiscal year ended June 30, 2024.

Total and Net Cost of Governmental Activities For the Fiscal Years Ended June 30, 2024 and 2023

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction				
Regular	\$ 24,827,903	\$ 23,767,487	\$ 20,863,398	\$ 18,887,152
Special Education	10,555,149	10,173,432	5,734,890	5,650,511
Other Instruction	832,760	844,416	703,606	697,906
School Sponsored Activities and Athletics	1,791,339	1,720,811	1,329,529	1,204,854
Support Services				
Student and Instruction Related Svcs.	9,240,288	8,560,556	6,985,544	6,328,682
General Administrative Services	1,645,484	1,631,909	1,559,126	1,533,966
School Administrative Services	3,331,080	3,420,725	2,978,504	2,982,802
Central and Other Support Services	1,174,221	1,207,089	1,115,871	1,151,261
Plant Operations and Maintenance	5,250,256	5,303,986	4,836,718	4,823,132
Pupil Transportation	2,103,987	1,984,758	1,820,073	1,714,350
Interest on Long Term Debt	483,720	358,826	417,477	291,118
Total	\$ 61,236,187	\$ 58,973,995	\$ 48,344,736	\$ 45,265,734

Business-Type Activities – The District's total business-type activities revenues were \$1,015,425 for the fiscal year ended June 30, 2024. Operating grants and contributions accounted for 58% of total revenues and 42% of revenues were from charges for services and sales.

Total cost of all business-type activities programs and services was \$1,263,304 for the fiscal year ended June 30, 2024. Food service expenses represented 97% of the total expenses, with the remaining 3% of expenses for the technology insurance program.

For fiscal year 2024, total business-type activities expenses exceeded revenues and transfers in decreasing net position by \$3,228, or 13% from the previous year.

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

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 \$2,094,769 at June 30, 2024, a decrease of \$338,861 from last year's fund balance of \$2,433,630. 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 \$65,783,527 while total expenditures were \$68,221,923 for the fiscal year ended June 30, 2024. Net Other Financing Sources were \$2,099,535 for the fiscal year ended June 30, 2024

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from grades 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, 2024	Fiscal Year Ended June 30, 2023	Amount of Increase (Decrease)	Percent Change
Local Sources:				
Property Tax Levy	\$ 43,252,126	\$ 41,608,922	\$ 1,643,204	4%
Other	576,525	654,594	(78,069)	-12%
State Sources	17,531,184	16,020,687	1,510,497	9%
Federal Sources	<u>56,196</u>	<u>132,292</u>	<u>(76,096)</u>	-58%
Total General Fund Revenues	<u>\$ 61,416,031</u>	<u>\$ 58,416,495</u>	<u>\$ 2,999,536</u>	5%

For fiscal year 2023, total General Fund revenues increased \$2,999,536 or 5% from the previous year.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 37,903,974	\$ 35,502,490	\$ 2,401,484	7%
Support Services	23,860,821	21,918,312	1,942,509	9%
Debt Services	1,172,023	969,362	202,661	21%
Capital Outlay	<u>879,646</u>	<u>560,898</u>	<u>318,748</u>	57%
Total Expenditures	<u>\$ 63,816,464</u>	<u>\$ 58,951,062</u>	<u>\$ 4,865,402</u>	8%

LYNDHURST BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

GENERAL FUND (Continued)

For fiscal year 2024, total General Fund expenditures increased \$4,865,402 or 8% from the previous year.

In fiscal year 2024, General Fund expenditures and other financing uses exceeded revenues and other financing sources by \$413,806. Therefore, the total fund balance at June 30, 2023 of \$1,925,049 decreased to a fund balance of \$1,511,243 at June 30, 2024.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2024, the District had \$70,002,509 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$17,938 for business type activity. The following is a comparison of the June 30, 2024 and 2023 balances:

Capital Assets at June 30, 2024 and 2023 (Net of Accumulated Depreciation)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 171,125	\$ 171,125			\$ 171,125	\$ 171,125
Construction in Progress		197,784			-	197,784
Building and Building Improvements	65,978,257	68,199,908			65,978,257	68,199,908
Right to Use Building/Facilities	1,183,666	1,479,582			1,183,666	1,479,582
Improvements Other than Building	1,255,647	1,287,365			1,255,647	1,287,365
Machinery and Equipment	1,413,814	1,223,614	\$ 17,938	\$ 16,477	1,431,752	1,240,091
Right to Use Equipment	-	15,723	-	-	-	15,723
Total Capital Assets, Net	\$ 70,002,509	\$ 72,575,101	\$ 17,938	\$ 16,477	\$ 70,020,447	\$ 72,591,578

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

LONG TERM LIABILITIES

At June 30, 2024 the District had \$34,142,605 of total outstanding long-term liabilities. For fiscal year 2023/2024 total outstanding long-term liabilities decreased by \$749,420. The following is a comparison of the June 30, 2024 and 2023 balances:

Long-Term Liabilities Outstanding as of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Bond Payable	\$ 18,250,000	\$ 19,060,000
Capital Financing Agreements	1,575,974	1,532,680
Other Financing Agreements	566,458	221,458
Leases Payable	1,338,222	1,674,150
Compensated Absences Payable	3,586,569	3,385,070
Deferred Pension Obligation	-	7,948
State Aid Advance Loan Payable	2,400,000	2,880,000
Net Pension Liability	6,425,382	6,130,719
Total	\$ 34,142,605	\$ 34,892,025

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, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

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 2024 General Fund budgetary expenditures and other financing uses exceeded budgetary revenues and other financing sources decreasing budgetary fund balance \$414,637. After deducting fund balances restricted and assigned, the unassigned budgetary fund balance decreased \$300,192 from an unassigned fund balance of \$1,100,144 at June 30, 2023 to \$799,952 at June 30, 2024. In addition at June 30, 2024 the District had balances in its capital reserve of \$1,249,160, maintenance reserve of \$160,485, 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 2024-2025 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 2024-2025. Budgeted expenditures in the General Fund increased approximately 3% to \$51,605,862 for fiscal year 2024-2025. Budgeted special education instruction costs, as well as, employee benefits 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, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 3,693,502	\$ 43,861	\$ 3,737,363
Receivables, Net	769,549	58,713	828,262
Leases Receivable	142,830		142,830
Internal Balances	79,219	(79,219)	-
Inventory		20,507	20,507
Restricted Assets:			
Cash Equivalents with Fiscal Agents	120,933		120,933
Capital Assets, Not Being Depreciated	171,125		171,125
Capital Assets, Being Depreciated, Net	69,831,384	17,938	69,849,322
Total Assets	<u>74,808,542</u>	<u>61,800</u>	<u>74,870,342</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>712,015</u>	-	<u>712,015</u>
Total Deferred Outflows of Resources	<u>712,015</u>	-	<u>712,015</u>
Total Assets and Deferred Outflows of Resources	<u>75,520,557</u>	<u>61,800</u>	<u>75,582,357</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,448,110	90	2,448,200
Payable to Other Governments	78,297		78,297
Accrued Interest Payable	202,010		202,010
Unearned Revenue	42,027	19,762	61,789
Noncurrent Liabilities			
Due within one year	2,144,246		2,144,246
Due beyond one year	31,998,359	-	31,998,359
Total Liabilities	<u>36,913,049</u>	<u>19,852</u>	<u>36,932,901</u>
DEFERRED INFLOWS OF RESOURCES			
Lease Related Revenue	142,830		142,830
Deferred Amounts on Net Pension Liability	421,773		421,773
Deferred Commodities Revenue	-	20,507	20,507
Total Deferred Inflows of Resources	<u>564,603</u>	<u>20,507</u>	<u>585,110</u>
Total Liabilities and Deferred Inflows of Resources	<u>37,477,652</u>	<u>40,359</u>	<u>37,518,011</u>
NET POSITION			
Net Investment in Capital Assets	48,997,154	17,938	49,015,092
Restricted for			
Capital Projects	1,249,160		1,249,160
Plant Maintenance	160,485		160,485
Student Activities	284,782		284,782
Scholarships	139,903		139,903
Unrestricted	(12,788,579)	3,503	(12,785,076)
Total Net Position	<u>\$ 38,042,905</u>	<u>\$ 21,441</u>	<u>\$ 38,064,346</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, 2024

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	\$ 24,827,903	\$ 59,046	\$ 3,905,459		\$ (20,863,398)		\$ (20,863,398)
Special Education	10,555,149		4,820,259		(5,734,890)		(5,734,890)
Other Instruction	832,760		129,154		(703,606)		(703,606)
School Sponsored Activities and Athletics	1,791,339	461,810			(1,329,529)		(1,329,529)
Support Services							
Student and Instruction Related Services	9,240,288		2,254,744		(6,985,544)		(6,985,544)
General Administrative Services	1,645,484		86,358		(1,559,126)		(1,559,126)
School Administrative Services	3,331,080		352,576		(2,978,504)		(2,978,504)
Central and Other Support Services	1,174,221		58,350		(1,115,871)		(1,115,871)
Plant Operations and Maintenance	5,250,256	297,635	58,132	57,771	(4,836,718)		(4,836,718)
Student Transportation	2,103,987		283,914		(1,820,073)		(1,820,073)
Interest on Long-Term Debt	483,720	-	66,243	-	(417,477)	-	(417,477)
Total Governmental Activities	61,236,187	818,491	12,015,189	57,771	(48,344,736)	-	(48,344,736)
Business-Type Activities							
Food Service	1,220,420	363,204	587,652		-	\$ (269,564)	(269,564)
Technology Insurance Program	42,884	60,071	-	-	-	17,187	17,187
Total Business-Type Activities	1,263,304	423,275	587,652	-	-	(252,377)	(252,377)
Total Primary Government	\$ 62,499,491	\$ 1,241,766	\$ 12,602,841	\$ 57,771	(48,344,736)	(252,377)	(48,597,113)

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, 2024**

	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	\$ 43,252,126		\$ 43,252,126
Property Taxes Levied for Debt Service	955,698		955,698
State Aid -Unrestricted	2,562,775		2,562,775
State Aid for Debt Service Principal	148,759		148,759
Interest and Investment Earnings	172,530	\$ 4,498	177,028
Miscellaneous Income	53,166		53,166
Transfers	<u>(244,651)</u>	<u>244,651</u>	<u>-</u>
 Total General Revenues and Transfers	 <u>46,900,403</u>	 <u>249,149</u>	 <u>47,149,552</u>
 Change in Net Position	 (1,444,333)	 (3,228)	 (1,447,561)
Net Position, Beginning of Year , Restated	<u>39,487,238</u>	<u>24,669</u>	<u>39,511,907</u>
Net Position, End of Year	<u>\$ 38,042,905</u>	<u>\$ 21,441</u>	<u>\$ 38,064,346</u>

FUND FINANCIAL STATEMENTS

**LYNDHURST BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

	<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	\$ 3,268,817	\$ 424,685			\$ 3,693,502
Intergovernmental Receivables	139,597	550,996			690,593
Other Accounts Receivables	78,460	496			78,956
Leases Receivable	142,830				142,830
Due from Other Funds	440,518		\$ 37,908		478,426
Restricted Assets:					
Cash Equivalents with Fiscal Agent	-	-	120,933	-	120,933
Total Assets	<u>\$ 4,070,222</u>	<u>\$ 976,177</u>	<u>\$ 158,841</u>	<u>\$ -</u>	<u>\$ 5,205,240</u>
LIABILITIES					
Liabilities					
Accounts Payable	\$ 651,635	\$ 69,869			\$ 721,504
Accrued Salaries and Wages	56,813				56,813
Compensated Absences Payable	61,985				61,985
Payroll Deductions and Withholdings Payable	170,278				170,278
Employee Deposits Payable	1,437,530				1,437,530
Payable to State Government		62,273			62,273
Payable to Federal Government		16,024			16,024
Due to Other Funds	37,908	361,299			399,207
Unearned Revenue	-	42,027	-	-	42,027
Total Liabilities	<u>2,416,149</u>	<u>551,492</u>	<u>-</u>	<u>-</u>	<u>2,967,641</u>
DEFERRED INFLOWS OF RESOURCES					
Lease Related Revenue	<u>142,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,830</u>
Total Deferred Inflows of Resources	<u>142,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,830</u>
FUND BALANCES					
Fund Balances					
Restricted					
Legally Restricted - Disallowed Grant Costs	301,224				301,224
Capital Reserve	1,249,160				1,249,160
Maintenance Reserve	160,485				160,485
Student Activities		284,782			284,782
Scholarships		139,903			139,903
Capital Projects			\$ 158,841		158,841
Assigned					
Year End Encumbrances	76,294				76,294
Unassigned	<u>(275,920)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(275,920)</u>
Total Fund Balances	<u>1,511,243</u>	<u>424,685</u>	<u>158,841</u>	<u>-</u>	<u>2,094,769</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,070,222</u>	<u>\$ 976,177</u>	<u>\$ 158,841</u>	<u>\$ -</u>	<u>\$ 5,205,240</u>

**LYNDHURST BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

Total Fund Balances (Exhibit B-1) \$ 2,094,769

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 \$93,967,293 and the accumulated depreciation is \$23,964,784. 70,002,509

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	\$ 712,015	
Deferred Inflows of Resources	<u>(421,773)</u>	
		290,242

The District has financed capital assets through the issuance of long-term bonds and short-term notes. The interest accrual at year end is: (202,010)

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	(18,250,000)	
Capital Financing Agreements	(1,575,974)	
Other Financing Agreements	(566,458)	
Leases Payable	(1,338,222)	
Compensated Absences	(3,586,569)	
State Aid Advance Loan Payable	(2,400,000)	
Net Pension Liability	<u>(6,425,382)</u>	
		<u>(34,142,605)</u>

Net Position of Governmental Activities (Exhibit A-1) **\$ 38,042,905**

LYNDHURST BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 43,252,126			\$ 955,698	\$ 44,207,824
Tuition	59,046				59,046
Interest and Investment Earnings	166,678		\$ 5,852		172,530
Miscellaneous - Unrestricted	350,801	\$ 603,194	-	-	953,995
	<u>43,828,651</u>	<u>603,194</u>	<u>5,852</u>	<u>955,698</u>	<u>45,393,395</u>
Total - Local Sources					
State Sources	17,531,184	393,541		215,002	18,139,727
Federal Sources	56,196	2,194,209	-	-	2,250,405
	<u>61,416,031</u>	<u>3,190,944</u>	<u>5,852</u>	<u>1,170,700</u>	<u>65,783,527</u>
Total Revenues					
EXPENDITURES					
Current					
Instruction					
Regular Instruction	25,676,796	687,665			26,364,461
Special Education Instruction	10,145,472	784,241			10,929,713
Other Instruction	821,824	15,416			837,240
School-Sponsored Activities and Athletics	1,259,882	520,128			1,780,010
Support Services					
Student and Instruction Related Services	8,626,779	1,169,538			9,796,317
General Administrative Services	1,689,519				1,689,519
School Administrative Services	3,442,134				3,442,134
Central and Other Support Services	1,164,768				1,164,768
Plant Operations and Maintenance	6,841,207				6,841,207
Student Transportation	2,096,414				2,096,414
Debt Service					
Principal	1,118,684			810,000	1,928,684
Interest and Other Charges	53,339			360,700	414,039
Capital Outlay	879,646	57,771	-	-	937,417
	<u>63,816,464</u>	<u>3,234,759</u>	<u>-</u>	<u>1,170,700</u>	<u>68,221,923</u>
Total Expenditures					
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(2,400,433)	(43,815)	5,852	-	(2,438,396)
OTHER FINANCING SOURCES (USES)					
Capital Financing Agreement Proceeds	346,050				346,050
Other Financing Agreement Proceeds	345,000				345,000
Insurance Recoveries	1,653,136				1,653,136
Transfers In	6,349	75,000	37,908		119,257
Transfers Out	(363,908)	-	-	-	(363,908)
	<u>1,986,627</u>	<u>75,000</u>	<u>37,908</u>	<u>-</u>	<u>2,099,535</u>
Total Other Financing Sources and Uses					
Net Change in Fund Balances	(413,806)	31,185	43,760	-	(338,861)
Fund Balance, Beginning of Year	1,925,049	393,500	115,081	-	2,433,630
	<u>1,511,243</u>	<u>424,685</u>	<u>158,841</u>	<u>\$ -</u>	<u>\$ 2,094,769</u>
Fund Balance, End of Year					

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, 2024**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (338,861)**

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	\$ 937,417	
Depreciation Expense	<u>(3,510,009)</u>	(2,572,592)

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	(346,050)	
Other Financing Agreement Proceeds	<u>(345,000)</u>	(691,050)

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	810,000	
Capital Financing Agreement Principal	302,756	
Leases Payable Principal	335,928	
State Aid Advance Loan Principal	<u>480,000</u>	1,928,684

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	(201,499)	
Decrease in Deferred Pension Obligations	7,948	
Decrease in Pension Expense	<u>492,718</u>	299,167

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>(69,681)</u>
------------------------------	--	-----------------

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ (1,444,333)**

**LYNDHURST BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	Business-Type Activities Enterprise Funds			
	<u>Food Service</u>	<u>Non-Major Preschool Program</u>	<u>Non-Major Technology Insurance Program</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents	\$ 26,674		\$ 17,187	\$ 43,861
Intergovernmental Receivable, Net:	36,704			36,704
Accounts Receivable, Net	22,009			22,009
Inventory	20,507	-	-	20,507
Total Current Assets	105,894	-	17,187	123,081
Capital Assets				
Equipment	118,664			118,664
Accumulated Depreciation	(100,726)	-	-	(100,726)
Total Capital Assets, Net	17,938	-	-	17,938
Total Assets	123,832	-	17,187	141,019
LIABILITIES				
Current Liabilities				
Accrued Salaries and Wages	90			90
Due to Other Funds	79,219			79,219
Unearned Revenue	19,762	-	-	19,762
Total Current Liabilities	99,071	-	-	99,071
DEFERRED INFLOW OF RESOURCES				
Deferred Commodities Revenue	20,507	-	-	20,507
Total Liabilities and Deferred Inflow of Resources	119,578	-	-	119,578
NET POSITION				
Investment in Capital Assets	17,938	-	-	17,938
Unrestricted	(13,684)	-	17,187	3,503
Total Net Position	\$ 4,254	\$ -	\$ 17,187	\$ 21,441

**LYNDHURST BOARD OF EDUCATION
PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Business-Type Activities Enterprise Funds			
	<u>Food Service</u>	<u>Non-Major Preschool Program</u>	<u>Non-Major Technology Insurance Program</u>	<u>Total</u>
OPERATING REVENUES				
Local Sources				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 210,106			\$ 210,106
Daily Sales - Non-Reimbursable Programs	153,098			153,098
Program Fees	-	-	60,071	60,071
Total Operating Revenues	363,204	-	60,071	423,275
OPERATING EXPENSES				
Cost of Sales - Reimbursable Programs	375,682			375,682
Cost of Sales - Non-Reimbursable Programs	88,123			88,123
Salaries	549,932			549,932
Employee Benefits	63,137			63,137
Purchased Management Services	31,986			31,986
Insurance	39,990			39,990
Other Purchased Services	24,833		895	25,728
Repair and Maintenance	14,813			14,813
General Supplies	4,430		41,989	46,419
Miscellaneous	23,465			23,465
Depreciation	4,029	-	-	4,029
Total Operating Expenses	1,220,420	-	42,884	1,263,304
Operating Income (Loss)	(857,216)	-	17,187	(840,029)
NONOPERATING REVENUES				
State Sources				
State School Lunch Program	20,186			20,186
State School Breakfast Program	1,188			1,188
Federal Sources				
National School Breakfast Program	33,348			33,348
National School Lunch Program	380,063			380,063
Supply Chain Assistance	63,375			63,375
Food Distribution Program	88,839			88,839
P-EBT Administrative Costs	653			653
Interest Income	4,498	-	-	4,498
Total Nonoperating Revenues	592,150	-	-	592,150
Changes in Net Position Before Transfers	(265,066)	-	17,187	(247,879)
Transfers In	251,000	-	-	251,000
Transfers Out	-	\$ (6,349)	-	(6,349)
Net Change in Net Position	(14,066)	(6,349)	17,187	(3,228)
Total Net Position, Beginning of Year	18,320	6,349	-	24,669
Total Net Position, End of Year	\$ 4,254	\$ -	\$ 17,187	\$ 21,441

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, 2024**

**Business-Type Activities
Enterprise Funds**

	<u>Food Service</u>	<u>Non-Major Preschool Program</u>	<u>Non-Major Technology Insurance Program</u>	<u>Total</u>
Cash Flows from Operating Activities				
Cash Received from Customers less refunds paid	\$ 350,148	\$ -	\$ 60,071	\$ 410,219
Cash Payments for Employees				
Salaries and Benefits	(612,979)	-	-	(612,979)
Cash Payments to Suppliers for Goods and Services	(501,662)	-	(42,884)	(544,546)
Net Cash Provided by (Used for) Operating Activities	(764,493)	-	17,187	(747,306)
Cash Flows from Noncapital Financing Activities				
Cash Received from State and Federal Subsidy Reimbursements and Grants	503,011	-	-	503,011
Cash Received from/for Other Funds	239,513			239,513
Cash Paid to/for Other Funds	-	(107,132)	-	(107,132)
Net Cash Provided by Noncapital Financing Activities	742,524	(107,132)	-	635,392
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(5,490)	-	-	(5,490)
Net Cash (Used for) Capital Related Financing Activities	(5,490)	-	-	(5,490)
Cash Flows from Investing Activities				
Interest Received	4,498	-	-	4,498
Net Cash Provided by Investing Activities	4,498	-	-	4,498
Net Increase (Decrease) in Cash and Cash Equivalents	(22,961)	(107,132)	17,187	(112,906)
Cash and Cash Equivalents, Beginning of Year	49,635	107,132	-	156,767
Cash and Cash Equivalents, End of Year	\$ 26,674	\$ -	\$ 17,187	\$ 43,861
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$ (857,216)	\$ -	\$ 17,187	\$ (840,029)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation	4,029	-	-	4,029
Non-Cash Federal Assistance-Food Distribution Program	88,839			88,839
Change in Assets, Liabilities and Deferred Inflows of Resources				
(Increase)/Decrease in Intergovernmental Receivable - Local	10,243			10,243
(Increase)/Decrease in Accounts Receivable	(22,009)			(22,009)
(Increase)/Decrease in Inventory	54,255			54,255
Increase/(Decrease) in Accounts Payable	(52,873)			(52,873)
Increase/(Decrease) in Accrued Salaries and Wages	90			90
Increase/(Decrease) in Unearned Revenue	(1,290)			(1,290)
Increase/(Decrease) in Deferred Commodities Revenue	11,439	-	-	11,439
Total Adjustments	92,723	-	-	92,723
Net Cash Provided by (Used for) Operating Activities	\$ (764,493)	\$ -	\$ 17,187	\$ (747,306)
Non-Cash Investing, Capital and Financing Activities:				
Value Received - Food Distribution Program	\$ 100,278			\$ 100,278

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, 2024**

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, preschool program 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 2024, the District adopted the following GASB statements:

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

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

- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 102, *Certain Risk Disclosures*, will be 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.
- 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.

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, 2024

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 *preschool fund* accounts for the activities of the District's preschool program which provides a learning environment and educational program to resident children between the ages of 3 and 4 years old. Currently the preschool program activity is accounted for in the General Fund and the fund was formally dissolved during the current school year.

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, 2024**

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.

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, 2024**

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. *Restricted Assets*

Certain assets are classified as restricted on the balance sheet because they are maintained in a separate bank account and their use is limited by Capital Financing Agreements for certain capital acquisitions.

5. *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.9 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

6. *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, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *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 three types of items, two types which arise only under the accrual basis of accounting, and one type which arises under both the accrual basis of accounting and modified 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. Another item that qualified for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the 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. The other item that qualifies for reporting in this category is the deferred lease related revenue reported in the district-wide statement of net position and government funds balance sheet. The deferred lease related revenue represents the future inflow from long-term lease agreements of District owned property. This amount is deferred and recognized as an inflow of resources (revenue) in the period the revenue is deemed earned.

7. *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.

8. *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, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Leases*

Leases Receivable

Non-cancellable leases for the use of the District's buildings are recognized as a lease receivable and a deferred inflow of resources in the district-wide and governmental fund financial statements. The District recognizes the initial lease receivable at the present value of payments expected to be received during the lease term. The lease receivable is subsequently reduced by the principal portion of lease payments received each year. The deferred inflow of resources is initially measured as of the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue in proportion to the annual principal lease payments made over the term of the lease. Leases are monitored for changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

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 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.

10. *Financing Agreements*

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

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

11. *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 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, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

12. *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 2D).

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 2E).

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.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

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, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

12. 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.

13. 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, 2024**

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 2022-2023 and 2023-2024 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.

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.

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, preschool program enterprise fund, 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.

LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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 2023/2024. Also, during 2023/2024 the Board increased the original budget of the general fund by \$1,202,092 and the special revenue fund by \$1,987,779. The increases were funded by the additional appropriation of capital reserve, maintenance reserve, 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 capital reserve of \$727,210 and maintenance reserve of \$162,749 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. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Other Financing Uses			
Transfer Out – Food Service Fund	\$215,000	\$251,000	\$(36,000)

The above variances were offset with other available resources.

C. Deficit Fund Equity

The District has an unassigned fund deficit of \$275,920 in the General Fund as of June 30, 2024 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 2023/2024 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.

LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Deficit Fund Equity (Continued)

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 \$275,920 in the General Fund is less than the delayed state aid payments at June 30, 2024.

D. 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, 2024 is as follows:

Balance, July 1, 2023	\$ 1,001,370
Increased by	
Deposits Approved by Board Resolution	\$ 950,000
Return of Unencumbered Withdrawals	<u>25,000</u>
Total Increases	<u>975,000</u>
	1,976,370
Decreased by:	
Withdrawals Approved by Board Resolution	<u>727,210</u>
Balance, June 30, 2024	<u>\$ 1,249,160</u>

The June 30, 2024 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.

E. 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, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. 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, 2024 is as follows:

Balance, July 1, 2023	\$ 286,878
Increased by	
Deposits Approved by Board Resolution	<u>36,356</u>
	323,234
Decreased by:	
Withdrawals Approved by Board Resolution	<u>162,749</u>
Balance, June 30, 2024	<u>\$ 160,485</u>

The June 30, 2024 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, 2024

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, 2024, the book value of the Board's deposits was \$3,737,363 and bank and brokerage firm balances of the Board's deposits amounted to \$5,054,629. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 3,132,911
Uninsured and Collateralized	<u>1,921,718</u>
	<u>\$ 5,054,629</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, 2024 the Board's bank balance of \$1,921,718 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>\$ 1,921,718</u>

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, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

As of June 30, 2024, the Board had the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
Federal Government Obligations Fund (Cash Equivalent)	\$ <u>120,933</u>

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 party. The Board does not have a policy for custodial credit risk. As of June 30, 2024, \$120,933 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	\$ <u>120,933</u>

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.

Fair Value of Investments. The Lyndhurst Board of Education measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by First Hope Bank Wealth Management. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2024 are categorized as Level 2.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2024 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		\$ 545,425	\$ 31,687	\$ 577,112
State	\$ 139,597	5,571	1,645	146,813
Local			3,372	3,372
Other Accounts	<u>95,428</u>	<u>496</u>	<u>22,009</u>	<u>117,933</u>
Gross Receivables	235,025	551,492	58,713	845,230
Less: Allowance for				-
Uncollectibles	<u>(16,968)</u>	<u>-</u>	<u>-</u>	<u>(16,968)</u>
Net Total Receivables	<u>\$ 218,057</u>	<u>\$ 551,492</u>	<u>\$ 58,713</u>	<u>\$ 828,262</u>

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:

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 16,973
Grant Draw Downs for Year-End Encumbrances	<u>25,054</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 42,027</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, July 1, 2023 (Restated)	Increases	Decreases	Balance, June 30, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 171,125			\$ 171,125
Construction in Progress	197,784	-	\$ (197,784)	-
Total Capital Assets, Not Being Depreciated	368,909	-	(197,784)	171,125
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	82,516,783	\$ 614,738		83,131,521
Right-to-use Leased Buildings	5,326,494			5,326,494
Improvements Other Than Buildings	1,450,358	59,329		1,509,687
Machinery and Equipment	3,265,130	461,134		3,726,264
Right-to-use Leased Equipment	102,202	-	-	102,202
Total Capital Assets Being Depreciated	92,660,967	1,135,201	-	93,796,168
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(14,316,875)	(2,836,389)		(17,153,264)
Right-to-use Leased Buildings	(3,846,912)	(295,916)		(4,142,828)
Improvements Other Than Buildings	(162,993)	(91,047)		(254,040)
Machinery and Equipment	(2,041,516)	(270,934)		(2,312,450)
Right-to-use Leased Equipment	(86,479)	(15,723)	-	(102,202)
Total Accumulated Depreciation	(20,454,775)	(3,510,009)	-	(23,964,784)
Total Capital Assets, Being Depreciated, Net	72,206,192	(2,374,808)	-	69,831,384
Governmental Activities Capital Assets, Net	\$ 72,575,101	\$ (2,374,808)	\$ (197,784)	\$ 70,002,509
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 113,174	\$ 5,490	-	\$ 118,664
Total Capital Assets Being Depreciated	113,174	5,490	-	118,664
Less Accumulated Depreciation for:				
Machinery and Equipment	(96,697)	(4,029)	-	(100,726)
Total Accumulated Depreciation	(96,697)	(4,029)	-	(100,726)
Total Capital Assets, Being Depreciated, Net	28,497	1,461	-	17,938
Business-Type Activities Capital Assets, Net	\$ 28,497	\$ 1,461	\$ -	\$ 17,938

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction

Regular Instruction	\$ 1,649,705
Special Education Instruction	526,501
Other Instruction	105,300
School-Sponsored/Activities and Athletics	<u>70,200</u>

Total Instruction	<u>2,351,706</u>
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Support Services

Student and Instruction Related Services	456,301
General Administrative Services	70,200
School Administrative Services	280,801
Central and Other Support Services	105,300
Plant Operations and Maintenance	210,601
Student Transportation	<u>35,100</u>

Total Support Services	<u>1,158,303</u>
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Total Governmental Funds	<u>\$ 3,510,009</u>
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Total Depreciation Expense - Governmental Activities	<u>\$ 3,510,009</u>
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Business-Type Activities:

Food Service Fund	<u>\$ 4,029</u>
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Total Depreciation Expense-Business-Type Activities	<u>\$ 4,029</u>
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Asset Impairment and Insurance Proceeds

Insurance Proceeds

The District had insurance policies in effect at the time of the Washington Elementary School Fire for comprehensive property damage, casualty, business interruption and other coverages. As of June 30, 2024, the insurers have remitted \$1,653,136 to the District. These funds are recorded as other financing sources in the General Fund as of June 30, 2024. These funds have been used for the repair of the school and replacement of equipment destroyed by the fire damage as specified in the insurance claim.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2024, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 361,299
General Fund	Food Service Fund	79,219
Capital Projects Fund	General Fund	<u>37,908</u>
Total		<u>\$ 478,426</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>Total</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Enterprise Food Service</u>	
Transfer Out:					
General Fund		\$ 75,000	\$ 37,908	\$ 251,000	\$ 363,908
Preschool Program	<u>\$ 6,349</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,349</u>
Total Transfers	<u>\$ 6,349</u>	<u>\$ 75,000</u>	<u>\$ 37,908</u>	<u>\$ 251,000</u>	<u>\$ 363,908</u>

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

F. Leases

Leases Receivable

On September 1, 2021, the District began leasing building space to a third party. The initial lease was for a two (2) years and the lease was renewed for an additional two-year term at the option of the lessee to June 30, 2025. The District will receive ten (10) monthly payments of \$15,000 annually. The District recognized \$150,000 in lease revenue for the fiscal year ended June 30, 2024, which includes interest earnings of \$13,997. As of June 30, 2024 the District's receivable for lease payments, exclusive of future interest earnings is \$142,830 for the lease term ending June 30, 2025. Also, the District has a deferred inflows of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2024, the balance of the deferred inflow of resources was \$142,830 for the lease term ending June 30, 2025.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases (Continued)

Leases Receivable (Continued)

The future lease revenue payments as of June 30, 2024 are as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 142,830	\$ 7,170	\$ 150,000
Total	<u>\$ 142,830</u>	<u>\$ 7,170</u>	<u>\$ 150,000</u>

Leases Payable

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, 2024 the value of the lease liability was \$535,289. The building has an 18 year estimated useful life. The value of the right-to-use asset as of June 30, 2024 is \$2,130,598 and had accumulated depreciation of \$1,657,132.

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, 2024 the value of the lease liability was \$802,933. The building has an 18 year estimated useful life. The value of the right-to-use asset as of June 30, 2024 is \$3,195,896 and had accumulated depreciation of \$2,485,696.

The future principal and interest lease payments as of June 30, 2024 are as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 325,511	\$ 24,489	\$ 350,000
2026	331,467	18,533	350,000
2027	337,534	12,466	350,000
2028	<u>343,710</u>	<u>6,290</u>	<u>350,000</u>
Total	<u>\$ 1,338,222</u>	<u>\$ 61,778</u>	<u>\$ 1,400,000</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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.

Capital financing agreements at June 30, 2024 are comprised of the following:

\$216,777, fiscal year 2022 Agreement for the acquisitions of photocopiers for a term of 4 years due in annual principal installments of \$53,674 to \$55,687 through January 20, 2025 interest at 5.75%	\$ 55,687
\$253,302 fiscal year 2023 Agreement for the acquisitions of school busses for a term of 5 years due in annual principal installments of \$34,247 to \$73,554 through January 20, 2025 interest at 3.40%	179,824
\$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 2023 interest at 4.25%	1,026,000
\$175,194, fiscal year 2024 Agreement for the acquisition of photocopiers for a term of 4 years due in annual principal installments of \$33,227 to \$38,663 through September 15, 2027 interest at 5.19%	143,607
\$170,856, fiscal year 2024 Agreement for the acquisition of photocopiers for a term of 5 years due in quarterly principal installments of \$7,316 to \$9,892 through May 31, 2029 interest at 6.40%	<u>170,856</u>
Total	<u>\$ 1,575,974</u>

The unexpended proceeds from the capital financing agreements, including interest earned on balances which remain on deposit are held with the respective fiscal agents. The following is a summary of balances by account type as of June 30, 2024:

Acquisition of School Buses	<u>\$120,933</u>
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**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

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, 2024 are comprised of the following:

\$283,828, Fiscal year 2023 Agreement for the purchase of technology supplies for a term of 5 years due in annual principal installments of \$57,520 to \$60,372 through July 15, 2027 interest at 6.57%	\$ 221,458
\$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%	<u>345,000</u>
	<u>\$ 566,458</u>

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>	
2025	\$ 267,135	\$ 39,471	\$ 141,600	\$ 15,191	\$ 463,397
2026	216,302	57,480	134,448	22,344	430,574
2027	221,413	47,739	141,485	15,307	425,944
2028	262,482	37,449	148,925	7,867	456,723
2029	152,642	25,783			178,425
2030-2034	<u>456,000</u>	<u>48,450</u>	<u>-</u>	<u>-</u>	<u>504,450</u>
Total	<u>\$ 1,575,974</u>	<u>\$ 256,372</u>	<u>\$ 566,458</u>	<u>\$ 60,709</u>	<u>\$ 2,459,513</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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, 2024 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>\$18,250,000</u>
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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>
2025	\$ 835,000	\$ 352,475	\$ 1,187,475
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
2030-2034	5,170,000	1,128,500	6,298,500
2035-2039	5,990,000	571,000	6,561,000
2040-2041	<u>2,645,000</u>	<u>53,350</u>	<u>2,698,350</u>
Total	<u>\$ 18,250,000</u>	<u>\$ 3,357,425</u>	<u>\$ 21,607,425</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 2023/2024 school year.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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>	
2025	\$ 480,000		\$ 480,000
2026	480,000		480,000
2027	480,000		480,000
2028	480,000		480,000
2029	480,000	-	480,000
Total	<u>\$ 2,400,000</u>	<u>\$ -</u>	<u>\$ 2,400,000</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2024 was as follows:

4 % of Equalized Valuation Basis (Municipal)	\$ 159,868,993
Less: Net Debt Issued and Authorized But Not Issued	<u>18,250,000</u>
Remaining Borrowing Power	<u>\$ 141,618,993</u>

Deferred Pension Obligation

During the 2008/2009 school year the Board elected to contribute only 50% of its normal and accrued liability components of the Public Employee Retirement System (PERS) obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$90,663 and is being paid back with interest over 15 years with the first payment due in the 2011/2012 fiscal year. The District is permitted to payoff the deferred PERS pension obligations at any time. The District made the final payment during the current school year

During the fiscal years ended June 30, 2024, 2023 and 2022 the Board was required to contribute for the deferred pension obligation the following amounts which equaled the required contribution for each year.

Fiscal Year Ending June 30,	<u>PERS</u>
2024	\$ 14,388
2023	14,210
2022	14,770

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

I. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2024, was as follows:

	Restated Balance <u>July 1, 2023</u> (Restated)	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2024</u>	Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 19,060,000		\$ 810,000	\$ 18,250,000	\$ 835,000
Capital Financing Agreements	1,532,680	\$ 346,050	302,756	1,575,974	237,135
Other Financing Agreements	221,458	345,000	-	566,458	141,600
State Aid Advance Loan Payable	2,880,000		480,000	2,400,000	480,000
Compensated Absences	3,385,070	299,484	97,985	3,586,569	125,000
Leases Payable	1,674,150		335,928	1,338,222	325,511
Deferred Pension Obligation	7,948	6,440	14,388	-	
Net Pension Liability	6,130,719	294,663	-	6,425,382	-
Governmental Activity Long-Term Liabilities	<u>\$ 34,892,025</u>	<u>\$ 1,291,637</u>	<u>\$ 2,041,057</u>	<u>\$ 34,142,605</u>	<u>\$ 2,144,246</u>

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

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.

Prior to enrollment in the State Health Benefits Plan on July 1, 2022 the District had established a group medical and prescription drug benefits insurance plan for its employees and their eligible dependents. Transactions related to the plan are accounted for in the General Fund. The District and its employees previously contributed to fund the entire cost of the plan. Claims are paid directly by the plan up to a maximum of per person lifetime benefit. Annual claims in excess of \$125,000 per individual are reimbursed through a Re-Insurance Agreement with Sun Life Financial. The re-insurance policy also contains an annual aggregate loss provision in the amount of \$1,000,000 for aggregate losses up to the \$125,000 individual stop loss deductible per person based on an aggregate loss provision factor of \$1,832 per employee per month. A contingent liability exists with respect to reinsurance, which would become an accrual liability in the event the reinsuring company may not be able to meet their obligations to the District under existing reinsurance agreements.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

Changes in the balances of claims liabilities for the prior group medical and prescription drug benefits plan for the fiscal years ended June 30, 2024 and 2023 are as follows:

Governmental Activities: or (Business-Type Activities)	Fiscal Year Ended	
	June 30, 2024	June 30, 2023
Unpaid Claims, Beginning of Year	\$ 40,000	\$ 613,000
Incurred Claims	-	378,000
Claim Payments	(40,000)	(951,000)
Unpaid Claims, End of Year	<u>\$ -</u>	<u>\$ 40,000</u>

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.

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, 2024, 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, 2024

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, 2024, 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.state.nj.us/treasury/pensions.

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, 2024**

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.state.nj.us/treasury/pensions.

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, 2024**

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, 2024**

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, 2023 is \$14.6 billion and the plan fiduciary net position as a percentage of the total pension liability is 65.23%. The collective net pension liability of the State funded TPAF at June 30, 2023 is \$51.1 billion and the plan fiduciary net position as a percentage of total pension liability is 34.68%.

The total pension liabilities for the June 30, 2023 measurement date were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

Actuarial Methods and Assumptions

In the July 1, 2022 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 2023.

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 2024, 2023 and 2022 were equal to the required contributions.

During the fiscal years ended June 30, 2024, 2023 and 2022 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>
2024	\$ 592,894	\$ 7,657,856	\$ 44,969
2023	512,288	7,077,629	38,509
2022	467,754	7,198,491	34,332

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2024, 2023 and 2022 the State contributed \$3,174, \$2,707 and \$2,912, 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 \$1,694,819 during the fiscal year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been 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, 2023. 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 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, 2023 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023.

At June 30, 2024, the District reported in the statement of net position (accrual basis) a liability of \$6,425,382 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. 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, 2023. At June 30, 2023, the District's proportionate share was .04436 percent, which was an increase of .00374 percent from its proportionate share measured as of June 30, 2022 of .04062 percent.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense/(benefit) of \$100,176 for PERS. The pension contribution made by the District during the current 2023/2024 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, 2024 with a measurement date of the prior fiscal year end of June 30, 2023. 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, 2024 for contributions made subsequent to the measurement date. At June 30, 2023, 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	\$ 61,435	\$ 26,265
Changes of Assumptions	14,115	389,406
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	29,590	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>606,875</u>	<u>6,102</u>
Total	<u>\$ 712,015</u>	<u>\$ 421,773</u>

At June 30, 2024, 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:

Year Ending <u>June 30,</u>	<u>Total</u>
2024	\$ (315,612)
2025	63,754
2026	451,626
2027	79,970
2028	10,504
Thereafter	<u>-</u>
	<u>\$ 290,242</u>

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55%
	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, 2022 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, 2024**

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, 2023) 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, 2023 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%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%
International Small Cap Equity	1.25%	9.22%

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments 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 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 <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 8,364,480</u>	<u>\$ 6,425,382</u>	<u>\$ 4,774,953</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2023. A sensitivity analysis specific to the District's net pension liability at June 30, 2023 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, 2024**

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, 2022 through June 30, 2023. 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, 2023, 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, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,140,861 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, 2024 the State's proportionate share of the net pension liability attributable to the District is \$87,143,469. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. 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, 2023. At June 30, 2023, the State's share of the net pension liability attributable to the District was .17076 percent, which was a decrease of .00167 percent from its proportionate share measured as of June 30, 2022 of .17243 percent.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-4.25%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with 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, 2022 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, 2024**

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, 2023) 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, 2023 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%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%
International Small Cap Equity	1.25%	9.22%

Discount Rate

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

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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 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	<u>\$ 102,757,963</u>	<u>\$ 87,143,469</u>	<u>\$ 73,992,354</u>

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, 2023. 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, 2024

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, 2022:

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>152,383</u>
Total	<u>369,595</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, 2023 is \$52.4 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, 2023 were determined based on actuarial valuations as of June 30, 2022 which were rolled forward to June 30, 2023.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2022 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 \$1.44 billion to the OPEB plan in fiscal year 2023.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution 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, 2024, 2023 and 2022 were \$2,084,188, \$1,859,276 and \$1,681,858, 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, 2022 through June 30, 2023. 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, 2024, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,854,164. 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, 2024 the State's proportionate share of the OPEB liability attributable to the District is \$75,157,133. 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, 2023 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2023. At June 30, 2023, the state's share of the OPEB liability attributable to the District was .14353 percent, which was a decrease of .00200 percent from its proportionate share measured as of June 30, 2022 of .14153.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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, 2023 measurement date was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. 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 4.25% Based on Years of Service

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 June 30, 2022 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 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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, 2024 (measurement date June 30, 2023) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2022 Measurement Date	\$ 71,682,141
Changes Recognized for the Fiscal Year:	
Service Cost	2,975,964
Interest on the Total OPEB Liability	2,646,942
Differences Between Expected and Actual Experience	(303,897)
Changes of Assumptions	151,486
Gross Benefit Payments	(2,063,335)
Contributions from the Member	67,832
Net Changes	\$ 3,474,992
Balance, June 30, 2023 Measurement Date	\$ 75,157,133

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% in 2022 to 3.65% in 2023.

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, 2023.

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 calculated using the discount rate of 3.65%, 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 (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 88,108,836	\$ 75,157,133	\$ 64,758,419

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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 OPEB Liability (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 calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1%</u> <u>Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1%</u> <u>Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 62,392,008</u>	<u>\$ 75,157,133</u>	<u>\$ 91,860,333</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023 were not provided by the pension system.

F. Subsequent Events

Appropriation of Fund Balance

On August 27, 2024 the Board approved the appropriation of an additional \$297,874 of capital reserve fund balance to the 2024/25 General Fund budget.

G. 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.

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 RESTATEMENT

During fiscal year 2024, the Lyndhurst Board of Education determined that certain capital assets and long term liabilities were excluded from the previously issued financial statements. The Lyndhurst Board of Education has determined that the effect of prior period adjustments on the financial statements previously reported as of and for the fiscal year ended June 30, 2023 are as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2023 have been restated to reflect certain unrecorded capital assets related to land improvements and right-to-use buildings and certain unrecorded long-term liabilities related to capital financing agreements and leases payable. The effect of this restatement is to decrease net position of governmental activities by \$87,817 from \$39,575,055 as previously reported to \$39,487,238 as of June 30, 2023.

NOTE 6 RECENT HEALTHCARE DEVELOPMENTS

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$4,168,140 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

	<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	\$ 43,252,126		\$ 43,252,126	\$ 43,252,126	
Tuition from Individuals	92,111		92,111	59,046	\$ (33,065)
Rents and Royalties	270,000		270,000	297,635	27,635
Interest				166,678	166,678
Miscellaneous	150,000	-	150,000	53,166	(96,834)
Total Local	<u>43,764,237</u>	<u>-</u>	<u>43,764,237</u>	<u>43,828,651</u>	<u>64,414</u>
State Sources					
Special Education Aid	2,462,718		2,462,718	2,462,718	-
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	790,852		790,852	680,950	(109,902)
Homeless Tuition Reimbursement				11,015	11,015
Non-Public Transportation Aid				47,775	47,775
On-behalf TPAF Contributions (Nonbudgeted)					
Pension Benefit Contribution				7,571,507	7,571,507
Pension - NCGI Premium				86,349	86,349
Post Retirement Medical Benefit Contribution				2,084,188	2,084,188
Long-Term Disability Insurance Premium				3,174	3,174
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	1,694,819	1,694,819
Total State	<u>6,141,428</u>	<u>-</u>	<u>6,141,428</u>	<u>17,530,353</u>	<u>11,388,925</u>
Federal Sources					
Medicaid Reimbursement	49,279	-	49,279	56,196	6,917
Total Federal Sources	<u>49,279</u>	<u>-</u>	<u>49,279</u>	<u>56,196</u>	<u>6,917</u>
Total Revenues	<u>49,954,944</u>	<u>-</u>	<u>49,954,944</u>	<u>61,415,200</u>	<u>11,460,256</u>
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers:					
Preschool	201,210	\$ 570	201,780	201,780	-
Kindergarten	886,372	13,923	900,295	900,295	-
Grades 1-5	4,518,210	(168,667)	4,349,543	4,349,543	-
Grades 6-8	2,979,400	50,746	3,030,146	3,030,146	-
Grades 9-12	5,127,150	3,462	5,130,612	5,130,612	-
Regular Programs-Home Instruction					
Salaries of Teachers	50,000	87,225	137,225	137,225	-
Regular Programs-Undistributed Instruction					
Other Salaries for Instruction	415,768	191,666	607,434	607,084	350
Purchased Professional Educational Services	27,500	44,070	71,570	70,535	1,035
Other Purchased Services	184,423	14,296	198,719	191,427	7,292
General Supplies	522,355	7,923	530,278	521,922	8,356
General Supplies - Insurance Recovery Expenditures (Non Budget)				33,183	(33,183)
General Supplies - Acquired Under Other Financing Agreement (Non Budget)				345,000	(345,000)
Textbooks	216,200	(20,646)	195,554	195,116	438
Total Regular Programs	<u>15,128,588</u>	<u>224,568</u>	<u>15,353,156</u>	<u>15,713,868</u>	<u>(360,712)</u>

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

	<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/or Language Disabilities					
Salaries of Teachers	\$ 926,260	\$ (14,649)	\$ 911,611	\$ 911,611	\$ -
Other Salaries for Instruction	432,016	(56,909)	375,107	375,107	-
General Supplies	8,588	(3,485)	5,103	4,503	600
Other Objects	800	(800)	-	-	-
Total Language and/or Language Disabilities	<u>1,367,664</u>	<u>(75,843)</u>	<u>1,291,821</u>	<u>1,291,221</u>	<u>600</u>
Emotional Regulation Impairment					
Salaries of Teachers	78,830	(60)	78,770	78,770	-
Other Salaries for Instruction	16,346	13,894	30,240	30,240	-
General Supplies	1,000	530	1,530	1,449	81
Total Emotional Regulation Impairment	<u>96,176</u>	<u>14,364</u>	<u>110,540</u>	<u>110,459</u>	<u>81</u>
Multiple Disabilities					
Salaries of Teachers	281,940	2,270	284,210	284,210	-
Other Salaries for Instruction	108,898	(76,251)	32,647	32,647	-
General Supplies	750	(525)	225	225	-
Other Objects	-	180	180	180	-
Total Multiple Disabilities	<u>391,588</u>	<u>(74,326)</u>	<u>317,262</u>	<u>317,262</u>	<u>-</u>
Resource Room/Resource Center					
Salaries of Teachers	2,141,710	206,919	2,348,629	2,348,629	-
Other Salaries for Instruction	170,037	(69,786)	100,251	100,251	-
General Supplies	5,690	(2,045)	3,645	3,638	7
Total Resource Room/Resource Center	<u>2,317,437</u>	<u>135,088</u>	<u>2,452,525</u>	<u>2,452,518</u>	<u>7</u>
Autism					
Salaries of Teachers	75,330	(75,230)	100	100	-
Other Salaries for Instruction	20,569	(20,569)	-	-	-
General Supplies	1,000	(1,000)	-	-	-
Total Autism	<u>96,899</u>	<u>(96,799)</u>	<u>100</u>	<u>100</u>	<u>-</u>
Preschool Disabilities - Part-Time					
Salaries of Teachers	165,260	74,884	240,144	240,144	-
Other Salaries for Instruction	83,335	(24,969)	58,366	58,366	-
General Supplies	750	(226)	524	524	-
Total Preschool Disabilities - Part-Time	<u>249,345</u>	<u>49,689</u>	<u>299,034</u>	<u>299,034</u>	<u>-</u>
Home Instruction					
Purchased Professional Educational Service	26,500	1,037	27,537	25,452	2,085
Total Home Instruction	<u>26,500</u>	<u>1,037</u>	<u>27,537</u>	<u>25,452</u>	<u>2,085</u>
Total Special Education	<u>4,545,609</u>	<u>(46,790)</u>	<u>4,498,819</u>	<u>4,496,046</u>	<u>2,773</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	75,000	2,834	77,834	77,834	-
General Supplies	-	890	890	890	-
Total Basic Skills/Remedial - Instruction	<u>75,000</u>	<u>3,724</u>	<u>78,724</u>	<u>78,724</u>	<u>-</u>
Bilingual Education - Instruction					
Salaries of Teachers	423,770	(4,675)	419,095	419,095	-
General Supplies	-	-	-	-	-
Total Bilingual Education - Instruction	<u>423,770</u>	<u>(4,675)</u>	<u>419,095</u>	<u>419,095</u>	<u>-</u>

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

	<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	\$ 200,000	\$ 32,802	\$ 232,802	\$ 232,802	\$ -
Purchased Services	3,600	1,475	5,075	5,075	-
Supplies and Materials	66,300	(12,827)	53,473	53,462	11
Other Objects	1,500	(1,500)	-	-	-
Total School Sponsored Co/Extra Curricular Activities	271,400	19,950	291,350	291,339	11
School Sponsored Athletics					
Salaries	510,348	1,795	512,143	505,611	6,532
Purchased Services	94,500	4,205	98,705	88,945	9,760
Supplies and Materials	94,500	(879)	93,621	86,767	6,854
Other Objects	500	-	500	-	500
Total School Sponsored Athletics	699,848	5,121	704,969	681,323	23,646
Instructional Alt Ed Program - Instruction					
Other Objects	800	-	800	750	50
Total Instructional Alt Ed Program - Instruction	800	-	800	750	50
Total Instruction	21,145,015	201,898	21,346,913	21,681,145	(334,232)
Undistributed Expenditures					
Instruction:					
Tuition to Other LEAs Within State - Special	475,795	(310,609)	165,186	74,422	90,764
Tuition to County Voc. School District-Regular	447,075	(12,000)	435,075	351,450	83,625
Tuition to County Voc. School District-Special	199,317	58,259	257,576	195,705	61,871
Tuition to CSSD and Regional Day Schools	1,601,018	(353,553)	1,247,465	1,193,745	53,720
Tuition to Priv. School for the Disabled - Within State	1,729,466	(149,464)	1,580,002	1,435,063	144,939
Total Undistributed Expenditures- Instruction	4,452,671	(767,367)	3,685,304	3,250,385	434,919
Attendance and Social Work					
Salaries	84,186	(6,073)	78,113	74,113	4,000
Supplies and Materials	500	-	500	479	21
Total Attendance and Social Work	84,686	(6,073)	78,613	74,592	4,021
Health Services					
Salaries	844,696	(14,764)	829,932	829,932	-
Purchased Professional/Technical Services	20,000	2,620	22,620	22,620	-
Other Purchased Services	20,124	2,136	22,260	20,622	1,638
Supplies and Materials	12,100	(4,486)	7,614	7,613	1
Other Objects	-	-	-	-	-
Total Health Services	896,920	(14,494)	882,426	880,787	1,639
Speech, OT, PT, & Related Services					
Salaries	488,660	(552)	488,108	488,108	-
Purchased Professional/Educational Services	539,132	70,389	609,521	605,564	3,957
Supplies and Materials	7,300	(1,561)	5,739	5,739	-
Total Speech, OT, PT & Related Services	1,035,092	68,276	1,103,368	1,099,411	3,957
Other Support Services -Students- Extra Services					
Salaries	91,773	(13,905)	77,868	77,868	-
Purchased Professional/Educational Services	29,863	1,802	31,665	29,797	1,868
Supplies and Materials	11,000	(6,119)	4,881	4,881	-
Total Other Support Services - Students - Extra Services	132,636	(18,222)	114,414	112,546	1,868

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

	<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	\$ 944,460	\$ (78,103)	\$ 866,357	\$ 866,357	\$ -
Salaries of Secretarial and Clerical Assistants	91,509	-	91,509	91,509	-
Purchased Professional/Educational Services	32,500	42,942	75,442	75,442	-
Other Purchased Professional & Technical Services	2,400	(300)	2,100	2,100	-
Supplies and Materials	7,500	(3,119)	4,381	4,381	-
Total Guidance	1,078,369	(38,580)	1,039,789	1,039,789	-
Child Study Team					
Salaries of Other Professional Staff	1,146,810	(87,956)	1,058,854	1,058,599	255
Salaries of Secretarial and Clerical Assistants	89,861	(703)	89,158	89,158	-
Purchased Professional-Educational Services	270,254	51,399	321,653	317,029	4,624
Other Purchased Services	3,000	(1,958)	1,042	1,042	-
Supplies and Materials	9,350	(1,054)	8,296	8,296	-
Total Child Study Team	1,519,275	(40,272)	1,479,003	1,474,124	4,879
Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	602,161	101,783	703,944	703,944	-
Salaries of Secretarial and Clerical Assistants	54,363	(5,289)	49,074	49,074	-
Other Purchased Services	6,000	915	6,915	6,915	-
Supplies and Materials	500	1	501	501	-
Other Objects	9,925	(4,408)	5,517	5,517	-
Total Improvement of Inst. Serv.	672,949	93,002	765,951	765,951	-
Educational Media/School Library					
Salaries	128,660	1,305	129,965	129,965	-
Supplies and Materials	8,000	(4,439)	3,561	3,529	32
Total Educational Media/School Library	136,660	(3,134)	133,526	133,494	32
Instructional Staff Training					
Purchased Professional-Educational Services	3,575	(3,575)	-	-	-
Total Instructional Staff Training	3,575	(3,575)	-	-	-
General Administration					
Salaries	624,978	(5,343)	619,635	619,635	-
Salaries of State Monitors	125,000	-	125,000	124,896	104
Repayment of Principal - NJDOE Loan	480,000	-	480,000	480,000	-
Legal Services	110,000	(13,155)	96,845	46,633	50,212
Audit Fees	65,000	44,755	109,755	63,593	46,162
Architectural/Engineering Services	25,000	(13,470)	11,530	4,332	7,198
Other Purchased Professional Services	28,000	34,894	62,894	52,405	10,489
Communications/Telephone	126,864	7,904	134,768	118,629	16,139
BOE Other Purchased Services	4,000	2,375	6,375	6,298	77
Miscellaneous Purchased Services	200,872	(4,921)	195,951	191,736	4,215
General Supplies	19,250	(6,935)	12,315	12,067	248
BOE In-House Training / Meeting Supplies	3,000	(2,289)	711	425	286
Miscellaneous Expenditures	5,000	9,173	14,173	14,172	1
BOE Membership Dues and Fees	16,000	2,887	18,887	18,887	-
Total General Administration	1,832,964	55,875	1,888,839	1,753,708	135,131

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

	<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	\$ 1,704,776	\$ (145,342)	\$ 1,559,434	\$ 1,559,433	\$ 1
Salaries of Secretarial and Clerical Assistants	594,571	485	595,056	593,927	1,129
Other Purchased Services	14,000	859	14,859	14,284	575
Supplies and Materials	18,850	2,183	21,033	16,406	4,627
Other Objects	12,500	(860)	11,640	10,895	745
Total School Administration	<u>2,344,697</u>	<u>(142,675)</u>	<u>2,202,022</u>	<u>2,194,945</u>	<u>7,077</u>
Central Services					
Salaries	565,037	(12,610)	552,427	542,782	9,645
Purchased Professional Services	15,500	2,934	18,434	18,434	-
Purchased Technical Services	46,220	1,678	47,898	47,830	68
Miscellaneous Purchased Services		3,057	3,057	2,989	68
Supplies and Materials	4,000	8,648	12,648	12,440	208
Miscellaneous Expenditures	2,200	3,541	5,741	5,740	1
Total Central Services	<u>632,957</u>	<u>7,248</u>	<u>640,205</u>	<u>630,215</u>	<u>9,990</u>
Admin. Info Technology					
Salaries	171,742	10,407	182,149	182,149	-
Total Admin Info Technology	<u>171,742</u>	<u>10,407</u>	<u>182,149</u>	<u>182,149</u>	<u>-</u>
Required Maintenance for School Facilities					
Salaries	547,797	33,223	581,020	581,020	-
Cleaning, Repair and Maintenance Services	158,893	401,688	560,581	558,161	2,420
Cleaning, Repair and Maintenance Services - Insurance Recovery Expenditures (Non Budget)				1,575,940	(1,575,940)
General Supplies	75,085	(23,215)	51,870	47,710	4,160
General Supplies - Insurance Recovery Expenditures (Non Budget)				12,632	(12,632)
Other Objects	-	228	228	228	-
Total Required Maintenance for School Facilities	<u>781,775</u>	<u>411,924</u>	<u>1,193,699</u>	<u>2,775,691</u>	<u>(1,581,992)</u>
Custodial Services					
Salaries	1,344,380	121,240	1,465,620	1,465,620	-
Cleaning, Repair and Maintenance Services	143,613	18,856	162,469	143,867	18,602
Rental of Land and Building Other Than Lease Purchase Agreement	7,000	367,749	374,749	374,749	-
Other Purchased Property Services		5,252	5,252	5,252	-
Insurance	397,296	37,961	435,257	435,257	-
General Supplies	122,925	(82,628)	40,297	33,448	6,849
Energy (Natural Gas)	456,000	(256,599)	199,401	191,039	8,362
Energy (Electricity)	510,540	157,442	667,982	647,493	20,489
Energy (Gasoline)	15,000	-	15,000	15,000	-
Other Objects	6,000	(3,763)	2,237	1,928	309
Total Custodial Services	<u>3,002,754</u>	<u>365,510</u>	<u>3,368,264</u>	<u>3,313,653</u>	<u>54,611</u>
Care and Upkeep of Grounds					
Salaries	74,346	48,051	122,397	122,397	-
Cleaning, Repair, and Maintenance Svc.	46,000	33,226	79,226	78,271	955
General Supplies	15,000	(7,427)	7,573	7,222	351
Total Care and Upkeep of Grounds	<u>135,346</u>	<u>73,850</u>	<u>209,196</u>	<u>207,890</u>	<u>1,306</u>
Security					
Salaries	222,000	(113,274)	108,726	108,726	-
Purchased Professional/Technical Services	-	65,122	65,122	65,122	-
Total Security	<u>222,000</u>	<u>(48,152)</u>	<u>173,848</u>	<u>173,848</u>	<u>-</u>

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

	<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	\$ 37,977	\$ 92,517	\$ 92,517	\$ -
Sal. For Pupil Transportation (Bet. Home & Sch)-Reg.	103,827	(7,331)	96,496	96,496	-
Sal. For Pupil Transportation (Bet. Home & Sch)-Spec.	43,827	5,513	49,340	49,340	-
Sal. For Pupil Transportation (Other Than Bet. Home & Sch)	20,000	86,902	106,902	106,902	-
Cleaning, Repair & Maint. Services	30,000	33,646	63,646	63,646	-
Lease Purchase Payments - School Buses	117,573	(8,784)	108,789	107,930	859
Contr. Serv. Aid in Lieu Payments-Non Public	120,596	(9,658)	110,938	110,938	-
Contr. Serv. Aid in Lieu Payments-Charter Sch.	5,110	9,198	14,308	14,308	-
Contr. Serv. (Bet Home & Sch)-Vendor	3,500	80,010	83,510	83,510	-
Contr. Serv. (Other Than Bet Home & Sch)-Vendor	50,000	(30,080)	19,920	19,920	-
Contr. Serv. (Bet. Home & Sch)-Joint Agreements	300,000	(34,257)	265,743	265,743	-
Contr. Serv. (Spec. Ed. Students)-Joint Agreements	1,103,000	(73,637)	1,029,363	1,029,363	-
Transportation Supplies	16,000	6,800	22,800	21,095	1,705
Other Objects	1,000	7,692	8,692	8,692	-
Total Student Transportation Services	<u>1,968,973</u>	<u>103,991</u>	<u>2,072,964</u>	<u>2,070,400</u>	<u>2,564</u>
Unallocated Employee Benefits					
Social Security Contributions	489,000	133,748	622,748	616,133	6,615
TPAF/PERS - Special Assessments		11,393	11,393	11,393	-
Other Retirement Contributions - PERS	470,000	122,894	592,894	592,894	-
Other Retirement Contributions - Deferred PERS Pymt	15,000	(612)	14,388	14,388	-
Other Retirement Contributions - DCRP	35,000	9,969	44,969	44,969	-
Unemployment Compensation	90,000	10,794	100,794	100,794	-
Workermen's Compensation	166,020	(32,945)	133,075	132,879	196
Health Benefits	5,555,912	(81,884)	5,474,028	5,469,080	4,948
Other Employee Benefits	318,800	(16,689)	302,111	293,930	8,181
Unused Sick Payments to Terminated/Retired Staff	80,000	17,985	97,985	97,985	-
Total Unallocated Employee Benefits	<u>7,219,732</u>	<u>174,653</u>	<u>7,394,385</u>	<u>7,374,445</u>	<u>19,940</u>
On-behalf TPAF Contributions (Nonbudgeted)					
Pension Benefit Contribution				7,571,507	(7,571,507)
Pension - NCGI Premium				86,349	(86,349)
Post Retirement Medical Benefit Contribution				2,084,188	(2,084,188)
Long-Term Disability Insurance Premium				3,174	(3,174)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,694,819</u>	<u>(1,694,819)</u>
Total TPAF On-Behalf	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,440,037</u>	<u>(11,440,037)</u>
Total Undistributed Expenditures	<u>28,325,773</u>	<u>282,192</u>	<u>28,607,965</u>	<u>40,948,060</u>	<u>(12,340,095)</u>
Total Current Expenditures	<u>49,470,788</u>	<u>484,090</u>	<u>49,954,878</u>	<u>62,629,205</u>	<u>(12,674,327)</u>
CAPITAL OUTLAY					
Equipment					
Grades 1-5		6,289	6,289	6,289	-
Undistrib. Expend. - Required Maintenance for School Facilities		11,000	11,000	10,948	52
Undistrib. Expend. - Care and Upkeep of Grounds		12,000	12,000	11,728	272
Undistrib. Expend. - Security	<u>-</u>	<u>53,093</u>	<u>53,093</u>	<u>53,093</u>	<u>-</u>
Total Equipment	<u>-</u>	<u>82,382</u>	<u>82,382</u>	<u>82,058</u>	<u>324</u>

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

	<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		\$ 338,778	\$ 338,778	\$ 283,681	\$ 55,097
Construction Services - Insurance Recovery Expenditures (Non Budget)		-		31,381	(31,381)
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	452,778	477,109	453,393	23,716
Assets Acquired under Capital Financing Agreements (Non Budget)					
Equipment - School Administration	-	-	-	346,050	(346,050)
Total Assets Acquired under Capital Leases	-	-	-	346,050	(346,050)
Total Capital Outlay	24,331	535,160	559,491	881,501	(322,010)
Transfer Funds to Charter Schools	134,825	170,933	305,758	305,758	-
Total Expenditures	49,629,944	1,190,183	50,820,127	63,816,464	(12,996,337)
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	325,000	(1,190,183)	(865,183)	(2,401,264)	(1,536,081)
Other Financing Sources/(Uses)					
Capital Financing Agreement Proceeds (Non Budget)				346,050	346,050
Other Financing Agreement Proceeds (Non-Budget)				345,000	345,000
Insurance Recoveries				1,653,136	1,653,136
Transfer In - Non-Major Preschool Program				6,349	6,349
Transfer Out - Special Revenue Fund	(110,000)	25,999	(84,001)	(75,000)	9,001
Transfer Out - Capital Projects Fund		(37,908)	(37,908)	(37,908)	-
Transfer Out - Food Service Fund	(215,000)	-	(215,000)	(251,000)	(36,000)
Total Other Financing Sources/(Uses)	(325,000)	(11,909)	(336,909)	1,986,627	2,323,536
Net Change in Fund Balances	-	(1,202,092)	(1,202,092)	(414,637)	787,455
Fund Balances, Beginning of Year	3,001,752	-	3,001,752	3,001,752	-
Fund Balances, End of Year	\$ 3,001,752	\$ (1,202,092)	\$ 1,799,660	\$ 2,587,115	\$ 787,455
Recapitulation of Fund Balances					
Restricted Fund Balance					
Legally Restricted - Disallowed Grant Costs				\$ 301,224	
Capital Reserve				1,249,160	
Maintenance Reserve				160,485	
Assigned Fund Balance					
Year End Encumbrances				76,294	
Unassigned Fund Balance				799,952	
Fund Balance - Budgetary Basis				2,587,115	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Revenue Not Recognized on GAAP Basis				(1,075,872)	
Fund Balance Per Governmental Funds (GAAP)				1,511,243	

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local		\$ 571,084	\$ 571,084	\$ 602,194	\$ 31,110
State	\$ 350,230	262,670	612,900	393,850	(219,050)
Federal	<u>1,107,577</u>	<u>1,079,025</u>	<u>2,186,602</u>	<u>2,156,163</u>	<u>(30,439)</u>
Total Revenues	<u>1,457,807</u>	<u>1,912,779</u>	<u>3,370,586</u>	<u>3,152,207</u>	<u>(218,379)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	75,879	249,515	325,394	304,120	21,274
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional and Technical Services	187,920	74,747	262,667	245,057	17,610
Purchased Professional and Educational Services	8,450	(8,450)	-	-	-
Other Purchased Services	567,000	178,225	745,225	745,225	-
General Supplies	71,700	48,061	119,761	63,835	55,926
Textbooks	16,368	802	17,170	17,170	-
Co-Curricular / Extracurricular Activities	-	431,867	431,867	431,867	-
Athletic Activities	-	88,261	88,261	88,261	-
Other Objects	<u>1,040</u>	<u>(1,040)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	<u>928,357</u>	<u>1,061,988</u>	<u>1,990,345</u>	<u>1,895,535</u>	<u>94,810</u>
Support Services					
Salaries	13,520	364,482	378,002	344,524	33,478
Salaries of Other Professional Staff	-	23,250	23,250	23,250	-
Salaries of Secretaries and Clerical Assistants	-	-	-	-	-
Personnel Services - Employee Benefits	70,663	55,020	125,683	108,770	16,913
Purchased Professional and Technical Services	107,401	111,607	219,008	203,062	15,946
Purchased Professional - Educational Services	311,306	136,913	448,219	374,346	73,873
Cleaning, Repair and Maintenance Services	-	-	-	-	-
Rentals	-	15,000	15,000	15,000	-
Other Purchased Services	14,492	32,582	47,074	38,834	8,240
Supplies and Materials	12,068	86,462	98,530	92,226	6,304
Scholarship Awards	<u>-</u>	<u>75,475</u>	<u>75,475</u>	<u>75,475</u>	<u>-</u>
Total Support Services	<u>529,450</u>	<u>900,791</u>	<u>1,430,241</u>	<u>1,275,487</u>	<u>154,754</u>
Capital Outlay					
Non- Instructional Equipment	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total Capital Outlay	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total Expenditures	<u>1,457,807</u>	<u>1,987,779</u>	<u>3,445,586</u>	<u>3,196,022</u>	<u>249,564</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>-</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>(43,815)</u>	<u>31,185</u>
OTHER FINANCING SOURCES (USES)					
Transfers In - General Fund	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net Changes in Fund Balances	-	-	-	31,185	31,185
Fund Balance, Beginning of Year	<u>393,500</u>	<u>-</u>	<u>393,500</u>	<u>393,500</u>	<u>-</u>
Fund Balance, End of Year	<u>393,500</u>	<u>-</u>	<u>393,500</u>	<u>424,685</u>	<u>31,185</u>
Recapitulation of Fund Balance					
Restricted					
Student Activities				\$ 284,782	
Scholarships				<u>139,903</u>	
				<u>\$ 424,685</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, 2024**

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)	\$ 61,415,200	\$ 3,152,207
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP purposes not recognized for budgetary statements (2022/2023 State Aid)	1,076,703	
State Aid payments recognized for budgetary purpose not recognized for GAAP statements (2023/2024 State Aid)	(1,075,872)	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances - June 30, 2024		(25,054)
Encumbrances - June 30, 2023, net of cancellations	-	63,791
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 61,416,031</u>	<u>\$ 3,190,944</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 63,816,464	\$ 3,196,022
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, 2024		(25,054)
Encumbrances - June 30, 2023, net of cancellations	-	63,791
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 63,816,464</u>	<u>\$ 3,234,759</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>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>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	.04436%	.04062%	.03994%	.04001%	.03949%	0.03927%	0.03978%	0.04315%	0.04463%	0.04201%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 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	\$ 7,865,935
District's Covered-Employee Payroll	\$ 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	\$ 2,945,693
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	175.37%	182.44%	157.63%	222.58%	240.17%	272.41%	336.43%	461.38%	337.37%	267.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

* 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>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>	<u>2015</u>
Contractually Required Contribution	\$ 592,894	\$ 512,288	\$ 467,754	\$ 437,671	\$ 384,116	\$ 390,582	\$ 368,495	\$ 383,375	\$ 383,771	\$ 336,068
Contributions in Relation to the Contractually Required Contribution	<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>	<u>(336,068)</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	\$ 3,896,367	\$ 3,664,002	\$ 3,360,452	\$ 3,001,529	\$ 2,931,262	\$ 2,962,592	\$ 2,838,200	\$ 2,752,274	\$ 2,770,142	\$ 2,970,168
Contributions as a Percentage of Covered-Employee Payroll	15.22%	13.98%	13.92%	14.58%	13.10%	13.18%	12.98%	13.93%	13.85%	11.31%

**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>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>	<u>2015</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>87,143,469</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>	<u>88,688,359</u>
Total	<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>	<u>\$ 88,688,359</u>
District's Covered Payroll	\$ 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	\$ 16,345,640
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	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

* 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, 2024**

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*

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Cost	\$ 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	2,646,942	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	(303,897)	1,344,934	(17,283,786)	15,313,574	(11,690,490)	(4,529,198)	-
Changes of Assumptions	151,486	(19,229,377)	84,360	17,834,995	911,495	(7,851,005)	(10,162,066)
Gross Benefit Payments	(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>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	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>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>\$ 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>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>\$ 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	\$ 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%

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, 2024**

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, 2024

REVENUES	IDEA Basic	IDEA Preschool	Title I	Title II A	Title III	Title III Immigrant	ACSERS	CRRSA L. Acceleration	To Exhibit E-1D
Local									
State									
Federal	\$ 767,975	\$ 16,814	\$ 487,126	\$ 75,755	\$ 14,104	\$ 13,996	\$ 90,039	\$ 825	\$ 1,466,634
Total Revenues	\$ 767,975	\$ 16,814	\$ 487,126	\$ 75,755	\$ 14,104	\$ 13,996	\$ 90,039	\$ 825	\$ 1,466,634
EXPENDITURES									
Instruction									
Salaries of Teachers			\$ 153,060						\$ 153,060
Other Salaries for Instruction									-
Purchased Professional and Technical Services			245,057						245,057
Purchased Professional and Educational Services									-
Other Purchased Services	\$ 674,940						\$ 69,385		744,325
General Supplies	15,382	\$ 1,714	396		\$ 10,481	\$ 5,025			32,998
Textbooks									-
Co-Curricular / Extracurricular Activities									-
Athletic Activities									-
Other Objects	-	-	-	-	-	-	-	-	-
Total Instruction	\$ 690,322	\$ 1,714	\$ 398,513	\$ -	\$ 10,481	\$ 5,025	\$ 69,385	\$ -	\$ 1,175,440
Support Services									
Salaries			5,262	\$ 14,910		6,580			26,752
Salaries of Other Professional Staff							750		750
Personal Services - Employee Benefits			81,771	1,124		503			83,398
Purchased Professional and Technical Services				49,205				\$ 825	50,030
Purchased Professional - Educational Services	75,936	15,100							91,036
Cleaning, Repair, and Maintenance Services									-
Rentals									-
Other Purchased Services				10,516	3,623		19,904		34,043
Supplies and Materials	1,717		1,580			1,888			5,185
Scholarship Awards	-	-	-	-	-	-	-	-	-
Total Support Services	77,653	15,100	88,613	75,755	3,623	8,971	20,654	825	291,194
Capital Outlay									
Construction Services							-		-
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 767,975	\$ 16,814	\$ 487,126	\$ 75,755	\$ 14,104	\$ 13,996	\$ 90,039	\$ 825	\$ 1,466,634
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, 2024

REVENUES	ARP ESSER III				Nonpublic Textbook	Nonpublic Technology	Nonpublic Nursing	Nonpublic Security	To Exhibit E-1D
	ESSER III	Accelerated Learning Coaching & Educator Support	Evidence Based Summer Learning	NJTSS Mental Heath Support					
Local					\$ 17,170	\$ 14,396	\$ 35,640	\$ 60,578	\$ 127,784
State					-	-	-	-	568,754
Federal	\$ 433,563	\$ 72,694	\$ 39,997	\$ 22,500	-	-	-	-	-
Total Revenues	\$ 433,563	\$ 72,694	\$ 39,997	\$ 22,500	\$ 17,170	\$ 14,396	\$ 35,640	\$ 60,578	\$ 696,538
EXPENDITURES									
Instruction									
Salaries of Teachers	\$ 16,363		\$ 29,399						\$ 45,762
Other Salaries for Instruction									-
Purchased Professional and Technical Services									-
Purchased Professional and Educational Services									-
Other Purchased Services	900								900
General Supplies	9,000					\$ 14,396			23,396
Textbooks					\$ 17,170				17,170
Co-Curricular / Extracurricular Activities									-
Athletic Activities									-
Other Objects	-	-	-	-	-	-	-	-	-
Total Instruction	26,263	-	29,399	-	17,170	14,396	-	-	87,228
Support Services									
Salaries	295,744		7,756						303,500
Salaries of Other Professional Staff				\$ 22,500					22,500
Personnel Services - Employee Benefits	14,790		2,842						17,632
Purchased Professional and Technical Services	13,160	\$ 72,694						\$ 60,578	146,432
Purchased Professional - Educational Services							\$ 35,640		35,640
Cleaning, Repair and Maintenance Services									-
Rentals									-
Other Purchased Services									-
Supplies and Materials	83,606								83,606
Scholarship Awards	-	-	-	-	-	-	-	-	-
Total Support Services	407,300	72,694	10,598	22,500	-	-	35,640	60,578	609,310
Capital Outlay									
Construction Services			-						\$ -
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 433,563	\$ 72,694	\$ 39,997	\$ 22,500	\$ 17,170	\$ 14,396	\$ 35,640	\$ 60,578	\$ 696,538
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, 2024

	<u>Nonpublic Chapter 192</u>			<u>Nonpublic Chapter 193</u>			<u>L. Acceleration</u>	<u>Nonpublic</u>	<u>To Exhibit</u>
REVENUES	<u>Compensatory</u>	<u>ESL</u>	<u>Home</u>	<u>Examination &</u>	<u>Corrective</u>	<u>Supplemental</u>	<u>Hi Impact</u>	<u>Teacher</u>	<u>E-1D</u>
	<u>Education</u>		<u>Instruction</u>	<u>Classification</u>	<u>Speech</u>	<u>Instruction</u>	<u>Tutoring</u>	<u>STEM</u>	
Local									\$ -
State	\$ 148,621	\$ 15,657	\$ 737	\$ 25,786	\$ 36,549	\$ 20,320	\$ -	\$ 18,396	266,066
Federal	-	-	-	-	-	-	120,775	-	120,775
Total Revenues	\$ 148,621	\$ 15,657	\$ 737	\$ 25,786	\$ 36,549	\$ 20,320	\$ 120,775	\$ 18,396	\$ 386,841
EXPENDITURES									
Instruction									
Salaries of Teachers							\$ 86,902	\$ 18,396	\$ 105,298
Other Salaries for Instruction									-
Purchased Professional and Technical Services									-
Purchased Professional and Educational Services									-
Other Purchased Services									-
General Supplies							4,110		4,110
Textbooks									-
Co-Curricular / Extracurricular Activities									-
Athletic Activities									-
Other Objects	-	-	-	-	-	-	-	-	-
Total Instruction	-	-	-	-	-	-	91,012	18,396	109,408
Support Services									
Salaries							14,272		14,272
Salaries of Other Professional Staff							-		-
Personnel Services - Employee Benefits							7,740		7,740
Purchased Professional and Technical Services							6,600		6,600
Purchased Professional - Educational Services	\$ 148,621	\$ 15,657	\$ 737	\$ 25,786	\$ 36,549	\$ 20,320			247,670
Cleaning, Repair, and Maintenance Services									-
Rentals									-
Other Purchased Services									-
Supplies and Materials							1,151		1,151
Scholarship Awards	-	-	-	-	-	-	-	-	-
Total Support Services	148,621	15,657	737	25,786	36,549	20,320	29,763	-	277,433
Capital Outlay									
Construction Services									
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 148,621	\$ 15,657	\$ 737	\$ 25,786	\$ 36,549	\$ 20,320	\$ 120,775	\$ 18,396	\$ 386,841
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, 2024**

REVENUES	PTA/PSO Donations	Local Grant Programs	Student Activities	Scholarships	Exhibit E-1A Subtotal	Exhibit E-1B Subtotal	Exhibit E-1C Subtotal	Total
Local	\$ 25,000	\$ 23,122	\$ 461,810	\$ 92,262	-	\$ -	\$ -	\$ 602,194
State					-	127,784	266,066	393,850
Federal	-	-	-	-	1,466,634	568,754	120,775	2,156,163
Total Revenues	\$ 25,000	\$ 23,122	\$ 461,810	\$ 92,262	\$ 1,466,634	\$ 696,538	\$ 386,841	\$ 3,152,207
EXPENDITURES								
Instruction								
Salaries of Teachers					\$ 153,060	\$ 45,762	\$ 105,298	\$ 304,120
Other Salaries for Instruction					-	-	-	-
Purchased Professional and Technical Services					245,057	-	-	245,057
Purchased Professional and Educational Services					-	-	-	-
Other Purchased Services	-				744,325	900	-	745,225
General Supplies	-	\$ 3,331		-	32,998	23,396	4,110	63,835
Textbooks					-	17,170	-	17,170
Co-Curricular / Extracurricular Activities			\$ 431,867		-	-	-	431,867
Athletic Activities			88,261		-	-	-	88,261
Other Objects	-	-	-	-	-	-	-	-
Total Instruction	-	3,331	520,128	-	1,175,440	87,228	109,408	1,895,535
Support Services								
Salaries		-			26,752	303,500	14,272	344,524
Salaries of Other Professional Staff					750	22,500	-	23,250
Personnel Services - Employee Benefits					83,398	17,632	7,740	108,770
Purchased Professional and Technical Services					50,030	146,432	6,600	203,062
Purchased Professional - Educational Services					91,036	35,640	247,670	374,346
Cleaning, Repair and Maintenance Services					-	-	-	-
Rentals		15,000			-	-	-	15,000
Other Purchased Services		4,791			34,043	-	-	38,834
Supplies and Materials				\$ 2,284	5,185	83,606	1,151	92,226
Scholarship Awards	-	-	-	75,475	-	-	-	75,475
Total Support Services	-	19,791	-	77,759	291,194	609,310	277,433	1,275,487
Capital Outlay								
Construction Services						-	-	-
Non- Instructional Equipment	\$ 25,000	-	-	-	-	-	-	25,000
Total Capital Outlay	25,000	-	-	-	-	-	-	25,000
Total Expenditures	\$ 25,000	\$ 23,122	\$ 520,128	\$ 77,759	\$ 1,466,634	\$ 696,538	\$ 386,841	\$ 3,196,022
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	(58,318)	14,503	-	-	-	(43,815)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	75,000	-	-	-	-	75,000
Total Other Financing Sources (Uses)	-	-	75,000	-	-	-	-	75,000
Net Changes in Fund Balances	-	-	16,682	14,503	-	-	-	31,185
Fund Balance, Beginning of Year	-	-	268,100	125,400	-	-	-	393,500
Fund Balance, End of Year	\$ -	\$ -	\$ 284,782	\$ 139,903	\$ -	\$ -	\$ -	\$ 424,685

CAPITAL PROJECTS FUND

**LYNDHURST BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue/Project Title</u>	<u>Modified</u>	<u>Expenditures to Date</u>		<u>Balance</u>
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>June 30, 2024</u>
Acquisition of School Buses	\$ 303,262	\$ 144,421	\$ -	\$ 158,841
	<u>\$ 303,262</u>	<u>\$ 144,421</u>	<u>\$ -</u>	<u>\$ 158,841</u>
<u>Reconciliation to GAAP Basis</u>				
Project Balance, June 30, 2024				<u>\$ 158,841</u>
Fund Balance, June 30, 2024 - GAAP Basis				<u>\$ 158,841</u>
<u>Recapitulation of Fund Balance</u>				
Restricted for Capital Projects				
Year End Encumbrances				\$ 158,350
Available for Capital Projects				<u>491</u>
				<u>\$ 158,841</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, 2024**

Revenues and Other Financing Sources

Revenues:

Local Sources - Dividends	\$ 5,852
---------------------------	----------

Other Financing Sources	
-------------------------	--

Transfer from Capital Outlay	37,908
------------------------------	--------

Total Revenues and Other Financing sources	43,760
--	--------

Expenditures and Other Financing Uses

Expenditures:

Equipment - School Buses	-
--------------------------	---

Total Expenditures and Other Financing Uses	-
---	---

Excess (Deficiency) of Revenues and Other Financing Sources

Over (Under) Expenditures and Other Financing Uses	43,760
--	--------

Fund Balance, Beginning of Year	115,081
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Fund Balance, End of Year	158,841
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Reconciliation to GAAP Basis

Fund Balance - Budgetary Basis	158,841
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Fund Balance - GAAP Basis	158,841
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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, 2024

	<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	6,200	\$ 5,852	12,052	12,052
Transfer from Capital Outlay	<u>-</u>	<u>37,908</u>	<u>37,908</u>	<u>37,908</u>
Total Revenues and Other Financing Sources	<u>259,502</u>	<u>43,760</u>	<u>303,262</u>	<u>303,262</u>
Expenditures				
Equipment - School Buses	<u>144,421</u>	<u>-</u>	<u>144,421</u>	<u>303,262</u>
Total Expenditures	<u>144,421</u>	<u>-</u>	<u>144,421</u>	<u>303,262</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 115,081</u>	<u>\$ 43,760</u>	<u>\$ 158,841</u>	<u>\$ -</u>

ENTERPRISE FUND

SCHEDULE G-1

**LYNDHURST BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

SCHEDULE G-3

**COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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, 2024**

<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 2023</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance, June 30, 2024</u>
2020 School Bonds	9/1/2020	\$ 19,845,000	9/1/2024	\$ 835,000	1.00%				
			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%	\$ 19,060,000	\$ -	\$ 810,000	\$ 18,250,000
Paid by Budget Appropriation								\$ 810,000	

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS, OTHER FINANCING
AGREEMENT AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Amount of Original <u>Issue</u>	Interest <u>Rate</u>	Balance, <u>July 1 2023</u> (Restated)	<u>Issued</u>	<u>Retired</u>	Balance, <u>June 30, 2024</u>
<u>Capital Financing Agreements</u>						
2019 School Buses	\$ 298,055	4.90%	\$ 65,553		\$ 65,553	
2020 Various Equipment (Plant Operations)	97,849	3.97%	4,821		4,821	
2022 Copiers	216,777	5.75%	109,361		53,674	\$ 55,687
2023 Buses Lease	253,302	3.40%	212,945		33,121	179,824
Land Improvement - Turf Field Replacement - Interlocal	1,200,000	4.25%	1,140,000	-	114,000	1,026,000
2024 Copiers #1	175,194	5.19%	-	\$ 175,194	31,587	143,607
2024 Copiers #2	170,856	6.40%	-	170,856	-	170,856
Total Capital Financing Agreements			<u>\$ 1,532,680</u>	<u>\$ 346,050</u>	<u>\$ 302,756</u>	<u>\$ 1,575,974</u>
<u>Other Financing Agreement</u>						
2023 Technology Supplies	\$ 283,828	6.57%	\$ 221,458			\$ 221,458
2024 Chromebooks	345,000	4.01%	-	\$ 345,000	\$ -	345,000
			<u>\$ 221,458</u>	<u>\$ 345,000</u>	<u>\$ -</u>	<u>\$ 566,458</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, 2024

	Amount of Original <u>Issue</u>	Interest <u>Rate</u>	Balance, <u>July 1 2023</u> (Restated)	<u>Issued</u>	<u>Retired</u>	Balance, <u>June 30, 2024</u>
<u>Leases Payable</u>						
2020 Copier Lease	\$ 102,202	2.50%	\$ 16,268		\$ 16,268	
Rental of Building - Jefferson Community School	2,130,598	1.83%	663,153		127,864	\$ 535,289
Rental of Facility - Community Pool	3,195,896	1.83%	<u>994,729</u>	<u>-</u>	<u>191,796</u>	<u>802,933</u>
Total Leases Payable			<u>\$ 1,674,150</u>	<u>\$ -</u>	<u>\$ 335,928</u>	<u>\$ 1,338,222</u>
			Paid by Budget Appropriation		<u>\$ 638,684</u>	

**LYNDHURST BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<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	\$ 955,698	-	\$ 955,698	\$ 955,698	-
State Sources					
Debt Service Aid	<u>215,002</u>	<u>-</u>	<u>215,002</u>	<u>215,002</u>	<u>-</u>
Total Revenues	<u>1,170,700</u>	<u>-</u>	<u>1,170,700</u>	<u>1,170,700</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Interest on Bonds	360,700		360,700	360,700	-
Redemption of Bond Principal	<u>810,000</u>	<u>-</u>	<u>810,000</u>	<u>810,000</u>	<u>-</u>
Total Expenditures	<u>1,170,700</u>	<u>-</u>	<u>1,170,700</u>	<u>1,170,700</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)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net Investment In Capital Assets	\$ 16,616,775	\$ 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
Restricted				45,650	139,612	1,095,818	2,415,800	2,292,318	1,681,748	1,834,330
Unrestricted	<u>(10,044,030)</u>	<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>
Total Governmental Activities Net Position	<u>\$ 6,572,745</u>	<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>
Business-Type Activities										
Net Investment In Capital Assets			\$ 3,295	\$ 2,030	\$ 3,192	\$ 2,136	\$ 5,583	\$ 4,457	\$ 16,477	\$ 17,938
Restricted										
Unrestricted	<u>\$ 298</u>	<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>
Total Business-Type Activities Net Position	<u>\$ 298</u>	<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>
District-Wide										
Net Investment In Capital Assets	\$ 16,616,775	\$ 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
Restricted	-	-	-	45,650	139,612	1,095,818	2,415,800	2,292,318	1,681,748	1,834,330
Unrestricted	<u>(10,043,732)</u>	<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>
Total District Net Position	<u>\$ 6,573,043</u>	<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>

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)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 12,085,449	\$ 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
Special Education	3,523,300	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
Other Instruction	522,621	783,158	785,683	1,538,544	1,161,515	1,152,865	1,184,008	1,022,319	844,416	832,760
School Sponsored Activities and Athletics	738,452	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
Support Services										
Student and Instruction Related Services	3,773,261	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
General Administration	970,151	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
School Administrative Services	2,082,171	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
Central and Other Support Services	637,103	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
Plant Operation and Maintenance	3,181,439	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
Student Transportation Services	795,344	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
Unallocated Expenditures	23,434,250	12,858,478	25,558,417							
Interest on Long-Term Debt	171,658	147,653	23,643	186,076	305,972	366,987	387,796	431,172	358,826	483,720
Total Governmental Activities Expenses	51,915,192	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
Business-Type Activities:										
Food service	777,138	782,963	791,406	802,711	813,994	725,106	586,267	1,601,993	1,478,741	1,220,420
Pre-K Program			329	395,178	446,530	105,626				
Before/After School Child Care/Pre-K	-	-	-	-	-	-	-	-	-	-
Technology Repair Program	-	-	-	-	-	-	-	-	-	42,884
Total Business-Type Activities Expense	777,138	782,963	791,735	1,197,889	1,260,524	830,732	586,267	1,601,993	1,478,741	1,263,304
Total District Expenses	\$ 52,692,337	\$ 43,495,863	\$ 57,268,679	\$ 57,748,268	\$ 53,590,854	\$ 51,487,536	\$ 59,409,649	\$ 60,609,530	\$ 60,452,736	\$ 62,499,491
Program Revenues										
Governmental Activities:										
Charges for services		27,834		113,029	227,015	205,672	484,674	761,717	951,642	818,491
Operating grants and contributions	6,398,209	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
Capital grants and contributions							80,784	294,021	146,814	57,771
Total Governmental Activities Program Revenues	6,398,209	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
Business-Type Activities:										
Charges for services										
Food Service	203,661	191,362	190,928	164,716	175,180	132,344	4,030	65,273	347,743	363,204
Pre-K Program				235,361	248,165	79,595				
Technology Insurance Program										60,071
Operating grants and contributions	259,238	247,039	258,067	283,475	287,859	248,523	1,092,317	1,175,640	608,200	587,652
Capital grants and contributions										
Total Business Type Activities Program Revenues	462,899	438,401	448,995	683,552	711,204	460,462	1,096,347	1,240,913	955,943	1,010,927
Total District Program Revenues	\$ 6,861,108	\$ 8,254,669	\$ 15,111,574	\$ 18,148,409	\$ 15,646,243	\$ 13,849,147	\$ 20,094,153	\$ 17,175,600	\$ 14,664,204	\$ 13,902,378

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue										
Governmental Activities	\$ (45,516,990)	\$ (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)
Business-Type Activities	(314,239)	(344,562)	(342,740)	(514,337)	(549,320)	(370,270)	510,080	(361,080)	(522,798)	(252,377)
Total District-Wide Net Expense	\$ (45,831,229)	\$ (35,241,194)	\$ (42,157,105)	\$ (39,599,859)	\$ (37,944,611)	\$ (37,638,389)	\$ (39,315,496)	\$ (43,433,930)	\$ (45,788,532)	\$ (48,597,113)
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 34,389,489	\$ 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
Property Taxes Levied for Debt Service				640,223	649,622	754,800	629,003	784,184	807,469	955,698
Unrestricted State and Federal Aid	603,510	28,749	1,784,790	428,077	410,128	410,053	558,300	1,023,738	2,452,684	2,562,775
State Aid for Debt Service Principal							25,997	40,886	144,168	148,759
Investment Earnings				58,222	153,850	174,567	192,107	150,446	122,230	172,530
Unrestricted Miscellaneous Revenues	97,601	183,490	325,617	75,510	102,934	72,620	356,349	106,358	95,765	53,166
Donated Capital Assets							51,852,237	-		-
Transfers	(312,500)	(345,000)	(320,500)	(542,315)	(561,000)	(375,000)	(9,500)	-	(345,000)	(244,651)
Total Governmental Activities	34,778,100	35,329,335	38,366,791	37,520,296	38,795,182	39,837,481	93,597,690	42,898,673	44,886,238	46,900,403
Business-Type Activities:										
Investment Earnings	107	83	121	398	697	1,241	3,086	9,007	3,155	4,498
Transfers	312,500	345,000	320,500	542,315	561,000	375,000	9,500	-	345,000	244,651
Total Business-Type Activities	312,607	345,083	320,621	542,713	561,697	376,241	12,586	9,007	348,155	249,149
Total District-Wide	\$ 35,090,707	\$ 35,674,418	\$ 38,687,412	\$ 38,063,009	\$ 39,356,879	\$ 40,213,722	\$ 93,610,276	\$ 42,907,680	\$ 45,234,393	\$ 47,149,552
Change In Net Position										
Governmental Activities	\$ (10,738,890)	\$ 432,703	\$ (3,447,574)	\$ (1,565,226)	\$ 1,399,891	\$ 2,569,362	\$ 53,772,114	\$ (174,177)	\$ (379,496)	\$ (1,444,333)
Business-Type Activities	(1,632)	521	(22,119)	28,376	12,377	5,971	522,666	(352,073)	(174,643)	(3,228)
Total District	\$ (10,740,522)	\$ 433,224	\$ (3,469,693)	\$ (1,536,850)	\$ 1,412,268	\$ 2,575,333	\$ 54,294,780	\$ (526,250)	\$ (554,139)	\$ (1,447,561)

Source: District financial statements

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

	2015	2016	2017 (Restated)	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted				\$ 301,224	\$ 301,224	\$ 841,245	\$ 2,162,739	\$ 2,060,326	\$ 1,589,472	\$ 1,710,869
Committed							339,100	-	-	-
Assigned				350,233	455,425	1,100,032	1,146,085	384,734	312,136	76,294
Unassigned	\$ 289,568	\$ (8,777)	\$ (2,847,479)	(4,927,771)	126,674	202,759	144,310	150,641	23,441	(275,920)
Total General Fund	\$ 289,568	\$ (8,777)	\$ (2,847,479)	\$ (4,276,314)	\$ 883,323	\$ 2,144,036	\$ 3,792,234	\$ 2,595,701	\$ 1,925,049	\$ 1,511,243
All Other Governmental Funds										
Restricted				\$ 45,650	\$ 139,612	\$ 555,797	\$ 4,650,254	\$ 533,216	\$ 508,581	\$ 583,526
Unassigned	-	-	\$ (692,660)	(1,818,880)	(3,976,532)	(5,531,932)	-	-	-	-
Total All Other Governmental Funds	\$ -	\$ -	\$ (692,660)	\$ (1,773,230)	\$ (3,836,920)	\$ (4,976,135)	\$ 4,650,254	\$ 533,216	\$ 508,581	\$ 583,526

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)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax Levy	\$ 34,389,489	\$ 35,462,096	\$ 36,576,884	\$ 37,500,802	\$ 38,689,270	\$ 39,555,241	\$ 40,622,200	\$ 41,577,245	\$ 42,416,391	\$ 44,207,824
Tuition Charges				40,171	75,581	55,827	31,234	86,981	107,286	59,046
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
Miscellaneous Revenues	97,601	218,124	325,617	75,510	102,934	73,567	601,208	895,376	1,045,970	953,995
State Sources	5,903,763	6,712,380	7,495,052	8,041,472	9,294,677	9,941,608	11,275,904	14,901,341	16,703,535	18,139,727
Federal Sources	1,097,956	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
Total Revenue	41,488,809	43,490,603	45,503,529	46,916,982	49,637,940	51,037,434	54,985,582	60,988,732	63,326,009	65,783,527
Expenditures										
Instruction										
Regular	12,085,449	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
Special Education	3,523,300	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
Other Instruction	522,621	783,158	785,683	1,198,003	1,029,531	1,045,598	979,404	996,052	854,991	837,240
School Sponsored Activities and Athletics	738,452	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
Undistributed Expenditures										
Student and Instruction Related Services	3,773,261	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
General Administration	970,151	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
School Administrative Services	2,082,171	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
Central and Other Support Services	637,103	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
Plant Operation and Maintenance	3,181,439	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
Student Transportation Services	795,344	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
Unallocated Expenditures	11,825,535	12,855,121	14,732,987							
Capital Outlay	403,059	136,325	851,899	1,126,220	2,157,652	2,242,003	11,039,111	6,127,595	852,133	937,417
Debt Service:										
Principal	505,000	510,000	525,000	565,000	425,000	1,436,604	1,188,174	1,213,816	1,734,723	1,928,684
Interest and Other Charges	171,658	147,653	93,643	82,673	224,622	435,667	293,990	594,219	388,314	414,039
Total Expenditures	41,214,543	43,443,948	47,098,413	48,933,732	50,874,955	51,247,543	63,546,495	66,519,080	64,213,426	68,221,923
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	274,266	46,655	(1,594,884)	(2,016,750)	(1,237,015)	(210,109)	(8,560,913)	(5,530,348)	(887,417)	(2,438,396)
Other Financing Sources (Uses)										
Bond Proceeds							19,845,000			
Capital Lease Proceeds						237,322		216,777	253,302	346,050
Other Financing Agreement Proceeds									283,828	345,000
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
Transfers Out	(312,500)	(345,000)	(320,500)	(626,574)	(758,012)	(535,028)	(96,479)	(217,796)	(420,087)	(363,908)
Total Other Financing Sources (Uses)	(312,500)	(345,000)	(320,500)	(492,655)	4,332,962	(75,651)	19,835,500	216,777	192,130	2,099,535
Net Change In Fund Balances	\$ (38,234)	\$ (298,345)	\$ (1,915,384)	\$ (2,509,405)	\$ 3,095,947	\$ (285,760)	\$ 11,274,587	\$ (5,313,571)	\$ (695,287)	\$ (338,861)
Debt Service As A Percentage Of										
Noncapital Expenditures	1.66%	1.52%	1.34%	1.35%	1.33%	3.82%	2.82%	2.99%	3.35%	3.48%

* 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)**

101	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
	2015	\$ 10,547				\$ 47,516						\$ 26,675	\$ 84,738
	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

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 ^(c)
2015	44,625,700	1,569,316,100			391,876,900	536,260,800	121,818,000	2,663,897,500	3,964,445	2,667,861,945	2,464,660,097	1.309
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

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	
2015	1.309	1.189	0.033	0.003	0.213	2.747
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

Source: County Abstract of Ratables

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

Taxpayer	2024		2015	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
1301 Wall, LLC	\$ 111,576,400	2.49%		0.00%
340 Orient Way, LLC	68,467,100	1.53%	\$ 66,600,000	2.50%
Avalon Lyndhurst, LLC		0.00%	65,600,000	2.46%
Tiger Den Partners VI, LLC	55,751,800	1.24%		0.00%
125 Chubb Avenue, LLC	53,647,100	1.20%		0.00%
JERC Partners VII, LLC	49,140,400	1.09%		0.00%
Veterans Square 2016, LLC	48,217,300	1.07%	32,875,000	1.23%
Wells Operating Partnership		0.00%	47,500,000	1.78%
AP RNL TIC I&II, LLC (2 Properties)	47,196,500	1.05%		0.00%
Polito Associates, LLC (2 Properties)	45,519,600	1.01%		0.00%
Sika Chemical Corp./ANJ Corp.	44,858,900	1.00%	30,311,700	1.14%
Valley Brook 1201 SG, LLC	41,402,100	0.92%		0.00%
Chubb Funding, LLC		0.00%	31,607,000	1.18%
1200 Wall St. West Holdings		0.00%	22,554,100	0.85%
Moody Nat CY Lyndhurst H, LLC		0.00%	20,213,600	0.76%
Lyndhurst Residential Comm2, LLC		0.00%	21,731,000	0.81%
Lyndhurst Investments, LLC		0.00%	17,500,000	0.66%
	<u>\$ 565,777,200</u>	<u>12.60%</u>	<u>\$ 356,492,400</u>	<u>13.37%</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	
2015	\$ 34,389,489	\$ 34,389,489	100%	
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%	

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
2015	\$ 3,235,000					\$ 3,235,000	21,482	\$ 151
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

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		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2015	\$ 3,235,000		\$ 3,235,000	0.12%	\$ 151
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

Source: District records

LYNDHURST BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
(Unaudited)

	<u>Total Debt</u>
Municipal Debt: (1)	
Lyndhurst Board of Education (as of June 30, 2024)	\$ 18,250,000
Township of Lyndhurst	<u>89,318,373</u>
	<u>107,568,373</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	32,510,519
Passaic Valley Sewerage Commission (B)	<u>5,653,630</u>
	<u>38,164,149</u>
Total Direct and Overlapping Debt	<u>\$ 145,732,522</u>

Source:

(1) Borough's 2023 Annual Debt Statement

(A) The debt for this entity was apportioned to the Township by dividing the municipality's 2023 equalized value by the total 2023 equalized value for Bergen County.

(B) The debt was computed based upon dividing the Township's 2023 billings by the total 2023 billings of the Commission.

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

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis
2021	\$ 3,393,280,424
2022	4,116,367,423
2023	4,480,526,641
	<u>\$11,990,174,488</u>
Average equalized valuation of taxable property	<u>\$ 3,996,724,829</u>
Debt limit (4% of average equalization value)	\$ 159,868,993
Total Net Debt Applicable to Limit	<u>18,250,000</u>
Legal debt margin	<u>\$ 141,618,993</u>

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 108,674,738	\$ 108,129,248	\$ 113,738,883	\$ 123,269,568	\$ 129,520,287	\$ 129,348,949	\$ 127,861,826	\$ 130,036,526	\$ 143,095,513	\$ 159,868,993
Total net debt applicable to limit	<u>3,235,000</u>	<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>
Legal debt margin	<u>\$ 105,439,738</u>	<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>\$ 141,618,993</u>
Total net debt applicable to the limit as a percentage of debt limit	2.98%	2.53%	19.16%	17.36%	16.22%	15.93%	15.82%	15.26%	13.32%	11.42%

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>
2015	21,482	\$ 71,286	5.8%
2016	21,992	73,883	5.1%
2017	21,976	77,323	4.8%
2018	22,040	78,836	4.4%
2019	22,484	81,024	3.5%
2020	22,916	85,191	11.9%
2021	22,781	88,241	7.7%
2022	22,324	91,972	4.10%
2023	22,286	97,343	4.70%
2024	22,276	97,138	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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular Programs (Including Aides)	163	163	164	158	164	158	166	169	178	177
Special Education (Including Aides)	63	64	66	71	83	72	60	62	72	71
Other Instruction	10	13	13	12	13	10	10	10	6	7
School Sponsored Activities and Athletics	1	1	1	1	1	1	1	1	1	1
Support Services:										
Student and Instruction Related Services	46	46	52	53	55	47	46	50	55	45
General Administration	6	6	5	5	5	5	6	6	6	6
School Administrative Services	21	20	22	21	21	22	22	22	22	20
Central Services and Admin. Info. Technology	6	6	8	10	10	9	9	9	9	10
Operation and Maintenance of Plant Svs.	27	27	40	32	32	33	33	38	38	34
Student Transportation Services	6	5	6	7	7	7	6	7	5	5
Total	<u>349</u>	<u>351</u>	<u>377</u>	<u>370</u>	<u>391</u>	<u>364</u>	<u>359</u>	<u>374</u>	<u>392</u>	<u>376</u>

Source: District Personnel Records

N/A - Not Available

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

EXHIBIT J-17

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
2015	2,390.2	38,089,632	15,936	-3.1%	170	14.1	2,390.2	2,273.7	6.7%	95.1%
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%

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)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2024
<u>District Building</u>										
<u>Elementary</u>										
Columbus										
Square Feet	10,500	10,500	10,500	10,500	10,500	10,500	6,500	10,500	10,500	10,500
Capacity (students)	126.90	126.90	126.90	126.90	126.90	126.90	78.60	126.90	126.90	126.90
Enrollment	183.00	164.00	213.96	214.00	211.00	181.00	87.00	111.00	120.00	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	202.00	217.00	220.34	232.00	234.00	244.00	204.00	205.00	193.00	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	276.00	268.00	274.00	270.00	271.00	261.00	277.00	238.00	244.00
Lincoln (Transferred to Township 2020/2021)									-	-
Square Feet	24,300	24,300	24,300	24,300	24,300	24,300	-	-	-	-
Capacity (students)	283.50	283.50	283.50	283.50	283.50	283.50	-	-	-	-
Enrollment	248.00	278.00	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	388.00	408.00	401.95	400.00	416.00	445.00	296.00	327.00	296.00	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	188.00	195.00	184.00	212.00	184.00	200.00	196.00	184.00	164.00	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	193.00	163.00	182.61	162.00	204.00	172.00	-	79.00	105.00	104.00
<u>Middle School</u>										
Lyndhurst Middle School										
Square Feet							143,000	143,000	143,000	143,000
Capacity (students)							650.00	650.00	650.00	650.00
Enrollment							573.00	661.00	617.00	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	721.00	735.00	732.07	747.00	753.00	781.00	743.00	884.00	834.00	821.00
<u>Community School</u>										
Square Feet							4,000	4,000	4,000	4,000
Capacity (students)							48.30	48.30	48.30	48.30
Enrollment							39.00	57.00	42.00	48.00

Number of Schools at June 30, 2022

 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)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
*School Facilities	Project # (s)											
Lyndhurst Senior High School	N/A		\$ 514,288	\$ 512,059	\$ 450,383	\$ 388,111	\$ 361,366	\$ 319,021	\$ 374,433	\$ 288,869	\$ 336,067	\$ 389,755
Lyndhurst Middle School	N/A								78,021	136,390	138,853	365,312
Columbus Elementary School	N/A		45,715	101,332	127,886	36,288	33,787	29,828	52,305	81,751	80,588	28,691
Franklin Elementary School	N/A		80,001	83,979	137,700	63,591	59,209	52,271	85,277	39,101	125,004	60,302
Jefferson Elementary School	N/A		148,572	164,834	177,053	110,800	103,165	91,076	139,196	35,021	46,507	185,916
Lincoln Elementary School	N/A		114,287	60,881	66,450	83,981	78,194	69,031	4,795	-	-	
Roosevelt Elementary School	N/A		102,858	114,043	92,652	74,650	69,506	61,361	72,042	252,477	245,763	52,523
Washington Elementary School	N/A		91,429	103,397	71,062	67,393	62,748	55,396	3,831	29,552	14,096	1,639,169
Community School	N/A									26,533	5,000	8,991
Memorial Campus	N/A		45,715	74,854	64,789	61,517	57,278	50,566	3,910	15,185	32,658	45,032
Grand Total			<u>\$ 1,142,865</u>	<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>

Source: District Records

N/A - Not Available

**LYNDHURST BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2024
(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, 2024
(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, 2024 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 November 4, 2024.

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 November 4, 2024.

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.

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
November 4, 2024



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. 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, 2024. 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, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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, 2024, 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 November 4, 2024, 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.

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
November 4, 2024

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

												Balance, June 30, 2024			
Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN	Grant Period	Award Amount	Balance July 1, 2023			Unearned Revenue Carryover/ Transfer Amount	Accounts Receivable Carryover/ Transfer Amount	Cash Received	Budgetary Expenditures	(Account Receivable)	Unearned Revenue	Due to Grantor	Memo GAAP Receivable
					(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	241NJ304N1099	7/1/23-6/30/24	\$ 33,348						\$ 30,787	\$ 33,348	\$ (2,561)			\$ (2,561)
Cash Assistance	10.553	231NJ304N1099	7/1/23-6/30/23	21,373	\$ (2,313)					2,313		-			
National School Lunch Program															
Non-Cash Assistance	10.555	241NJ304N1099	7/1/23-6/30/24	100,278						100,278	79,771		\$ 20,507		
Non-Cash Assistance	10.555	231NJ304N1099	7/1/22-6/30/23	72,296		\$ 9,068					9,068				
Cash Assistance	10.555	241NJ304N1099	7/1/23-6/30/24	380,063						350,937	380,063	(29,126)			(29,126)
Cash Assistance	10.555	231NJ304N1099	7/1/22-6/30/23	375,533	(33,833)					33,833		-			
Cash Assistance - Covid Supply Chain Assistance	10.555	241NJ304N1099	7/1/23-6/30/24	63,375						63,375	63,375				
P-EBT Administrative Costs	10.649	202225900941	7/1/23-6/30/24	653	-	-	-	-	-	653	653	-	-	-	-
Total U.S. Department of Agriculture/Child Nutrition Cluster					(36,146)	9,068	-	-	-	582,176	566,278	(31,687)	20,507	-	(31,687)
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	H027A230100	7/1/23-9/30/24	777,525				\$ 7,941	\$ (8,152)	699,158	767,975	(86,519)	17,491		(69,028)
I.D.E.A. Part B, Basic Regular	84.027	H027A220100	7/1/22-9/30/23	708,262	(203,447)	7,941		(7,941)	8,152	195,295		-	-		-
I.D.E.A. Part B, ARP Basic	84.027X	H027X210100	7/1/21-9/30/22	129,306	(569)					569		-	-		-
I.D.E.A. Part B, Preschool	84.173	H173A230114	7/1/23-9/30/24	29,748						14,168	16,814	(15,580)	12,934		(2,646)
I.D.E.A. Part B, Preschool	84.173	H173A220114	7/1/22-9/30/23	29,388	(5,919)	2,735	-	-	-	5,919	-	-	-	\$ 2,735	-
Total Special Education Cluster IDEA					(209,935)	10,676	-	-	-	915,109	784,789	(102,099)	30,425	2,735	(71,674)
ESEA															
Title I, Part A	84.010	S010A230030	7/1/23-9/30/24	470,031				47,678	(47,678)	391,838	487,126	(125,871)	30,583		(95,288)
Title I, Part A	84.010	S010A220030	7/1/22-9/30/23	375,485	(215,932)	47,678	-	(47,678)	47,678	168,254	-	-	-	-	-
Title I, SIA Part A	84.010	S010A230030	7/1/23-9/30/24	12,500	-	-	-	-	-	-	-	(12,500)	12,500	-	-
Total ESEA Title I					(215,932)	47,678	-	-	-	560,092	487,126	(138,371)	43,083	-	(95,288)
Title II, Part A															
Title II, Part A	84.367A	S367A230029	7/1/23-9/30/24	87,746				16,034	(16,034)	60,328	75,755	(43,452)	28,025		(15,427)
Title II, Part A	84.367A	S367A220029	7/1/22-9/30/23	68,102	(104,194)	16,034	-	(16,034)	16,034	88,160	-	-	-	-	-
Total ESEA Title II					(104,194)	16,034	-	-	-	148,488	75,755	(43,452)	28,025	-	(15,427)
Title III															
Title III	84.365	S365A230030	7/1/23-9/30/24	17,096				1,932	(1,932)	11,415	14,104	(7,613)	4,924		(2,689)
Title III	84.365	S365A220030	7/1/22-9/30/23	12,346	(14,173)	1,932		(1,932)	1,932	12,241	-	-	-		-
Title III - Immigrant	84.365	S365A230030	7/1/23-9/30/24	18,881				16,312	(16,312)	7,603	13,996	(27,590)	21,197		(6,393)
Title III - Immigrant	84.365	S365A220030	7/1/22-9/30/23	16,687	(25,671)	16,361	-	(16,312)	16,312	9,359	-	-	-	49	-
Total ESEA Title III					(39,844)	18,293	-	-	-	40,618	28,100	(35,203)	26,121	49	(9,082)
Temporary Emergency Impact Aid															
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															
CARES - Emergency Relief Grant	84.425D	S425D200027	3/13/20-9/30/22	267,307	(30)	30						-	-	-	-
American Rescue Plan Consolidated															
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	2,265,726	(1,123,084)	464,029				841,895	433,563	(281,189)	30,466	-	(250,723)
Accelerated Learning Coach and Educator Support	84.425D	S425U210027	3/13/20-9/30/24	223,394	(110,594)	73,394				92,100	72,694	(18,494)	700		(17,794)
Evidence Based Summer Learning and Enrichment	84.425D	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000				40,000	39,997	-	3		-
Evidence Based Comprehensive Beyond the School Day	84.425D	S425U210027	3/13/20-9/30/24	40,000	(22,240)	4,685				14,955	-	(7,285)	4,685		(2,600)
NTSS Mental Health Support Staffing	84.425D	S425U210027	3/13/20-9/30/24	45,000	(22,500)	22,500				22,500	22,500	-	-		-

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN	Grant Period	Award Amount	Balance July 1, 2023			Unearned Revenue Carryover/ Transfer Amount	Accounts Receivable Carryover/ Transfer Amount	Cash Received	Budgetary Expenditures	Balance, June 30, 2024			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)															
Elementary and Secondary School Emergency Relief (ESSER II)															
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act															
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	\$ 1,008,139	\$ (299,909)	\$ 512			\$ 299,397			-	-		-
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	64,697	(3,086)	830			3,081	\$ 825		-	-		-
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(3,154)	92	-	-	3,062			-	-	-	-
High Impact Tutoring Competitive	84.425		10/11/23-8/31/24	153,990	-	-	-	-	-	84,101	120,775	\$ (69,889)	\$ 33,215	-	\$ (36,674)
Total ESSER Cluster					(1,624,597)	606,072	-	-	-	1,401,091	690,354	(376,857)	69,069	-	(307,791)
Coronavirus State and Local Fiscal Recovery															
Additional or Compensatory Special Education and Related Service	21.027	SLFRFDOE1SES	7/1/23-6/30/24	90,040						43,876	90,039	(46,164)	1		(46,163)
Additional or Compensatory Special Education and Related Service	21.027	SLFRFDOE1SES	7/1/22-6/30/23	507,631	(232,689)	-	\$ 2,552	-	-	232,689	-	-	-	2,552	-
Total CRF Cluster					(232,689)	-	2,552	-	-	276,565	90,039	(46,164)	1	2,552	(46,163)
Total Special Revenue Fund					(2,427,191)	698,753	\$ 13,240	-	-	3,341,963	2,156,163	(742,146)	196,724	16,024	(545,425)
Total U.S. Department of Education					(2,427,191)	698,753	13,240	-	-	3,341,963	2,156,163	(742,146)	196,724	16,024	(545,425)
U.S Department of Health and Human Services															
General Fund															
Medical Assistance Program	93.778	2005NJ5MAP	7/1/23-6/30/24		-	-	-	-	-	56,196	56,196	-	-	-	-
Total Medical Assistant Program Cluster					-	-	-	-	-	56,196	56,196	-	-	-	-
Total General Fund					-	-	-	-	-	56,196	56,196	-	-	-	-
Total Federal Awards					\$ (2,463,337)	\$ 707,821	\$ 13,240	\$ -	\$ -	\$ 3,980,335	\$ 2,778,637	\$ (773,833)	\$ 217,231	\$ 16,024	(577,112)

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2023	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2024			Memo		
								(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education													
General Fund:													
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 2,573,122		\$ 2,383,202	\$ 2,573,122		\$ (189,920)				\$ 2,573,122	
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	2,573,122	\$ (179,573)	179,573			-				-	
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	2,462,718		2,280,947	2,462,718		(181,771)				2,462,718	
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	1,826,886	(127,494)	127,494			-				-	
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	75,106		69,562	75,106		(5,544)				75,106	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	75,106	(5,241)	5,241		-	-	-	-	-	-	
Total State Aid - Public Cluster				(312,308)	5,046,019	5,110,946	-	(377,235)	-	-	-	5,110,946	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	239,630		221,943	239,630		(17,687)				239,630	
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	239,630	(16,723)	16,723			-				-	
Non-Public Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	47,775			47,775		(47,775)			\$ (47,775)	47,775	
Non-Public Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	30,888	(30,888)	30,888		-	-	-	-	-	-	
Total Transportation Aid Cluster				(47,611)	269,554	287,405	-	(65,462)	-	-	(47,775)	287,405	
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	680,950			680,950		(680,950)				680,950	
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	747,672	(747,672)	747,672			-				-	
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)			(11,015)	11,015	
Reimbursed TPAF Social Security Contribution	24-495-034-5094-003	7/1/23-6/30/24	1,694,819		1,614,012	1,694,819		(80,807)			(80,807)	1,694,819	
Reimbursed TPAF Social Security Contribution	23-495-034-5094-003	7/1/22-6/30/23	1,697,050	(80,606)	80,606			-			-	-	
On-Behalf TPAF													
Pension Benefit Cost	24-495-034-5094-002	7/1/23-6/30/24	7,571,507		7,571,507	7,571,507						7,571,507	
Pension - NCGI Premium	24-495-034-5094-004	7/1/23-6/30/24	86,349		86,349	86,349						86,349	
Post Retire. Medical	24-495-034-5094-001	7/1/23-6/30/24	2,084,188		2,084,188	2,084,188						2,084,188	
Long-Term Disability Insurance Prem.	24-495-034-5094-004	7/1/23-6/30/24	3,174	-	3,174	3,174	-	-	-	-	-	3,174	
Total General Fund				(1,188,197)	17,503,081	17,530,353	-	(1,215,469)	-	-	(139,597)	17,530,353	
Special Revenue:													
New Jersey Nonpublic Aid:													
Auxiliary Services:													
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	163,993		163,993	148,621		-		\$ 15,372	-	148,621	
Compensatory Education	23-100-034-5120-067	7/1/23-6/30/23	172,558	25,301			\$ 25,301	-		-		-	
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	20,601		20,601	15,657				4,944		15,657	
English as a Second Language	23-100-034-5120-067	7/1/22-6/30/23	23,252	8,117	-	-	8,117	-	-	-	-	-	
Nonpublic Home Instruction			737	-	-	737	-	(737)	-	-	(737)	737	
Total Nonpublic Auxiliary Services Aid (Chapter 192) Cluster				33,418	184,594	165,015	33,418	(737)	-	20,316	(737)	165,015	
Handicapped Services:													
Examination & Classification	24-100-034-5120-066	7/1/23-6/30/24	56,401		56,401	25,786		-		30,615		25,786	
Examination & Classification	23-100-034-5120-066	7/1/22-6/30/23	39,234	6,064			6,064	-		-		-	
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	24,037		24,037	20,320				3,717		20,320	
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	25,606	7,104			7,104	-		-	-	-	
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	43,710		43,710	36,549		-		7,161	-	36,549	
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	45,384	10,509	-	-	10,509	-	-	-	-	-	
Total Nonpublic Handicapped Aid (Chapter 193) Cluster				23,677	124,148	82,655	23,677	-	-	41,493	-	82,655	

LYNDHURST BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2023	Cash Received	Budgetary Expenditures	Refund of	Balance, June 30, 2024			Memo	
							Prior Years' Balances	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education (Continued)												
Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	\$ 17,170		\$ 17,170	\$ 17,170				-		\$ 17,170
Nursing Services	24-100-034-5120-070	7/1/23-6/30/24	35,640		35,640	35,640						35,640
Technology Aid	24-100-034-5120-373	7/1/23-6/30/24	14,553		14,553	14,396				\$ 157		14,396
Security Aid	24-100-034-5120-509	7/1/23-6/30/24	60,885		60,885	60,578				307		60,578
Security Aid	23-100-034-5120-509	7/1/22-6/30/23	63,550	\$ 115			\$ 115	-	-	-	-	-
New Jersey Schools Development Authority												
Emergent and Capital Maintenance Needs	N/A	N/A	90,951	6,683	-	-	-	-	\$ 6,683	-	-	-
Nonpublic Teacher STEM	AD A4040501349		21,182	-	13,562	18,396	-	\$ (7,620)	2,786	-	\$ (4,834)	18,396
Total Special Revenue Fund				63,893	450,552	393,850	57,210	(8,357)	9,469	62,273	(5,571)	393,850
Debt Service Fund												
School Construction Debt Service Aid	24-495-034-5120-075	7/1/23-6/30/24	215,002	-	215,002	215,002	-	-	-	-	-	215,002
State Department of Agriculture												
Enterprise Funds:												
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	17,094		15,799	17,094		(1,295)			(1,295)	17,094
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	15,361	(1,327)	1,327		-	-	-	-	-	-
State Lunch Working Class Families State Supplement		7/1/23-6/30/24	3,092		2,861	3,092		(231)			(231)	3,092
State School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	800		728	800		(72)			(72)	800
State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	541	(57)	57	-	-	-	-	-	-	-
State Breakfast Working Class Families State Supplement		7/1/23-6/30/24	388	-	341	388	-	(47)	-	-	(47)	388
Total Enterprise Funds/Child Nutrition Cluster				(1,384)	21,113	21,374	-	(1,645)	-	-	(1,645)	21,374
Total State Financial Assistance Subject to Single Audit Determination				(1,125,688)	18,189,748	18,160,579	57,210	(1,225,471)	9,469	62,273	(146,813)	18,160,579
State Financial Assistance												
Not Subject to Major Program Determination												
General Fund												
On-Behalf TPAF												
Pension Benefit Cost	24-495-034-5094-002	7/1/23-6/30/24			(7,571,507)	(7,571,507)						(7,571,507)
Pension - NCGI Premium	24-495-034-5094-004	7/1/23-6/30/24			(86,349)	(86,349)						(86,349)
Post Retire. Medical	24-495-034-5094-001	7/1/23-6/30/24			(2,084,188)	(2,084,188)						(2,084,188)
Long-Term Disability Insurance Prem.	24-495-034-5094-004	7/1/23-6/30/24	-	-	(3,174)	(3,174)	-	-	-	-	-	(3,174)
Total State Financial Assistance Subject to Major Program Determination				\$ (1,125,688)	\$ 8,444,530	\$ 8,415,361	\$ 57,210	\$ (1,225,471)	\$ 9,469	\$ 62,273	\$ (146,813)	\$ 8,415,361

**LYNDHURST BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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 \$831 for the general fund and an increase of \$38,737 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	\$ 56,196	\$ 17,531,184	\$ 17,587,380
Special Revenue Fund	2,194,209	393,541	2,587,750
Debt Service Fund		215,002	215,002
Food Service Fund	<u>566,278</u>	<u>21,374</u>	<u>587,652</u>
Total Awards and Financial Assistance	<u>\$ 2,816,683</u>	<u>\$ 18,161,101</u>	<u>\$ 20,977,784</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, 2024**

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 \$1,694,819 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, 2024. The amount reported as TPAF Pension System Contributions in the amount of \$7,657,856, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,084,188 and TPAF Long-Term Disability Insurance in the amount of \$3,174 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2024.

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

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted? _____ yes X no

Federal Awards Section

Internal Control over major programs:

1) Material weakness(es) identified? ☐ yes ☒ no

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

Type of auditor's report issued on compliance for major programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? yes X no

Identification of major federal programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027 / 84.173	I.D.E.A. Part B - Special Education Cluster

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

Auditee qualified as low-risk auditee?	X	yes	no
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Internal control over major programs:

1) Material weakness(es) identified:

 yes X no

2) Significant deficiencies identified not considered to be material weakness(es)?

yes X none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08?

yes X no

Identification of major state programs:

GMIS Number(s)Name of State Program or Cluster

495-034-5120-078

Equalization Aid - State Aid Public Cluster

495-034-5120-089

Special Education Aid - State Aid Public Cluster

495-034-5120-084

Security Aid - State Aid Public Cluster

495-034-5120-014

Transportation Aid

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X	yes	no
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**LYNDHURST BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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, 2024**

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, 2024**

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.

**LYNDHURST BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2023-001

Our audit of salaries charged to the ESSER grant programs revealed time and effort activity reports were not completed for certain employees whose salaries were charged to the grant programs.

Current Status

Corrective action was taken with respect to the Federal ESSER programs.

Finding 2023-002

Our audit of the Teachers Pension and Annuity Fund (TPAF) reimbursement to the State for salaries charged to Federal grant programs revealed not all TPAF pensionable wages were included for reimbursement. In addition, we noted a non-TPAF pension salary was incorrectly included for reimbursement.

Current Status

Corrective action was taken.