MINE HILL TOWNSHIP BOARD OF EDUCATION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Mine Hill, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Mine Hill Township Board of Education

Mine Hill, New Jersey

For The Fiscal Year Ended June 30, 2025

Prepared by

Business Office

MINE HILL TOWNSHIP BOARD OF EDUCATION
TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Letter of Transmittal 1-3
Organizational Chart 4
Roster of Officials 5
Consultants and Advisors 6
Certificate of Excellence 7

FINANCIAL SECTION

Independent Auditor's Report 8-10

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis 11-21

Basic Financial Statements

A. District-Wide Financial Statements

A-1 Statement of Net Position 22
A-2 Statement of Activities 23

B. Fund Financial Statements

Governmental Funds
B-1 Balance Sheet 24
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances 25
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 26

Proprietary Funds
B-4 Statement of Net Position 27
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position 28
B-6 Statement of Cash Flows 29

Fiduciary Funds – Not Applicable

Notes to the Financial Statements 30-68

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

C-1 Budgetary Comparison Schedule – General Fund 69-73
C-2 Budgetary Comparison Schedule – Special Revenue Fund 74
C-3 Budgetary Comparison Schedule – Note to Required Supplementary Information 75

MINE HILL TOWNSHIP BOARD OF EDUCATION
TABLE OF CONTENTS

Page

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions

L-1 Required Supplementary Information – Schedule of the District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System 76
L-2 Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System 77
L-3 Required Supplementary Information – Schedule of the District's Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund 78
L-4 Notes to Required Supplementary Information 79

M. Schedules Related to Accounting and Reporting for Post-Employment Benefits Other Than Pensions

M-1 Required Supplementary Information – Schedule of Changes in the District's Proportionate Share of Total OPEB Liability 80
M-2 Required Supplemental Information – Schedule of Changes in the District's Proportionate Share of the OPEB Liability and Schedule of the District Proportionate Share of the OPEB Liability – Notes to the Required Supplementary Information 81

OTHER SUPPLEMENTARY INFORMATION

D. School Level Schedules – Not Applicable

E. Special Revenue Fund

E-1 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Special Revenue Fund – Budgetary Basis 82-84
E-2 Preschool Education Aid Schedule of Expenditures – Budgetary Basis 85

F. Capital Projects Fund

F-1 Summary Schedule of Project Expenditures 86
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance 87
F-2a – F-2g Schedule of Project Revenues, Expenditures, Project Balance and Project Status 88-94

G. Proprietary Funds

Enterprise Fund
G-1 Combining Statement of Net Position 95
G-2 Combining Statement of Revenues, Expenses and Changes in Net Position 95
G-3 Combining Statement of Cash Flows 95

H. Fiduciary Funds – Not Applicable

I. Long-Term Debt

I-1 Schedule of Serial Bonds 96
I-2 Schedule of Obligations under Capital Financing Agreements 96
I-3 Debt Service Fund Budgetary Comparison Schedule 97
I-4 Schedule of Obligations Subscription-Based Information Technology Arrangements- Not Applicable

MINE HILL TOWNSHIP BOARD OF EDUCATION
TABLE OF CONTENTS

		Page
J.	**STATISTICAL SECTION (Unaudited)**	
	Financial Trends	
J-1	Net Position by Component	98
J-2	Changes in Net Position	99-100
J-3	Fund Balances – Governmental Funds	101
J-4	Changes in Fund Balances - Governmental Funds	102
J-5	General Fund Other Local Revenue by Source	103
	Revenue Capacity	
J-6	Assessed Value and Actual Value of Taxable Property	104
J-7	Direct and Overlapping Property Tax Rates	105
J-8	Principal Property Taxpayers	106
J-9	Property Tax Levies and Collections	107
	Debt Capacity	
J-10	Ratios of Outstanding Debt by Type	108
J-11	Ratios of Net General Bonded Debt Outstanding	109
J-12	Direct and Overlapping Governmental Activities Debt	110
J-13	Legal Debt Margin Information	111
	Demographic and Economic Information	
J-14	Demographic Statistics	112
J-15	Principal Employers	113
	Operating Information	
J-16	Full-Time Equivalent District Employees by Function/Program	114
J-17	Operating Statistics	115
J-18	School Building Information	116
J-19	Schedule of Required Maintenance for School Facilities	117
J-20	Schedule of Insurance	118
K.	**SINGLE AUDIT SECTION**	
K-1	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	119-120
K-2	Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08	121-123
K-3	Schedule of Expenditures of Federal Awards	124
K-4	Schedule of Expenditures of State Financial Assistance	125-126
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	127-128
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor's Results	129-130
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	131
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	132
K-7	Summary Schedule of Prior Year Findings – Not Applicable	

INTRODUCTORY SECTION

MINE HILL TOWNSHIP BOARD OF EDUCATION
42 CANFIELD AVENUE SCHOOL
MINE HILL, NEW JERSEY 07803-3085

Lee S. Nittel
Superintendent

Carolina Rodriguez
Business Administrator

Adam Zygmunt
Principal

Marie Giantomasi
Director of Special Education & Child Study Team Services

Board of Education

Diane Morris
President

Kathleen Bartnick
Vice President

Jennifer Antoncich
Jennifer Waters
Peter Bruseo
Brian Homeyer
Srinivasa Rajagopal

Phone: 973-366-0590
Fax: 973-366-8786

Web Page:
www.minehillcas.org

October 30, 2025

Honorable President and
Members of the Board of Education of
Mine Hill Township School District
Mine Hill, New Jersey 07803

Dear Board Members:

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

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

Reporting Entity and Its Services

The Mine Hill Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB"). All funds of the District are included in this report. The Mine Hill Township Board of Education and its school constitute the District's reporting entity.

Economic Condition and Outlook

The Mine Hill Township Board of Education continues to provide a high-quality education while maintaining a fiscally conservative approach. The Board has controlled costs and been mindful of the impact of its decisions on the local taxpayer. The result is that Mine Hill has consistently ranked near the bottom in per pupil spending in the county, while providing its students with an excellent education. This excellence in education has made Mine Hill a lighthouse district in Morris County.

Major Initiatives

The Mine Hill Township School District is committed to providing a high-quality education aligned with the New Jersey Student Learning Standards. Recognized as a NJ DOE Lighthouse District, Mine Hill has also earned prestigious silver-level sustainability certification and bronze-level Future Ready Certification, reflecting its dedication to educational innovation and environmental stewardship. The Board of Education remains focused on upholding academic excellence while fostering a nurturing environment that supports continuous educational improvement.

In 2021, district voters approved a $5 million bond referendum to fund essential maintenance projects at Canfield Avenue School. These projects, which include replacing windows, doors, floors, ceilings, roofs, and outdoor surfaces, are ongoing to ensure the safety and security of the school facility. During the 2024-2025 academic year, the district continued shared service agreements with the municipality for snow removal, demonstrating a commitment to collaboration and resource efficiency.

To strengthen academic outcomes, the district continues the use of the math program designed to address weaknesses in the former curriculum and implemented professional development in sheltered instruction to better serve an increasing population of multilingual learners (MLs). With the previous hiring of an additional ESL-certified teacher reflects this dedication to providing comprehensive support for all MLs. Additionally, investments in digital platforms aim to close achievement gaps by offering teachers adaptive software and digital assessments for more precise, data-driven instruction.

Moreover, Mine Hill has expanded its commitment to early childhood education through state-awarded preschool expansion funding, now offering free preschool to all resident 3- and 4-year-olds, with capacity for up to 75 students across three locations.

Internal Accounting Controls

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control, including that portion related to major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

Budgetary Controls

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and assignments at June 30, 2025.

Other Information

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 selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Uniform Guidance and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Services* are included in the single audit section of this report.

Awards

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This Certificate of Excellence is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Excellence, a school district unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. The ACFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

Acknowledgment

We would like to express our appreciation to the members of the Mine Hill Township Board of Education for their continuing commitment to provide fiscal accountability to the citizens and taxpayers of Mine Hill 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 with the efficient and dedicated services of our financial and accounting staff.

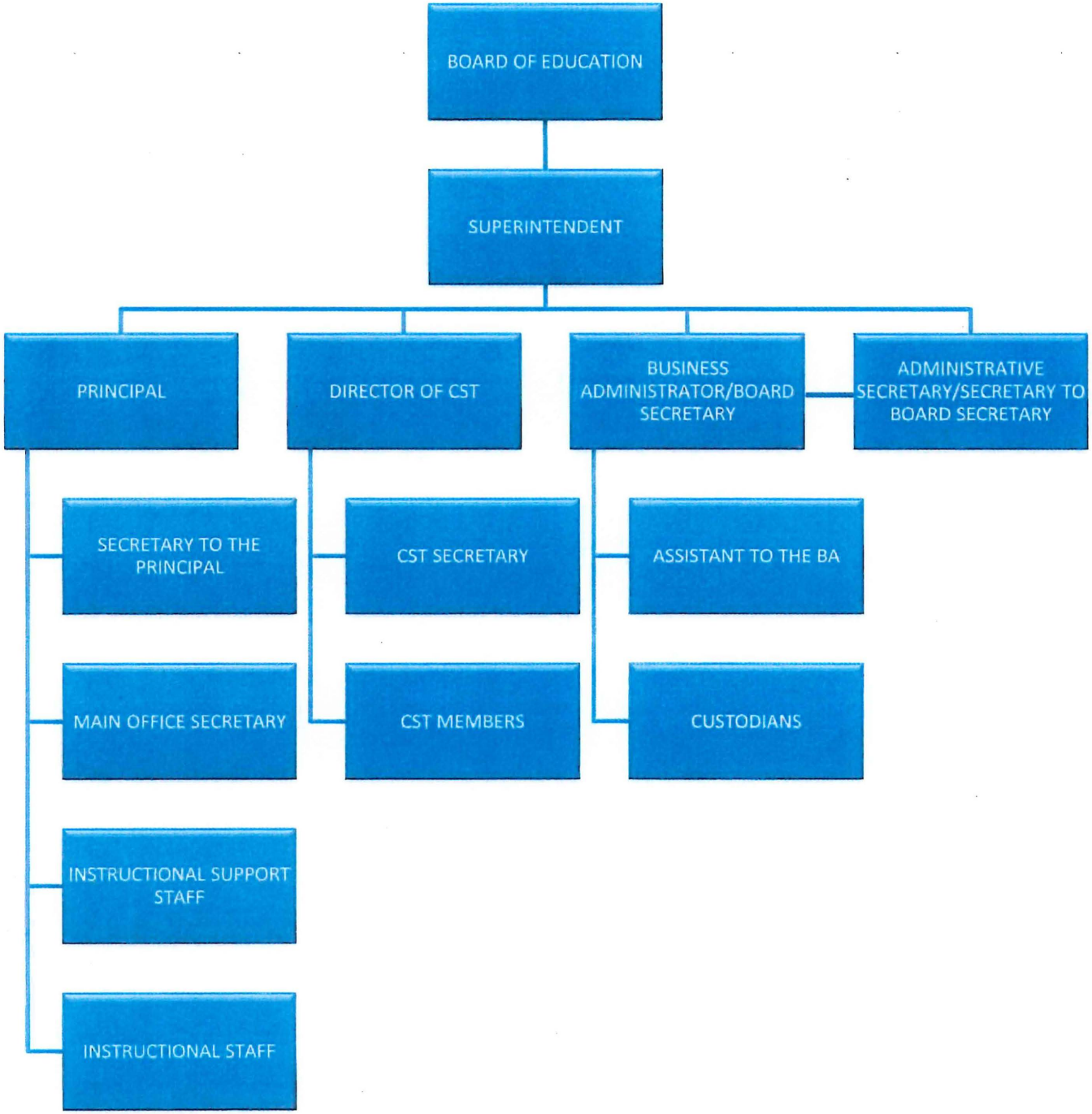
Respectfully submitted,

Lee S. Nittel
Superintendent of Schools

Lee S. Nittel

Carolina Rodriguez
Business Administrator/Board Secretary

Carolina Rodriguez


BOARD OF EDUCATION
SUPERINTENDENT
PRINCIPAL
DIRECTOR OF CST
BUSINESS ADMINISTRATOR/BOARD SECRETARY
ADMINISTRATIVE SECRETARY/SECRETARY TO BOARD SECRETARY
SECRETARY TO THE PRINCIPAL
MAIN OFFICE SECRETARY
INSTRUCTIONAL SUPPORT STAFF
INSTRUCTIONAL STAFF
CST SECRETARY
CST MEMBERS
ASSISTANT TO THE BA
CUSTODIANS

MINE HILL TOWNSHIP BOARD OF EDUCATION
ROSTER OF OFFICIALS
JUNE 30, 2025

Members of the Board of Education	Term Expires
Diane Morris, President	December 31, 2027
Kathleen Bartnick, Vice President	December 31, 2027
Jennifer Waters	December 31, 2027
Jennifer Antonicich	December 31, 2025
Peter Bruseo	December 31, 2026
Brian Homeyer	December 31, 2026
Srinivasa Rajagopal	December 31, 2025

Other Officials	Title
Lee S. Nittel	Superintendent
Carolina Rodriguez	Business Administrator/Board Secretary
Lisa Palmieri	Treasurer of School Monies
Isabel Machado	School Board Attorney
Marc Zitomer	School Board Attorney

MINE HILL TOWNSHIP BOARD OF EDUCATION
Consultants and Advisors

Board Attorney

Marc H. Zitomer
Schenck, Price, Smith & King, LLP
220 Park Avenue
P.O. Box 991
Florham Park, New Jersey 07932

Isabel Machado
Machado Law Group
1 Cleveland Place
Springfield, New Jersey 07081

Board Auditor

Lerch, Vinci & Bliss, LLP
17-17 Route 208 North
Fair Lawn, New Jersey 07410

Official Depositories

Lakeland Bank
350 North Main Street
Wharton, New Jersey 07885

State of New Jersey Cash Management Fund
Division of Investments
Department of Treasury
Trenton, New Jersey 08625

ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Mine Hill Township Board of Education

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Ryan S. Stechschulte
President

James M. Rowan, CAE, SFO
CEO/Executive Director

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
42 Canfield Ave.
Mine Hill, New Jersey 07803

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 Mine Hill Township Board of Education, as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Mine Hill Township 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 Mine Hill Township 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 Mine Hill Township 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 Mine Hill Township 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 Mine Hill Township Board of Education's basic financial statements. The accompanying schedule of expenditures of federal awards 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 Mine Hill Township 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, schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 30, 2025 on our consideration of the Mine Hill Township 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 Mine Hill Township 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 Mine Hill Township Board of Education's internal control over financial reporting and compliance.

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

Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
October 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Mine Hill Township Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2024-2025) and the prior year (2023-2024) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Mine Hill Township Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $17,474,556 (net position).

- Overall District revenues were $15,145,983. General revenues accounted for $11,651,515, or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for $3,494,468 of total revenues.

- The School District had $13,541,486 in expenses for governmental activities; only $3,258,037 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of $11,649,610 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 $10,756,300 a decrease of $82,649 when compared to the ending fund balance at June 30, 2024 of $10,838,949.

- The General Fund unassigned fund balance at June 30, 2025 was in a deficit position of $254,558 a decrease of $20,891 when compared with the ending fund balance deficit of $233,667 at June 30, 2024.

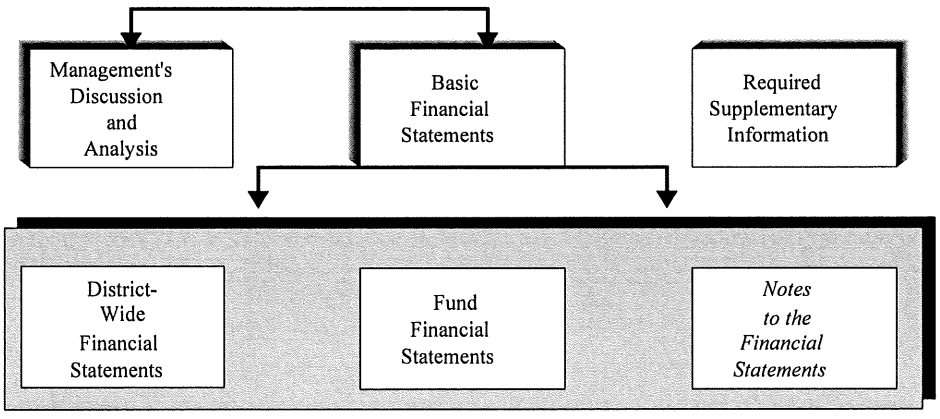
- The General Fund unassigned budgetary fund balance at June 30, 2025 was $591,369 which represents an increase of $295,133 when compared to the ending unassigned fund balance at June 30, 2024 of $296,236.

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 financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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 are summarized below. 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	The activities of the district that are not proprietary or fiduciary, such as instruction, special education building maintenance, and community education	Activities the district operates similar to private businesses: Enterprise funds
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities, 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 Financial 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 are an indicator of whether its financial position 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.

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 instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts finance most of these activities.

- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund is included here.

Fund Financial Statements

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

- Some funds are required by State law and 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).

Fund Financial Statements (Continued)

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 assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps 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. The District's Enterprise 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.

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 these 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 statements and schedules are presented immediately following the major budgetary comparisons if required.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $17,474,556 and $16,083,697 as of June 30, 2025 and 2024, respectively, as shown below.

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.

Net Position
as of June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	$ 11,349,999	$ 11,332,997	$ 104,018	$ 76,977	$ 11,454,017	$ 11,409,974
Capital Assets	12,023,966	10,767,868	7,801	11,503	12,031,767	10,779,371
Total Assets	23,373,965	22,100,865	111,819	88,480	23,485,784	22,189,345
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	277,452	129,288	-	-	277,452	129,288
Total Assets and Deferred Outflows	23,651,417	22,230,153	111,819	88,480	23,763,236	22,318,633
Liabilities						
Long-Term Liabilities	5,571,830	5,605,803			5,571,830	5,605,803
Other Liabilities	619,433	540,225	3,328	3,801	622,761	544,026
Total Liabilities	6,191,263	6,146,028	3,328	3,801	6,194,591	6,149,829
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	93,240	102,871			93,240	102,871
Deferred Commodities Revenue	-	-	849	1,735	849	1,735
Total Deferred Inflows	93,240	102,871	849	1,735	94,089	104,606
Total Liabilities and Deferred Inflows	6,284,503	6,248,899	4,177	5,536	6,288,680	6,254,435
Net Position						
Net Investment in Capital Assets	8,033,322	7,382,585	7,801	11,503	8,041,123	7,394,088
Restricted	10,001,771	9,136,322			10,001,771	9,136,322
Unrestricted	(668,179)	(518,154)	99,841	71,441	(568,338)	(446,713)
Total Net Position	$ 17,366,914	$ 16,000,753	$ 107,642	$ 82,944	$ 17,474,556	$ 16,083,697

The changes in net position for fiscal years ended 2025 and 2024 are as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	$ 11,551	$ 8,974	$ 83,605	$ 80,409	$ 95,156	$ 89,383
Operating Grants and Contributions	3,238,888	3,055,076	152,826	134,042	3,391,714	3,189,118
Capital Grants and Contributions	7,598	7,348			7,598	7,348
General Revenues						
Property Taxes	7,528,141	7,526,540			7,528,141	7,526,540
State Aid	3,666,141	3,093,516			3,666,141	3,093,516
Investment Earnings	402,037	439,523	1,905	4,521	403,942	444,044
Miscellaneous	53,291	62,938	-	-	53,291	62,938
Total Revenues	14,907,647	14,193,915	238,336	218,972	15,145,983	14,412,887
Expenses						
Instruction						
Regular	5,185,587	5,285,141			5,185,587	5,285,141
Special Education	2,527,564	1,878,478			2,527,564	1,878,478
Other Instruction	463,036	409,519			463,036	409,519
School Sponsored Activities	33,106	31,419			33,106	31,419
Support Services						
Student and Instruction Related Services	2,348,261	1,991,292			2,348,261	1,991,292
General Administration Services	483,334	443,282			483,334	443,282
School Administration Services	202,005	188,870			202,005	188,870
Plant Operation and Maintenance	411,369	356,494			411,369	356,494
Pupil Transportation	1,146,985	1,069,982			1,146,985	1,069,982
Business Services	650,093	634,261			650,093	634,261
Interest and Other Chgs on Long-Term Debt	90,146	93,606			90,146	93,606
Food Service	-	-	213,638	270,254	213,638	270,254
Total Expenses	13,541,486	12,382,344	213,638	270,254	13,755,124	12,652,598
Change in Net Position	1,366,161	1,811,571	24,698	(51,282)	1,390,859	1,760,289
Net Position, Beginning of Year	16,000,753	14,189,182	82,944	134,226	16,083,697	14,323,408
Net Position, End of Year	$ 17,366,914	$ 16,000,753	$ 107,642	$ 82,944	$ 17,474,556	$ 16,083,697

Governmental Activities

The financial position of the District remained stable. However, maintaining existing programs, the provision of a multitude of special programs/services for disabled pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

Total and Net Cost of Governmental Activities. The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2025 and 2024.

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
Instruction				
Regular	$ 5,185,587	$ 5,285,141	$ 4,694,483	$ 4,653,209
Special Education	2,527,564	1,878,478	1,611,295	1,156,032
Other Instruction	463,036	409,519	73,206	38,281
School Sponsored Activities	33,106	31,419	20,710	21,814
Support Services				
Student and Instruction Related Services	2,348,261	1,991,292	1,337,392	1,030,361
General Administration	483,334	443,282	443,854	386,807
School Administration Services	202,005	188,870	179,686	162,672
Plant Operation and Maintenance	411,369	356,494	373,002	304,520
Pupil Transportation	1,146,985	1,069,982	987,972	1,008,493
Business Services	650,093	634,261	471,703	455,151
Interest and Other Charges on Long-Term Debt	90,146	93,606	90,146	93,606
Total	**$ 13,541,486**	**$ 12,382,344**	**$ 10,283,449**	**$ 9,310,946**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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.

Governmental Funds (Continued)

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 $10,756,300, a decrease of $82,649 from last year's fund balance of $10,838,949.

Revenues and other financing sources for the District's governmental funds were $18,187,368; total expenditures and other financing uses were $18,270,017.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students.

Revenues and other financing sources of the General Fund were $13,971,998 for the fiscal year ended June 30, 2025. State revenue sources totaled $6,197,163 and local revenue sources totaled $7,747,046.

Expenditures and other financing uses of the General Fund were $14,694,559. Instructional expenditures were $8,340,917, support services were $3,881,630, debt service charges were $15,120 and capital expenditures totaled $48,872 for the fiscal year ended June 30, 2025.

Special Revenue Fund - The Special Revenue Fund includes the student activities and all restricted Federal and State sources utilized in the operations of the district in providing educational services to students.

Revenues of the Special Revenue Fund were $1,474,742 for the fiscal year ended June 30, 2025. Federal sources amounted to $271,443, state sources totaled $1,191,748, and local sources were $11,551.

Expenditures of the Special Revenue Fund were $1,681,318. Instructional expenditures were $570,246, support services were $1,100,582 and capital expenditures totaled $10,490 for the fiscal year ended June 30, 2025.

Capital Projects - The capital projects revenues and other financing sources exceeded the expenditures and other financing uses by $638,468, increasing the fund balance from $3,789,876 at June 30, 2024 to $4,428,344 at June 30, 2025.

Proprietary Funds

The District maintains an Enterprise Fund to account for the food service activities, which are supported by user fees and government subsidies.

Enterprise Fund - The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2024 encumbrances.
- Withdrawal form the General Fund Capital Reserve

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2025 and 2024 amounts to $12,031,767 and $10,779,371 (net of accumulated depreciation), respectively. The capital assets consist of land, site improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2024-2025 amounted to $364,796 for governmental activities and $3,702 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2025 and 2024.

	Governmental Activities		Business- Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 59,696	$ 59,696			$ 59,696	$ 59,696
Construction in Progress	5,248,018	3,750,591			5,248,018	3,750,591
Site Improvements	140,015	148,203			140,015	148,203
Buildings & Building Improments	6,342,864	6,517,824			6,342,864	6,517,824
Machinery and Equipment	233,373	291,554	$ 7,801	$ 11,503	241,174	303,057
Total	$ 12,023,966	$ 10,767,868	$ 7,801	$ 11,503	$ 12,031,767	$ 10,779,371

Additional information on the District's capital assets are presented in the Notes to the Financial Statements.

LONG TERM LIABILITIES

At June 30, 2025, the District's long-term liabilities consisted of compensated absences payable of $386,643, serial bonds of $4,355,000, capital financing agreements of $30,385 and net pension liability of $799,802 totaling $5,571,830. This is in comparison to long-term liabilities at June 30, 2024 of $5,605,803 or a decrease of $33,973.

Additional information on the District's long-term liabilities are presented in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2025-2026 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and utilizes the required investment to repair the District's aging facilities.

These expenditures are to be paid for by the mandated 2% CAP on the property tax levy with certain allowable adjustments to the tax levy. In the future, any such allowable adjustments may not be permitted.

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 Office of the School Business Administrator, Mine Hill Township Board of Education, 42 Canfield Avenue, Mine Hill Township, NJ 07803.

FINANCIAL STATEMENTS

EXHIBIT A-1

MINE HILL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 11,308,767	$ 44,892	$ 11,353,659
Investments	-		-
Receivables, net			
Receivables from Other Governments	73,338	23,518	96,856
Other Receivables		382	382
Inventory		3,120	3,120
Internal Balances	(32,106)	32,106	-
Capital Assets			
Not Being Depreciated	5,307,714		5,307,714
Being Depreciated, net	6,716,252	7,801	6,724,053
Total Assets	23,373,965	111,819	23,485,784
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	277,452	-	277,452
Total Deferred Outflows of Resources	277,452	-	277,452
Total Assets and Deferred Outflows of Resources	23,651,417	111,819	23,763,236
LIABILITIES			
Current Liabilities			
Accounts Payable	257,334	225	257,559
Accrued Salaries and Wages Payable	108,412		108,412
Accrued Interest Payable	25,734		25,734
Other Payables	23,006		23,006
Unearned Revenue	198,907	3,103	202,010
Payables to Other Governments	6,040		6,040
Noncurrent Liabilities			
Due Within One Year	234,320		234,320
Due Beyond One Year	5,337,510	-	5,337,510
Total Liabilities	6,191,263	3,328	6,194,591
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	93,240		93,240
Deferred Commodities Revenue	-	849	849
Total Deferred Inflows of Resources	93,240	849	94,089
Total Liabilities and Deferred Inflows of Resources	6,284,503	4,177	6,288,680
NET POSITION			
Net Investment in Capital Assets	8,033,322	7,801	8,041,123
Restricted for			
Capital Projects	9,279,415		9,279,415
Other Purposes	722,356		722,356
Unrestricted	(668,179)	99,841	(568,338)
Total Net Position	$ 17,366,914	$ 107,642	$ 17,474,556

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

MINE HILL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities							
Instruction							
Regular	$ 5,185,587		$ 491,104		$ (4,694,483)		$ (4,694,483)
Special Education	2,527,564		916,269		(1,611,295)		(1,611,295)
Other Instruction	463,036		389,830		(73,206)		(73,206)
School Sponsored Activities	33,106	$ 11,551	845		(20,710)		(20,710)
Support Services							
Student and Instruction Related Services	2,348,261		1,010,869		(1,337,392)		(1,337,392)
General Administration Services	483,334		39,480		(443,854)		(443,854)
School Administration Services	202,005		22,319		(179,686)		(179,686)
Business Services	411,369		38,367		(373,002)		(373,002)
Plant Operations and Maintenance	1,146,985		151,415	$ 7,598	(987,972)		(987,972)
Pupil Transportation	650,093		178,390		(471,703)		(471,703)
Interest on Long-Term Debt	90,146	-	-	-	(90,146)	-	(90,146)
Total Governmental Activities	13,541,486	11,551	3,238,888	7,598	(10,283,449)	-	(10,283,449)
Business-Type Activities							
Food Service	213,638	83,605	152,826	-	-	$ 22,793	22,793
Total Business-Type Activities	213,638	83,605	152,826	-	-	22,793	22,793
Total Primary Government	$ 13,755,124	$ 95,156	$ 3,391,714	$ 7,598	(10,283,449)	22,793	(10,260,656)
General Revenues							
Property Taxes, Levied for							
General Purposes					7,319,507		7,319,507
Debt Service					208,634		208,634
Investment Earnings					399,023	1,905	400,928
Investment Earnings - Restricted					3,014		3,014
State Aid Not Restricted					3,569,956		3,569,956
State Aid Restricted for Debt Service					96,185		96,185
Miscellaneous Income					53,291	-	53,291
Total General Revenues					11,649,610	1,905	11,651,515
Change in Net Position					1,366,161	24,698	1,390,859
Net Position, Beginning of Year					16,000,753	82,944	16,083,697
Net Position, End of Year					$ 17,366,914	$ 107,642	$ 17,474,556

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

FUND FINANCIAL STATEMENTS

MINE HILL TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 6,528,001	$ 163,393	$ 4,617,373		$ 11,308,767
Receivables, Net					
Receivables from Other Governments	30,720	42,618	-	-	73,338
Total Assets	$ 6,558,721	$ 206,011	$ 4,617,373	$ -	$ 11,382,105
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	$ 43,309	$ 24,996	$ 189,029		$ 257,334
Accrued Salaries and Wages Payable	108,412				108,412
Payroll Deductions and Withholdings Payable	23,006				23,006
Due to Other Funds	32,106				32,106
Intergovernmental Accounts Payable	6,040				6,040
Unearned Revenue	54,075	144,832	-	-	198,907
Total Liabilities	266,948	169,828	189,029	-	625,805
Fund Balances					
Restricted Fund Balance					
Capital Reserve	2,945,812				2,945,812
Capital Reserve - Designated for Subsequent Year's Budget	2,300,000				2,300,000
Maintenance Reserve	350,470				350,470
Emergency Reserve	250,000				250,000
Excess Surplus	300,000				300,000
Excess Surplus - Designated for Subsequent Year's Budget	300,000				300,000
Capital Projects			4,428,344		4,428,344
Unemployment Compensation Reserve	85,703				85,703
Student Activities		36,183			36,183
Assigned Fund Balance					
Year-End Encumbrances	14,346				14,346
Unassigned Fund Balance	(254,558)	-	-	-	(254,558)
Total Fund Balances	6,291,773	36,183	4,428,344	-	10,756,300
Total Liabilities and Fund Balances	$ 6,558,721	$ 206,011	$ 4,617,373	$ -	

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 $19,341,140 and the accumulated depreciation is $7,317,174.		12,023,966
Interest on long-term debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.		(25,734)
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.		
Deferred Outflows of Resources	$ 277,452	
Deferred Inflows of Resources	(93,240)	184,212
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds		
Bonds Payable	(4,355,000)	
Capital Financing Agreements Payable	(30,385)	
Compensated Absences Payable	(386,643)	
Net Pension Liability	(799,802)	
		(5,571,830)
Net Position of Governmental Activities		$ 17,366,914

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Taxes	$ 7,319,507			$ 208,634	$ 7,528,141
Interest	371,234		$ 27,789		399,023
Interest (Restricted - Unemployment Fund)	3,014				3,014
Miscellaneous	53,291	$ 11,551	-	-	64,842
Total Local Sources	7,747,046	11,551	27,789	208,634	7,995,020
Intergovernmental					
State Sources	6,197,163	1,191,748		96,185	7,485,096
Federal Sources	-	271,443	-	-	271,443
Total Intergovernmental Sources	6,197,163	1,463,191	-	96,185	7,756,539
Total Revenues	13,944,209	1,474,742	27,789	304,819	15,751,559
EXPENDITURES					
Current					
Instruction					
Regular Instruction	5,836,320				5,836,320
Special Education Instruction	2,464,789	118,955			2,583,744
Other Instruction	17,836	441,184			459,020
School-Sponsored Activities and Athletics	21,972	10,107			32,079
Support Services					
Student and Instruction Related Services	1,289,829	1,074,843			2,364,672
General Administration Services	504,397				504,397
School Administration Services	224,562				224,562
Business Services	446,242				446,242
Plant Operations and Maintenance	766,507	25,739			792,246
Pupil Transportation	650,093				650,093
Debt Service					
Principal	13,849			215,000	228,849
Interest and Other Charges	1,271			89,819	91,090
Capital Outlay	48,872	10,490	1,561,532	-	1,620,894
Total Expenditures	12,286,539	1,681,318	1,561,532	304,819	15,834,208
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,657,670	(206,576)	(1,533,743)	-	(82,649)
OTHER FINANCING SOURCES (USES)					
Transfers In	27,789	208,020	2,200,000		2,435,809
Transfers Out	(2,408,020)	-	(27,789)	-	(2,435,809)
Total Other Financing Sources and Uses	(2,380,231)	208,020	2,172,211	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(722,561)	1,444	638,468	-	(82,649)
Fund Balance, Beginning of Year	7,014,334	34,739	3,789,876	-	10,838,949
Fund Balance, End of Year	$ 6,291,773	$ 36,183	$ 4,428,344	$ -	$ 10,756,300

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

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

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)		$ (82,649)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities those costs are shown in the statement and allocated over their estimated useful lives as depreciation expense.		
Capital Outlay	$ 1,620,894	
Depreciation Expense	(364,796)	
		1,256,098
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal Repayments		
Bonds Payable	215,000	
Capital Financing Agreements	13,849	
		228,849
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds 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.		
Decrease in Accrued Interest		944
In the statement of activities, certain operating expenses - pension expenses and compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):		
Increase in Pension Expenses	(5,726)	
Increase in Compensated Absences Liability	(31,355)	
		(37,081)
Change in Net Position of Governmental Activities (Exhibit A-2)		$ 1,366,161

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

MINE HILL TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUND
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

	Other Non-Major Fund
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 44,892
Due from Other Funds	32,106
Intergovernmental Receivable	
Federal	20,650
State	2,868
Other Accounts Receivable	382
Inventories	3,120
Total Current Assets	104,018
Non-Current Assets	
Capital Assets	81,455
Less: Accumulated Depreciation	(73,654)
Total Non-Current Assets	7,801
Total Assets	111,819
LIABILITIES	
Current Liabilities	
Accounts Payable	225
Unearned Revenue	3,103
Total Current Liabilities	3,328
Total Liabilities	3,328
DEFERRED INFLOWS OF RESOURCES	
Deferred Commodities Revenue	849
Total Liabilities and Deferred Inflows of Resources	4,177
NET POSITION	
Investment in Capital Assets	7,801
Unrestricted	99,841
Total Net Position	$ 107,642

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

MINE HILL TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUND
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Other Non-Major Fund
OPERATING REVENUES	
Charges for Services	
Daily Sales -	
Reimbursable	$ 67,332
Nonreimbursable	16,273
Total Operating Revenues	83,605
OPERATING EXPENSES	
Cost of Sales -	
Reimbursable	112,818
Salaries and Wages	69,000
Purchased Professional and Technical Svcs	9,440
Other Purchased Services	15,848
Supplies and Materials	772
Miscellaneous	2,058
Depreciation Expense	3,702
Total Operating Expenses	213,638
Operating Income/(Loss)	(130,033)
NONOPERATING REVENUES	
State Sources	
School Lunch Program	12,103
School Breakfast Program	2,548
Summer EBT Food Benefits	321
Federal Sources	
National School Lunch Program	94,273
School Breakfast Program	16,314
National School PB Lunch	3,458
Supply Chain Administration Funding	
Food Distribution Program	23,028
Local Food for Schools Cooperative Program	322
Summer EBT Food Benefits	459
Local Sources	
Interest Income	1,905
Total Nonoperating Revenues	154,731
Change in Net Position	24,698
Net Position, Beginning of Year	82,944
Net Position, End of Year	$ 107,642

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

MINE HILL TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUND
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Other Non-Major Fund
CASH FLOW FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 83,269
Cash Payments for Employees	
Salaries & Benefits	(69,000)
Cash Payments to Suppliers for Goods	
and Services	(116,834)
Net Cash Provided by (Used for) Operating Activities	(102,565)
CASH FLOWS FROM NONCAPITAL FINANCIAL ACTIVITIES	
Cash Received from State and Federal Subsidy Reimbursements	123,565
Net Cash Provided by (Used for) Noncapital Financing Activities	123,565
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	1,905
Net Cash Provided by (Used for) Investing Activities	1,905
Net Change in Cash and Cash Equivalents	22,905
Cash and Cash Equivalents, Beginning of Year	21,987
Cash and Cash Equivalents, End of Year	$ 44,892
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED FOR) OPERATING ACTIVITIES	
Operating (Loss)	$ (130,033)
Adjustments to Reconcile Operating (Loss) to	
Net Cash Used for Operating Activities	
Depreciation	3,702
USDA Commodities - Value Used - Food Distribution Program	23,028
Change in Assets and Liabilities	
(Increase)/Decrease in Inventories	1,772
(Increase)/Decrease in Other Accounts Receivable	325
Increase (Decrease) in Accounts Payable	188
Increase/(Decrease) in Deferred Commodities Revenue	(886)
Increase/(Decrease) in Unearned Revenue	(661)
Net Cash Provided by (Used for) Operating Activities	$ (102,565)
Non-Cash Financing Activities	
Valued Received - Food Distribution Program	$ 22,142

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Mine Hill Township 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 seven 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 Kindergarten through grade six (6) 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 Mine Hill Township Board of Education this includes general operations, food service and student related activities of the District.

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

- GASB Statement No. 104, *Disclosure of Certain Capital Assets,* will be effective beginning with the fiscal year ending June 30, 2026. The objective of this Statement is to provide user of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement will improve financial reporting by provided users of the financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no fiduciary funds.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

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 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 non-major proprietary fund which is 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 teachers and special events.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

Use of Estimates

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of $2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. 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:

Assets	Years
Land Improvements	20
Buildings	50
Building Improvements	10-50
Machinery and Equipment	10-15
Vehicles	8
Computer Equipment	5

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category is 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; (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.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items, which arise only under the accrual basis of accounting that qualify for reporting in this category. Accordingly, one item 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 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation, personal, and sick leave benefits. A long-term liability of accumulated vacation, personal 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. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. Pensions

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

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

8. Financing Agreements

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

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

9. Long-Term Obligations

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and statement of net position. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. 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.

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

Capital Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the 2025/2026 original budget certified for taxes.

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

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2E).

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2025 audited excess surplus that is required to be appropriated in the 2026/2027 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Budget - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2024 audited excess surplus that was appropriated in the 2025/2026 original budget certified for taxes.

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

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4A)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Assigned Fund Balance – Amounts a Board 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.

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.

11. 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 had 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

3. Tuition Revenues and Expenditures

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

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

4. On-Behalf Payments

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

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

5. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses 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.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2024/2025. Also, during 2024/2025 the Board increased the original budget of the general fund by $581,743 and the special revenue fund by $325,566. The increases were funded by additional grant awards, capital reserve withdrawals, student activity revenues and the reappropriation of prior year encumbrances.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

B. Deficit Fund Equity

The District has an unassigned fund deficit of $254,558 in the General Fund as of June 30, 2025 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2024/2025 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. 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 of $254,558 in the General Fund GAAP (fund) financial statements is less than the delayed state aid payments at June 30, 2025.

C. Capital Reserve

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

Funds placed in the capital reserve are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the reserve cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance, July 1, 2024		$ 5,857,499
Increased by		
Deposits Approved by Board Resolution	$ 1,400,524	
Interest Earnings - Capital Project Fund	27,789	
Interest Earnings - General Fund	160,000	
Total Increases		1,588,313
		7,445,812
Decreased by:		
Withdrawals Approved in District Budget	1,725,600	
Withdrawals Approved by Board Resolution	474,400	
Total Decreases		2,200,000
Balance, June 30, 2025		$ 5,245,812

The June 30, 2025 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be $8,479,185. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan. $2,300,000 of the capital reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/2026 original budget certified for taxes.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve

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

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

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

Balance, July 1, 2024	$ 350,470
Balance, June 30, 2025	$ 350,470

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of $350,470.

E. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency 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. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of $250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of $1,000,000.

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

Balance, July 1, 2024	$ 250,000
Balance, June 30, 2025	$ 250,000

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

G. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2025 is $600,000. Of this amount, $300,000 was designated and appropriated in the 2025/2026 original budget certified for taxes and the remaining amount of $300,000 will be appropriated in the 2026/2027 original budget certified for taxes.

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.

Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to $250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of $250,000 for each failed brokerage firm. At June 30, 2025, the book value of the Board's deposits was $11,350,079 and bank and brokerage firm balances of the Board's deposits amounted to $11,699,908. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account	
Insured	$ 11,467,070
Uninsured and Collateralized	232,838
	$ 11,699,908

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2025 the Board's bank balance of $232,838 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	$ 232,838

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.

As of June 30, 2025, the Board had the following investments reported to cash and cash equivalents:

Investment Type:	Fair Value
N.J. Cash Management Fund	$ 3,580

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, 2025, $3,580 of the Board's investments was exposed to custodial credit risk as follows:

	Fair Value
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	$ 3,580

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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. More than five (5) percent of the Board's investments are in New Jersey Cash Management Fund. These investments are 100% of the District's total investments.

Fair Value of Investments. The Mine Hill Township 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 New Jersey Cash Management Fund. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2025 are categorized as Level 2.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

B. Receivables

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

	General	Special Revenue	Food Service Enterprise Fund	Total
Receivables:				
Accounts			$ 382	$ 382
Intergovernmental-				
Federal		$ 42,618	20,650	63,268
State	$ 30,720	-	2,868	33,588
Gross Receivables	30,720	42,618	23,900	97,238
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	$ 30,720	$ 42,618	$ 23,900	$ 97,238

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

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

General Fund	
Prepaid Property Taxes	$ 54,075
Special Revenue Fund	
Unencumbered Grant Draw Downs	144,832
Total Unearned Revenue for Governmental Funds	$ 198,907

D. Capital Assets

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

	Balance, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 59,696			$ 59,696
Construction in Progress	3,750,591	$ 1,497,427	-	5,248,018
Total Capital Assets, Not Being Depreciated	3,810,287	1,497,427	-	5,307,714
Capital Assets, Being Depreciated:				
Site Improvements	308,664			308,664
Buildings and Building Improvements	12,528,977	123,467		12,652,444
Machinery and Equipment	1,131,052	-	$ (58,734)	1,072,318
Total Capital Assets Being Depreciated	13,968,693	123,467	(58,734)	14,033,426
Less Accumulated Depreciation for:				
Site Improvements	(160,461)	(8,188)		(168,649)
Buildings and Building Improvements	(6,011,153)	(298,427)		(6,309,580)
Machinery and Equipment	(839,498)	(58,181)	58,734	(838,945)
Total Accumulated Depreciation	(7,011,112)	(364,796)	58,734	(7,317,174)
Total Capital Assets, Being Depreciated, Net	6,957,581	(241,329)	-	6,716,252
Governmental Activities Capital Assets, Net	$ 10,767,868	$ 1,256,098	$ -	$ 12,023,966

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2024	Increases	Balance, June 30, 2025
Business-Type Activities:			
Capital Assets, Being Depreciated:			
Machinery and Equipment	$ 81,456	-	$ 81,456
Less Accumulated Depreciation for:			
Machinery and Equipment	(69,953)	$ (3,702)	(73,655)
Business-Type Activities Capital Assets, Net	$ 11,503	$ (3,702)	$ 7,801

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

Governmental Activities:	
Support Services	
Student and Instruction Related Services	$ 9,509
General Administrative Services	19,298
Plant Operations and Maintenance	335,989
Total Depreciation Expense - Governmental Activities	$ 364,796
Business-Type Activities:	
Food Service Fund	$ 3,702
Total Depreciation Expense-Business-Type Activities	$ 3,702

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2025:

Project	Spent to Date	Remaining Commitment
Various School Improvements, Upgrades, and Renovations	$ 4,563,259	$ 189,029
HVAC Project	609,186	144,595
Parking Lot Paving Project	54,031	924,000
Total	$ 5,226,476	$ 1,257,624

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

Receivable Fund	Payable Fund	Amount
Food Service	General Fund	$ 32,106

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/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

	Transfer In:			
	General	Special Revenue	Capital Projects	Total
Transfer Out:				
General Fund		$ 208,020	$ 2,200,000	$ 2,408,020
Capital Projects Fund	$ 27,789	-	-	27,789
Total Transfers	$ 27,789	$ 208,020	$ 2,200,000	$ 2,435,809

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the acquisition of copier machines. 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, 2025 are comprised of the following:

$69,517, fiscal year 2022 Agreement for the acquisition of copier machines for a term of five (5) years due in monthly principal installments ranging from $1,099 through $1,256, through July 1, 2027.	$ 30,385

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

The maturity schedule of the remaining capital for principal and interest is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	Capital Agreements Principal	Interest
2026	$ 14,320	$ 800
2027	14,808	312
2028	1,257	3
Total	$ 30,385	$ 1,115

G. Long-Term Debt

General Obligation Bonds

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

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

$4,958,000, 2021 School Bonds, due in annual installments ranging from $220,000 to $300,000 through September 15, 2041, interest ranging from 2.000% to 2.125%	$ 4,355,000

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

Governmental Activities:

Fiscal Year Ending June 30,	Serial Bonds Principal	Interest	Total
2026	$ 220,000	$ 86,006	$ 306,006
2027	220,000	81,606	301,606
2028	225,000	77,156	302,156
2029	230,000	72,606	302,606
2030	235,000	67,956	302,956
2031-2035	1,250,000	266,530	1,516,530
2036-2040	1,380,000	135,049	1,515,049
2041-2042	595,000	12,696	607,696
Total	$ 4,355,000	$ 799,605	$ 5,154,605

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

Statutory Borrowing Power

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

2.5% of Equalized Valuation Basis (Municipal)	$ 15,410,980
Less: Net Debt Issued and Authorized But Not Issued	4,355,240
Remaining Borrowing Power	$ 11,055,740

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, July 1, 2024	Additions	Reductions	Balance, June 30, 2025	Due Within One Year
Governmental Activities:					
Bonds Payable	$ 4,570,000		$ 215,000	$ 4,355,000	$ 220,000
Capital Financing Agreements	44,234		13,849	30,385	14,320
Compensated Absences	355,288	$ 31,355		386,643	
Net Pension Liability	636,281	163,521	-	799,802	-
Governmental Activity Long-Term Liabilities	$ 5,605,803	$ 194,876	$ 228,849	$ 5,571,830	$ 234,320

For the governmental activities, the liabilities for compensated absences, capital financing agreements, 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.

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

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

The relationship between the Board and the 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.

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

Fiscal Year Ended June 30,	Employee Contributions	Interest Earnings	Amount Reimbursed	Ending Balance
2025	$ 9,024	$ 3,014	$ 3,740	$ 85,703
2024	8,234	3,413	13,663	82,689
2023	8,641	2,369	13,107	79,275

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.

The Board is a defendant in one case, filed, on behalf a former student, and their parents, who allege the student had experienced an inappropriate sexual encounter by another student. The Board Attorney and Counsel for the insurance carrier are aggressively defending the Board in these actions. Many of the counts from the original complaint have been dismissed. However, there are some claims against the school district and school personnel that remain open. The pending matters are currently in discovery. The amount of potential losses from the open claims cannot be determined, nor can the potential damages not covered by insurance be estimated.

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

NOTE 4 OTHER INFORMATION (Continued)

C. Federal Arbitrage Regulations

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

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

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.

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.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended June 30,	PERS	On-behalf TPAF	DCRP
2025	$ 80,093	$ 1,049,018	$ 13,045
2024	58,712	954,451	12,991
2023	62,822	961,121	7,093

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2025, 2024 and 2023 the State contributed $500, $435 and $443, 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 $249,960 during the fiscal year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2023 through June 30, 2024. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

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

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

At June 30, 2025, the District reported in the statement of net position (accrual basis) a liability of $799,802 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2024. At June 30, 2024, the District's proportionate share was 0.00589 percent, which was an increase of .00150 percent from its proportionate share measured as of June 30, 2023 of 0.00439 percent.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense of $85,819 for PERS. The pension contribution made by the District during the current 2024/2025 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2025 with a measurement date of the prior fiscal year end of June 30, 2024. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2025 for contributions made subsequent to the measurement date. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 16,022	$ 2,129
Changes of Assumptions	994	9,100
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		37,085
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	260,436	44,926
Total	$ 277,452	$ 93,240

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

Year Ending June 30,	Total
2026	$ 40,489
2027	81,196
2028	22,590
2029	36,126
2030	3,811
Thereafter	-
	$ 184,212

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the PERS Net Pension Liability	$ 1,062,740	$ 799,802	$ 576,043

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

Pension Plan Fiduciary Net Position

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of $39,927 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2025 the State's proportionate share of the net pension liability attributable to the District is $10,945,375. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2024. At June 30, 2024, the State's share of the net pension liability attributable to the District was 0.02215 percent, which was a decrease of 0.00104 percent from its proportionate share measured as of June 30, 2023 of 0.02319 percent.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

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

Discount Rate

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

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)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	$ 13,010,128	$ 10,945,375	$ 9,206,463

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, 2024. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2024 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2023 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2025, 2024 and 2023 were $306,524, $259,766 and $252,484, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of $551,557. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2025 the State's proportionate share of the OPEB liability attributable to the District is $12,840,353. The State's proportionate share of the OPEB liability attributable to the District was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2024. At June 30, 2024, the state's share of the OPEB liability attributable to the District was 0.02153 percent, which was an increase of 0.00037 percent from its proportionate share measured as of June 30, 2023 of 0.02116 percent.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

	PERS	TPAF
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 5.65% Based on Years of Service

Mortality Rates

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

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

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

Health Care Trend Assumptions

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

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)

Discount Rate

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2023 Measurement Date	$ 11,077,912
Changes Recognized for the Fiscal Year:	
Service Cost	487,601
Interest on the Total OPEB Liability	422,674
Differences Between Expected and Actual Experience	203,287
Changes of Assumptions	960,629
Gross Benefit Payments	(322,803)
Contributions from the Member	11,053
Net Changes	$ 1,762,441
Balance, June 30, 2024 Measurement Date	$ 12,840,353

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

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

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

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

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
State's Proportionate Share of the OPEB Liability Attributable to the District	$ 15,038,803	$ 12,840,353	$ 11,072,343

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	$ 10,696,108	$ 12,840,353	$ 15,633,374

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

F. Subsequent Events

On September 23, 2025 the Mine Hill Township Board of Education approved by resolution, the cancellation of various capital projects. The amount cancelled of $1,743,039 was transferred to the General Fund Capital Reserve account.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Property Taxes	$ 7,319,507		$ 7,319,507	$ 7,319,507	
Interest Earnings	5,000		5,000	211,234	$ 206,234
Interest Earnings - Capital Reserve	155,000		155,000	160,000	5,000
Interest Earnings - Unemployment Insurance				3,014	3,014
Miscellaneous	10,000	-	10,000	53,291	43,291
Total Local Sources	7,489,507	-	7,489,507	7,747,046	257,539
State Sources					
School Choice Aid	1,323,160		1,323,160	1,323,160	
Transportation Aid	171,868		171,868	171,868	
Special Education Aid	571,326		571,326	571,326	
Equalization Aid	2,306,450		2,306,450	2,306,450	
Security Aid	129,783		129,783	129,783	
Extraordinary Aid	75,000		75,000	398,060	323,060
Non-Public Transportation Aid				6,538	6,538
On-behalf TPAF (Non-Budgeted)					
Pension Contributions - Normal Cost				1,036,182	1,036,182
Pension Contributions - NCGI				12,836	12,836
Post Retirement Medical Cont.				306,524	306,524
Long-Term Disability Insurance Cont.				500	500
Social Security Payments	-	-	-	249,960	249,960
Total State Sources	4,577,587	-	4,577,587	6,513,187	1,935,600
Total Revenues	12,067,094	-	12,067,094	14,260,233	2,193,139
EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	260,355	$ 668	261,023	261,023	-
Grades 1-5	1,409,649	90,182	1,499,831	1,498,744	1,087
Grades 6-8	331,850	(94,193)	237,657	237,657	-
Regular Program - Home Instruction					
Salaries of Teachers	15,200	-	15,200		15,200
Purchased Prof. - Ed. Services	40,000	-	40,000		40,000
Other Purch. Serv.	500	-	500		500
Regular Programs - Undistributed Instruction					
Purchased Prof. - Ed. Services	103,024	3,869	106,893	97,641	9,252
Purchased Technical Services	9,230	1,499	10,729	9,029	1,700
Other Purch. Serv.	38,050	(978)	37,072	33,679	3,393
General Supplies	265,643	(10,756)	254,887	220,504	34,383
Textbooks	8,000	-	8,000	-	8,000
Total Regular Programs	2,481,501	(9,709)	2,471,792	2,358,277	113,515
Special Education					
Multiple Disabilities					
Salaries of Teachers	95,303	(339)	94,964	92,273	2,691
Other Salaries for Instruction	5,500	339	5,839	3,469	2,370
Purchased Prof. - Ed. Services	2,750	-	2,750	250	2,500
General Supplies	4,000	-	4,000	1,693	2,307
Other Objects	3,500	(1,838)	1,662	-	1,662
Total Multiple Disabilities	111,053	(1,838)	109,215	97,685	11,530
Resource Room / Resource Center					
Salaries of Teachers	170,790	3,500	174,290	172,453	1,837
Other Salaries for Instruction	310,935	6,567	317,502	299,867	17,635
General Supplies	2,500	-	2,500	2,277	223
Total Resource Room / Resource Center	484,225	10,067	494,292	474,597	19,695

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Preschool Disabilities - Full Time					
Salaries of Teachers	$ 63,270	$ 250	$ 63,520	$ 63,345	$ 175
Other Salaries for Instruction	40,000	19,959	59,959	58,822	1,137
Total Preschool Disabilities-Full Time	103,270	20,209	123,479	122,167	1,312
Bilingual Education					
Salaries of Teachers	59,970	-	59,970	59,970	-
Total Bilingual Education	59,970	-	59,970	59,970	-
Total Special Education	758,518	28,438	786,956	754,419	32,537
School Sponsored Co/Extra Curricular Activities					
Salaries	21,500	-	21,500	14,229	7,271
Supplies and Materials	1,100	-	1,100	1,014	86
Total School Sponsored Co/Extra Curricular Activities	22,600	-	22,600	15,243	7,357
Total Instruction	3,262,619	18,729	3,281,348	3,127,939	153,409
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Regular	1,988,898	-	1,988,898	1,988,898	-
Tuition to Other LEAs Within the State - Special	713,971	-	713,971	562,347	151,624
Tuition to Co. Voc. School District - Regular	165,000	-	165,000	145,846	19,154
Tuition to APSSD Within the State	799,051	(30,000)	769,051	300,885	468,166
Total Undistributed Expenditures - Instruction	3,666,920	(30,000)	3,636,920	2,997,976	638,944
Attendance & Social Work					
Purchased Professional and Technical Services	13,300	-	13,300	11,359	1,941
Total Attendance & Social Work	13,300	-	13,300	11,359	1,941
Health Services					
Salaries	62,630	6,792	69,422	65,492	3,930
Purchased Professional and Technical Services	8,500	-	8,500	5,235	3,265
Other Purch. Services	250	-	250		250
Supplies and Materials	3,500	45	3,545	2,970	575
Other Objects	250	-	250	148	102
Total Health Services	75,130	6,837	81,967	73,845	8,122
Speech, OT, PT & Related Services					
Salaries		63,770	63,770	63,770	
Purch. Prof. Ed Services	273,060	(73,952)	199,108	143,716	55,392
Supplies and Materials	1,836	-	1,836	-	1,836
Total Speech, OT, PT & Related Services	274,896	(10,182)	264,714	207,486	57,228
Other Support Services - Extra Services					
Purchased Professional - Educational Services	311,852	-	311,852	159,343	152,509
Total Other Support Services - Extra Services	311,852	-	311,852	159,343	152,509
Guidance					
Salaries of Other Professional Staff	60,380	-	60,380	60,380	-
Other Purch. Prof. & Tech. Serv.	1,000	-	1,000		1,000
Other Purchased Services	350	-	350		350
Supplies and Materials	600	-	600	591	9
Other Objects	250	-	250	-	250
Total Guidance	62,580	-	62,580	60,971	1,609

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Child Study Team					
Salaries of Other Professional Staff	$ 98,553	-	$ 98,553	$ 98,553	
Salaries of Secretarial and Clerical Assistants	26,000	$ (18,154)	7,846	5,793	$ 2,053
Other Salaries	1,300	2,098	3,398	3,398	-
Purchased Professional - Educational Svs.	108,360	80,000	188,360	90,135	98,225
Other Purchased Professional and Tech. Services	6,400	(91)	6,309	3,688	2,621
Other Purchased Services	2,234	662	2,896	2,671	225
Supplies and Materials	4,000	-	4,000	1,480	2,520
Other Objects	816	-	816	-	816
Total Child Study Team	247,663	64,515	312,178	205,718	106,460
Improvement of Instructional Services					
Salaries of Other Prof. Staff	85,007	485	85,492	81,739	3,753
Total Improvement of Instructional Services	85,007	485	85,492	81,739	3,753
Educational Media Services/School Library					
Salaries	84,088	750	84,838	83,765	1,073
Salaries of Technology Coordinators	65,488	(6,436)	59,052	59,052	-
Purchased Professional and Technical Services		-			-
Other Purchased Services	12,300	529	12,829	8,895	3,934
Supplies and Materials	5,500	200	5,700	4,753	947
Other Objects	1,500	-	1,500	-	1,500
Total Educational Media Serv./School Library	168,876	(4,957)	163,919	156,465	7,454
Staff Training Services					
Purchased Professional/Educational Services	50,000	(17,892)	32,108	31,300	808
Other Purchased Services	9,500	(3,263)	6,237	1,652	4,585
Supplies and Materials	500	-	500	-	500
Total Staff Training Services	60,000	(21,155)	38,845	32,952	5,893
Support Services General Administration					
Salaries	220,533	147	220,680	220,680	-
Unused Vacation Payment to Terminated/Retired Staff	6,320	3,422	9,742	9,742	-
Legal Services	15,000	-	15,000	6,305	8,695
Audit Fees	31,000	950	31,950	31,950	-
Architectural/Engineering Services	5,000	18,606	23,606	15,522	8,084
Other Purchased Prof. Serv.	9,965	-	9,965	9,715	250
Purchased Technical Services	800	-	800	669	131
Communications/Telephone	12,850	594	13,444	13,444	-
BOE Other Purchased Prof. Serv.	7,400	1,404	8,804	6,103	2,701
Misc. Purchased Services	5,000	(349)	4,651	4,465	186
General Supplies	2,000	-	2,000	1,979	21
BOE In-House Training/Meeting Supplies	100	-	100		100
Miscellaneous Expenditures	3,000	-	3,000	2,947	53
BOE Membership Dues and Fees	5,882	240	6,122	6,122	-
Total Support Services General Administration	324,850	25,014	349,864	329,643	20,221
Support Services School Administration					
Salaries of Principal/Asst. Principals/Program Dir.	78,783	757	79,540	79,540	-
Salaries of Secretarial and Clerical Assistants	45,309	1,208	46,517	46,516	1
Purchased Professional and Tech. Services	250	(215)	35	35	-
Other Purchased Services	4,840	(386)	4,454	4,441	13
Supplies and Materials	2,500	-	2,500	2,193	307
Other Objects	1,700	-	1,700	1,553	147
Total Support Services School Administration	133,382	1,364	134,746	134,278	468

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Central Services					
Salaries	$ 129,241	$ 1,243	$ 130,484	$ 130,484	
Salaries of Secretarial and Clerical Assistants	105,658	203	105,861	105,861	
Purchased Technical Services	26,943	(1,054)	25,889	25,794	$ 95
Miscellaneous Purchased Services	14,526	(492)	14,034	13,984	50
Supplies and Materials	2,500	2,207	4,707	4,707	-
Misc. Expenditures	2,000	(126)	1,874	1,874	-
Total Central Services	280,868	1,981	282,849	282,704	145
Required Maintenance for School Facilities					
Cleaning, Repair and Maintenance	226,982	(36,351)	190,631	158,550	32,081
General Supplies	2,796	14,421	17,217	13,746	3,471
Total Required Maintenance for School Facilities	229,778	(21,930)	207,848	172,296	35,552
Custodial Services					
Salaries	263,251	(124)	263,127	248,439	14,688
Purchased Prof. And Technical Serv.		2,754	2,754	2,754	-
Cleaning, Repair and Maint. Serv.	25,222	(7,222)	18,000	16,553	1,447
Other Purchased Property Services	8,740	-	8,740	6,509	2,231
Insurance	83,301	(75)	83,226	71,520	11,706
Miscellaneous Purchased Services	2,500	(1,382)	1,118	1,014	104
General Supplies	32,500	4,198	36,698	33,978	2,720
Energy (Natural Gas)	52,200	9,462	61,662	47,094	14,568
Energy (Electricity)	58,300	(3,301)	54,999	38,022	16,977
Energy (Gasoline)	450	(279)	171	-	171
Misc. Expenditures	700	1,880	2,580	630	1,950
Total Custodial Services	527,164	5,911	533,075	466,513	66,562
Care & Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	49,200	1,030	50,230	41,999	8,231
General Supplies	300	-	300	180	120
Total Care & Upkeep of Grounds	49,500	1,030	50,530	42,179	8,351
Security					
Salaries	11,448	22	11,470	11,470	-
Total Security	11,448	22	11,470	11,470	-
Student Transportation Services					
Management Fee - ESC & CTA Trans. Program	24,400	4,228	28,628	28,628	-
Contracted Services (Other than Between Home and School) - Vendors	9,100	(500)	8,600	7,873	727
Contracted Services (Spl. Ed. Students) - Joint Agreements	50,000	(15,527)	34,473	24,131	10,342
Contracted Services (Reg. Students) - ESCs and CTSAs	275,000	57,730	332,730	332,729	1
Contracted Services (Spl. Ed. Students) - ESCs and CTSAs	300,000	(17,112)	282,888	204,944	77,944
Contracted Services - Aide-in-Lieu - Non-Public	69,900	(9,733)	60,167	51,788	8,379
Total Student Transportation Services	728,400	19,086	747,486	650,093	97,393
Undistributed Expenditures (Continued)					
Unallocated Benefits - Employee Benefits					
Social Security Contributions	130,865	(17,683)	113,182	111,769	1,413
Other Retirement Contributions - PERS	65,096	17,705	82,801	82,773	28
Other Retirement Contributions - Regular	13,651	-	13,651	13,045	606
Unemployment	20,000	(15,386)	4,614		4,614
Workers Compensation	30,925	8,208	39,133	39,133	-
Health Benefits	1,134,618	36,537	1,171,155	1,118,424	52,731
Tuition Reimbursement	20,000	8,832	28,832	28,684	148
Other Employee Benefits	44,700	12,380	57,080	56,754	326
Total Unallocated Benefits - Employee Benefits	1,459,855	50,593	1,510,448	1,450,582	59,866

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT(Continued)					
On-Behalf TPAF (Non-Budget)					
Pension Contributions - Normal Cost				$ 1,036,182	$ (1,036,182)
Pension Contributions NCGI				12,836	(12,836)
Post Retirement Medical Cont.				306,524	(306,524)
Long-Term Disability Insurance Cont.				500	(500)
Social Security Payments	-	-	-	249,960	(249,960)
Total On-Behalf Payments	-	-	-	1,606,002	(1,606,002)
Total Undistributed Expenditures	$ 8,711,469	$ 88,614	$ 8,800,083	9,133,614	(333,531)
Interest Earned on Maintenance Reserve	5,000	-	5,000	-	5,000
Total Current Expenditures	11,979,088	107,343	12,086,431	12,261,553	(175,122)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures					
Undist. Expend - Central Services	155,000	-	155,000	-	155,000
Total Undist. Exp. - Non-Instructional Services	155,000	-	155,000	-	155,000
Facilities Acquisition and Construction Serv.					
Assessment for Debt Service on SDA Funding	11,821	-	11,821	11,821	-
Total Facilities Acquisition and Construction Services	11,821	-	11,821	11,821	-
Total Capital Outlay	166,821	-	166,821	11,821	155,000
Transfer of Funds to Charter Schools	13,165	-	13,165	13,165	-
Total Expenditures	12,159,074	107,343	12,266,417	12,286,539	(20,122)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(91,980)	(107,343)	(199,323)	1,973,694	2,173,017
Other Financing Sources (Uses)					
Transfer In Capital Projects Fund		-		27,789	27,789
Transfer Out Special Revenue Fund	(208,020)	-	(208,020)	(208,020)	-
Transfer Out Capital Projects Fund	(1,725,600)	(474,400)	(2,200,000)	(2,200,000)	-
Total Other Financing Sources (Uses)	(1,933,620)	(474,400)	(2,408,020)	(2,380,231)	27,789
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,025,600)	(581,743)	(2,607,343)	(406,537)	2,200,806
Fund Balance, Beginning of Year	7,544,237	-	7,544,237	7,544,237	-
Fund Balance, End of Year	$ 5,518,637	$ (581,743)	$ 4,936,894	$ 7,137,700	$ 2,200,806
Recapitulation of Fund Balance					
Restricted					
Capital Reserve				$ 2,945,812	
Capital Reserve - Designated for Subsequent Year's Budget				2,300,000	
Maintenance Reserve				350,470	
Emergency Reserve				250,000	
Excess Surplus				300,000	
Excess Surplus - Designated for Subsequent Year's Budget				300,000	
Unemployment Compensation Reserve				85,703	
Assigned Fund Balance					
Year-End Encumbrances				14,346	
Unassigned				591,369	
Fund Balance (Budgetary Basis)				7,137,700	
Less:					
State Aid not Recognized on GAAP Basis				(845,927)	
Fund Balance (GAAP Basis)				$ 6,291,773	

MINE HILL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES					
Intergovernmental					
Federal	$ 211,951	$ 60,279	$ 272,230	$ 271,443	$ (787)
State	1,189,365	261,736	1,451,101	1,190,862	(260,239)
Local	8,000	3,551	11,551	11,551	-
Total Revenues	1,409,316	325,566	1,734,882	1,473,856	(261,026)
EXPENDITURES					
Instruction					
Salaries	261,815	50,520	312,335	306,608	5,727
Other Salaries	75,200	(4,698)	70,502	70,502	-
Purchased Prof. and Tech. Services		11,821	11,821	11,760	61
Purchased Educ. Services - Contracted Pre-K	13,839	(2,711)	11,128	11,128	-
Other Purchased Services	2,500	(784)	1,716	1,716	-
Tuition	116,000	2,955	118,955	118,955	-
General Supplies	23,700	15,890	39,590	39,470	120
Co-Curricular/Extra-Curricular Activities	8,000	(7,600)	400	10,107	(9,707)
Total Instruction	501,054	65,393	566,447	570,246	(3,799)
Support Services					
Salaries	4,112	4,395	8,507	7,127	1,380
Salaries of Supervisors of Instruction	35,359	-	35,359	35,359	-
Salaries of Principal/Asst. Principals/Program Dir.	31,513	303	31,816	31,816	-
Salaries of Other Professional Staff	14,400	1,698	16,098	16,098	-
Salaries of Secretaries and Clerical Assistants	10,492	20	10,512	10,512	-
Other Salaries	74,844	15,655	90,499	90,420	79
Salaries of Community Parent Involvement	38,288	1,338	39,626	39,626	-
Salaries of Master Teachers	53,383	1,339	54,722	54,722	-
Personal Services-Employee Benefits	213,065	(49,879)	163,186	162,598	588
Purchased Prof. and Tech. Services	22,689	(4,353)	18,336	18,336	-
Purchased Prof. and Educ. Services	145,275	-	145,275	145,275	-
Purchased Educ. Services - Contracted Pre-K	431,164	-	431,164	431,162	2
Other Purchased Professional -Ed. Services	6,575	(3,945)	2,630	2,630	-
Other Purchased Professional Services	2,000	(40)	1,960	1,960	-
Cleaning, Repair, and Maintenance		21,095	21,095	20,876	219
Contracted Services - Transportation	2,500	(840)	1,660	1,660	-
Travel	500	(300)	200	200	-
General Supplies	6,575	5,867	12,442	7,893	4,549
Other Objects	3,548	3,023	6,571	6,571	-
Total Support Services	1,096,282	(4,624)	1,091,658	1,084,841	6,817
Facilities Acquisition and Construction Services					
Instructional Equipment	20,000	5,582	25,582	24,330	1,252
Non-Instructional Equipment	-	255,153	255,153	1,015	254,138
Total Facilities Acquisition and Construction Services	20,000	260,735	280,735	25,345	255,390
Total Expenditures	1,617,336	321,504	1,938,840	1,680,432	258,408
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(208,020)	4,062	(203,958)	(206,576)	(2,618)
Other Financing Sources (Uses)					
Transfer In from General Fund	208,020	-	208,020	208,020	-
Total Other Financing Sources (Uses)	208,020	-	208,020	208,020	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	-	4,062	4,062	1,444	(2,618)
Fund Balances, Beginning of Year	34,739	-	34,739	34,739	-
Fund Balances, End of Year	$ 34,739	$ 4,062	$ 38,801	$ 36,183	$ (2,618)
Recapitulation of Fund Balance:					
Restricted:					
Student Activities				$ 36,183	

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

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 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 Funds 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.

		General Fund		Special Revenue Fund
Sources/Inflows of /Resources				
Actual revenues (budgetary basis)	(C-1)	$ 14,260,233	(C-2)	$ 1,473,856
Difference - Budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Encumbrances, June 30, 2025				
Encumbrances, June 30, 2024				886
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements (current year)		(845,927)		
State Aid payments recognized for GAAP statements, not recognized for Budgetary purposes (prior year)		529,903		-
Total Revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	(B-2)	$ 13,944,209	(B-2)	$ 1,474,742
Uses/Outflows of Resources				
Actual expenditures (budgetary basis)	(C-1)	$ 12,286,539	(C-2)	$ 1,680,432
Differences - budget to GAAP				
Encumbrances for supplies ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Encumbrances, June 30, 2025				-
Encumbrances, June 30, 2024		-		886
Total Expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2)	$ 12,286,539	(B-2)	$ 1,681,318

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION
AND
POST-EMPLOYMENT BENEFITS INFORMATION

MINE HILL TOWNSHIP 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*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Position Liability (Asset)	0.00589 %	0.00439 %	0.00480 %	0.00378 %	0.00386 %	0.00383 %	0.00374 %	0.00476 %	0.00465 %	0.00454 %
District's Proportionate Share of the Net Pension Liability (Asset)	$ 799,802	$ 636,281	$ 724,179	$ 448,312	$ 630,442	$ 690,319	$ 738,329	$ 1,110,079	$1,376,165	$ 1,020,031
District's Covered Payroll	$ 487,957	$ 329,652	$ 323,735	$ 268,232	$ 271,694	$ 279,766	$ 272,250	$ 276,328	$ 330,374	$ 319,652
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	61.01%	51.81%	44.70%	59.83%	43.10%	40.53%	36.87%	24.89%	24.01%	31.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

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

MINE HILL TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	$ 80,093	$ 58,712	$ 62,822	$ 44,319	$ 42,292	$ 39,704	$ 37,299	$ 44,177	$ 41,279	$ 39,555
Contributions in Relation to the Contractually Required Contribution	80,093	58,712	62,822	44,319	42,292	39,704	37,299	44,177	41,279	39,555
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 641,985	$ 487,957	$ 329,652	$ 323,735	$ 268,232	$ 271,694	$ 279,766	$ 272,250	$ 276,328	$ 330,374
Contributions as a Percentage of Covered Payroll	12.48%	12.03%	19.06%	13.69%	15.77%	14.61%	13.33%	16.23%	14.94%	11.97%

MINE HILL TOWNSHIP 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*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	$ 10,945,375	$ 11,833,813	$ 11,661,696	$ 11,066,951	$ 15,597,004	$ 13,909,454	$ 14,664,608	$ 15,248,674	$ 17,680,798	$ 12,306,930
Total	$ 10,945,375	$ 11,833,813	$ 11,661,696	$ 11,066,951	$ 15,597,004	$ 13,909,454	$ 14,664,608	$ 15,248,674	$ 17,680,798	$ 12,306,930
District's Covered Payroll	$ 3,169,940	$ 2,849,887	$ 2,648,073	$ 2,589,766	$ 2,557,543	$ 2,563,949	$ 2,530,726	$ 2,396,258	$ 2,287,613	$ 2,273,212
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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

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

Change of Benefit Terms: None.

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

MINE HILL TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OTHER POSTEMPLOYMENT BENEFIT LIABILITY

Postemployment Health Benefit Plan

Last Eight Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Service Cost	$ 487,601	$ 495,552	$ 613,061	$ 737,107	$ 393,339	$ 361,994	$ 421,988	$ 512,053
Interest on the Total OPEB Liability	422,674	390,151	310,982	342,089	322,930	383,087	395,567	339,427
Changes of Benefit Terms				(14,036)				
Differences Between Expected and Actual Experience	203,287	(1,270,679)	1,069,583	(2,702,078)	2,897,502	(1,321,508)	(540,376)	
Changes of Assumptions	960,629	22,328	(3,147,936)	13,010	2,753,098	133,585	(1,109,574)	(1,420,372)
Gross Benefit Payments	(322,803)	(304,129)	(308,037)	(269,470)	(262,387)	(275,025)	(258,547)	(239,512)
Contributions from the Member	11,053	9,998	9,882	8,746	7,953	8,153	8,936	8,819
Net Change in Total OPEB Liability	$ 1,762,441	$ (656,779)	$ (1,452,465)	$ (1,884,632)	$ 6,112,435	$ (709,714)	$ (1,082,006)	$ (799,585)
Total OPEB Liability - Beginning of Year	11,077,912	11,734,691	13,187,156	15,071,788	8,959,353	9,669,067	10,751,073	11,550,658
Total OPEB Liability - End of Year	$ 12,840,353	$ 11,077,912	$ 11,734,691	$ 13,187,156	$ 15,071,788	$ 8,959,353	$ 9,669,067	$ 10,751,073
District's Proportionate Share of OPEB Liability	$0	$0	$0	$0	$0	$0	$0	$0
State's Proportionate Share of OPEB Liability	$ 12,840,353	$ 11,077,912	$ 11,734,691	$ 13,187,156	$ 15,071,788	$ 8,959,353	$ 9,669,067	$ 10,751,073
Total OPEB Liability - Ending	$ 12,840,353	$ 11,077,912	$ 11,734,691	$ 13,187,156	$ 15,071,788	$ 8,959,353	$ 9,669,067	$ 10,751,073
District's Covered Payroll	$ 3,657,897	$ 3,179,539	$ 2,971,808	$ 2,857,998	$ 2,829,237	$ 2,843,715	$ 2,802,976	$ 2,672,586
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%

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

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

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

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

Changes in Benefit Terms:	None.
Changes of Assumptions	Assumptions used in calculating the OPEB liability are presented in Note 4E.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

MINE HILL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	I.D.E.A. Part B	I.D.E.A. Part B - Preschool	E.S.E.A. Title I	E.S.E.A. Title IIA	Student Activities	Total to Exhibit E-1A
REVENUES						
Intergovernmental						
Federal	$ 118,955	$ 3,689	$ 96,576	$ 14,647		$ 233,867
Local	-	-	-	-	$ 11,551	11,551
Total Revenues	118,955	3,689	96,576	14,647	11,551	245,418
EXPENDITURES						
Instruction						
Salaries			90,412			90,412
Tuition	118,955					118,955
General Supplies			2,058			2,058
Co-Curricular/Extra-Curricular Activities	-	-	-	-	10,107	10,107
Total Instruction	118,955	-	92,470	-	10,107	221,532
Support Services						
Salaries			4,106			4,106
Purchased Prof. and Tech. Services		3,689		14,647		18,336
General Supplies	-	-	-	-	-	-
Total Support Services	-	3,689	4,106	14,647	-	22,442
Total Expenditures	118,955	3,689	96,576	14,647	10,107	243,974
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	1,444	1,444
Other Financing Sources (Uses)						
Transfer In - General Fund	-	-	-	-	-	-
Net Change in Fund Balances	-	-	-	-	1,444	1,444
Fund Balance, July 1, 2024	-	-	-	-	34,739	34,739
Fund Balance, June 30, 2025	$ -	$ -	$ -	$ -	$ 36,183	$ 36,183

MINE HILL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Exhibit E-1 Total	SDA Grant	American Rescue Plan - ESSER III: ESSER III	American Rescue Plan - ESSER III: Evidence-Based Summer Learning and Enrichment	American Rescue Plan - ESSER III: Evidence-Based Comprehensive Beyond the School Day	NJ High Impact Tutoring Grant	Preschool Education Expansion Aid	Grand Total
REVENUES								
Intergovernmental								
Federal	$ 233,867		$ 12	$ 7,627	$ 3,712	$ 26,225		$ 271,443
State	-	$ 7,598					$ 1,183,264	1,190,862
Local	11,551	-	-	-	-	-	-	11,551
Total Revenues	245,418	7,598	12	7,627	3,712	26,225	1,183,264	1,473,856
EXPENDITURES								
Instruction								
Salaries	90,412		12	5,227	3,712	12,811	194,434	306,608
Other Salaries	-						70,502	70,502
Purchased Prof. and Tech. Services	-					11,760		11,760
Purchased Educ. Services - Contracted Pre-K	-						11,128	11,128
Other Purchased Services	-						1,716	1,716
Tuition	118,955							118,955
General Supplies	2,058						37,412	39,470
Co-Curricular/Extra-Curricular Activities	10,107	-	-	-	-	-	-	10,107
Total Instruction	221,532	-	12	5,227	3,712	24,571	315,192	570,246
Support Services								
Salaries	4,106			2,400		621		7,127
Salaries of Supervisors of Instruction							35,359	35,359
Salaries of Principal/Asst. Principals/Program Dir.							31,816	31,816
Salaries of Other Professional Staff							16,098	16,098
Salaries of Secretaries and Clerical Assistants							10,512	10,512
Other Salaries	-						90,420	90,420
Salaries of Community Parent Involvement							39,626	39,626
Salaries of Master Teachers							54,722	54,722
Personnel Services - Employee Benefits	-					1,033	161,565	162,598
Purchased Prof. and Tech. Services	18,336							18,336
Purchased Educ. Services - Contracted Pre-K							431,162	431,162
Purchased Educ. Services - Head Start	-						145,275	145,275
Other Purchased Professional -Ed. Services							2,630	2,630
Other Purchased Professional Services							1,960	1,960
Cleaning, Repair, and Maintenance	-	7,598					13,278	20,876
Contracted Services - Transportation							1,660	1,660
Travel							200	200
General Supplies	-						7,893	7,893
Other Objects	-	-	-	-	-	-	6,571	6,571
Total Support Services	22,442	7,598	-	2,400	-	1,654	1,050,747	1,084,841

MINE HILL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

			American Rescue Plan - ESSER III					
	Exhibit E-1 Total	SDA Grant	ESSER III	Evidence-Based Summer Learning and Enrichment	Evidence-Based Comprehensive Beyond the School Day	NJ High Impact Tutoring Grant	Preschool Education Expansion Aid	Grand Total
Facilities Acquisition and Construction Services								
Instructional Equipment	-						24,330	24,330
Non-Instructional Equipment	-	-	-	-	-	-	1,015	1,015
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	25,345	25,345
Total Expenditures	$ 243,974	$ 7,598	$ 12	$ 7,627	$ 3,712	$ 26,225	$ 1,391,284	$ 1,680,432
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures							$ (208,020)	
Other Financing Sources (Uses)								
Transfer In - General Fund	-	-	-	-	-	-	208,020	-
Net Change in Fund Balances	1,444	-	-	-	-	-	-	1,444
Fund Balance, July 1, 2024	34,739	-	-	-	-	-	-	34,739
Fund Balance, June 30, 2025	$ 36,183	$ -	$ -	$ -	$ -	$ -	$ -	$ 36,183

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

	Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
Instruction					
Salaries of Teachers	$ 196,365	$ (1,931)	$ 194,434	$ 194,434	-
Other Salaries for Instruction	75,200	(4,698)	70,502	70,502	-
Purchased Educ. Services - Contracted Pre-K	13,839	(2,711)	11,128	11,128	-
Other Purchased Services	2,500	(784)	1,716	1,716	-
General Supplies	20,000	17,412	37,412	37,412	-
Total Instruction	307,904	7,288	315,192	315,192	-
Support Services					
Salaries of Supervisors of Instruction	35,359	-	35,359	35,359	-
Salaries of Principal/Asst. Principals/Program Dir.	31,513	303	31,816	31,816	-
Salaries of Other Professional Staff	14,400	1,698	16,098	16,098	-
Salaries of Secretaries and Clerical Assistants	10,492	20	10,512	10,512	-
Other Salaries	74,844	15,656	90,500	90,420	$ 80
Salaries of Community Parent Involvement	38,288	1,338	39,626	39,626	-
Salaries of Master Teachers	53,383	1,339	54,722	54,722	-
Personnel Services - Employee Benefits	213,067	(51,502)	161,565	161,565	-
Purchased Educ. Services - Contracted Pre-K	431,162	-	431,162	431,162	-
Purchased Educ. Services - Head Start	145,275	-	145,275	145,275	-
Other Purchased Professional -Ed. Services	6,575	(3,945)	2,630	2,630	-
Other Purchased Professional Services	2,000	(40)	1,960	1,960	-
Cleaning, Repair, and Maintenance		13,497	13,497	13,278	219
Contracted Services - Transportation	2,500	(840)	1,660	1,660	-
Travel	500	(300)	200	200	-
Supplies and Materials	6,575	5,868	12,443	7,893	4,550
Other Objects	3,548	3,023	6,571	6,571	-
Total Support Services	1,069,481	(13,885)	1,055,596	1,050,747	4,849
Facilities Acquisition and Construction					
Instructional Equipment	20,000	5,582	25,582	24,330	1,252
Non-Instructional Equipment	-	255,153	255,153	1,015	254,138
Total Facilities Acquisition and Construction	20,000	260,735	280,735	25,345	255,390
Total Expenditures	$ 1,397,385	$ 254,138	$ 1,651,523	$ 1,391,284	$ 260,239

Calculation of Budget Carryover

Total 2024-2025 Preschool Education Aid Allocation	$ 1,189,365
Add Actual Preschool Education Carryover (June 30, 2024)	254,138
Add: Budgeted Transfer from General Fund	208,020
Total Preschool Education Aid Funds Available for 2024-2025 Budget	1,651,523
Less: 2024-2025 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	1,651,523
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2025	-
Add: June 30, 2025 Unexpended Preschool Education Aid	260,239
2024-2025 Carryover - Preschool Education Aid /Preschool Programs	$ 260,239
2024-2025 Preschool Education Aid Carryover Budgeted in 2025-2026	$ 190,603

CAPITAL PROJECTS FUND

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Amount Authorized	Current Year Authorization	Amended Authorization	Expenditures to Date Prior Years	Expenditures to Date Current Year	Balance June 30, 2025
2021 School Bond Referendum - Various School Improvements, Upgrades, and Renovations	$ 4,958,240		$ 4,958,240	$ 3,729,049	$ 834,210	$ 394,981
HVAC Project	1,092,000		1,092,000		609,186	482,814
Flooring Project	65,000		65,000			65,000
Plaster Project	40,000		40,000		35,225	4,775
Exterior Sitework Project	1,200,000	$ 1,200,000	2,400,000		-	2,400,000
Staff Bathrooms Project	163,925		163,925		28,880	135,045
Parking Lot Paving Project	-	1,000,000	1,000,000	-	54,031	945,969
	$ 7,519,165	$ 2,200,000	$ 9,719,165	$ 3,729,049	$ 1,561,532	$ 4,428,584

Reconciliation to GAAP Basis

Project Balance, June 30, 2025	$ 4,428,584
Less Unfunded Authorizations:	
Debt Authorized but Not Issued	(240)
Fund Balance, June 30, 2025 - GAAP Basis	$ 4,428,344

Recapitulation of Fund Balance

Restricted for Capital Projects	
Year-End Encumbrances	$ 601,591
Available for Capital Projects	3,826,753
Fund Balance, GAAP Basis	$ 4,428,344

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Revenues and Other Financing Sources		
Revenues		
Interest Income	$	27,789
Other Financing Sources		
Transfer from Capital Reserve		2,200,000
Total Revenues and Other Financing Sources		2,227,789
Expenditures and Other Financing Uses		
Expenditures:		
Architect and Engineering Services	$	16,179
Construction Services		1,545,353
Other Financing Uses:		
Transfers to General Fund - Capital Reserve		27,789
Total Expenditures and Other Financing Uses		1,589,321
Excess (Deficiency) of Revenue Over (Under) Expenditures Other Financing Sources (Uses)		638,468
Fund Balance, July 1, 2024		3,789,876
Fund Balance, June 30, 2025	$	4,428,344
Reconciliation to Governmental Funds Statements (GAAP Basis):		
Fund Balance (Budgetary Basis)	$	4,428,344
Fund Balance Per Governmental Funds (GAAP Basis)	$	4,428,344

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
2021 SCHOOL BOND REFERENDUM - VARIOUS SCHOOL IMPROVEMENTS, UPGRADES, AND RENOVATIONS
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Other Financing Sources				
Bond Proceeds	$ 4,958,000	-	$ 4,958,000	$ 4,958,240
Total Revenues and Other Financing Sources	4,958,000	-	4,958,000	4,958,240
Expenditures and Other Financing Uses				
Architect and Engineering Services	346,049	16,179	362,228	377,599
Legal and Professional Services	29,686		29,686	29,686
Other Professional and Technical Services	40,211		40,211	40,211
Construction Services	3,313,103	818,031	4,131,134	4,510,744
Total Expenditures and Other Financing Uses	3,729,049	834,210	4,563,259	4,958,240
Excess of Revenues Over Expenditures	$ 1,228,951	$ (834,210)	$ 394,741	$ -

Additional Project Information:	
Project Number	3240-030-21-2000
Grant Date	N/A
Bond Authorization Date	12/21/2021
Bonds Authorized	$ 4,958,000
Bonds Issued	$ 4,958,000
Original Authorized Cost	$ 4,958,240
Additional Authorized Cost/(Cancelled)	$ -
Revised Authorized Cost	$ 4,958,240

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HVAC PROJECT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Other Financing Sources				
Transfer from Capital Reserve	$ 1,092,000	$ -	$ 1,092,000	$ 1,092,000
Total Revenues and Other Financing Sources	1,092,000	-	1,092,000	1,092,000
Expenditures and Other Financing Uses				
Construction Services	-	609,186	609,186	1,092,000
Total Expenditures and Other Financing Uses	-	609,186	609,186	1,092,000
Excess of Revenues Over Expenditures	$ 1,092,000	$ (609,186)	$ 482,814	$ -

Additional Project Information:	
Grant Date	N/A
Original Authorized Cost	$ 1,092,000
Additional Authorized Cost/(Cancelled)	$ -
Revised Authorized Cost	$ 1,092,000

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
FLOORING PROJECT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Other Financing Sources				
Transfer from Capital Reserve	$ 65,000	$ -	$ 65,000	$ 65,000
Total Revenues and Other Financing Sources	65,000	-	65,000	65,000
Expenditures and Other Financing Uses				
Construction Services	-	-	-	65,000
Total Expenditures and Other Financing Uses	-	-	-	65,000
Excess of Revenues Over Expenditures	$ 65,000	$ -	$ 65,000	$ -

Additional Project Information:	
Grant Date	N/A
Original Authorized Cost	$ 65,000
Additional Authorized Cost/(Cancelled)	$ -
Revised Authorized Cost	$ 65,000

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
PLASTER PROJECT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Other Financing Sources				
Transfer from Capital Reserve	$ 40,000	$ -	$ 40,000	$ 40,000
Total Revenues and Other Financing Sources	40,000	-	40,000	40,000
Expenditures and Other Financing Uses				
Construction Services	-	35,225	35,225	40,000
Total Expenditures and Other Financing Uses	-	35,225	35,225	40,000
Excess of Revenues Over Expenditures	$ 40,000	$ (35,225)	$ 4,775	$ -

Additional Project Information:	
Grant Date	N/A
Original Authorized Cost	$ 40,000
Additional Authorized Cost/(Cancelled)	$ -
Revised Authorized Cost	$ 40,000

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
EXTERIOR SITEWORK PROJECT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Other Financing Sources				
Transfer from Capital Reserve	$ 1,200,000	$ 1,200,000	$ 2,400,000	$ 2,400,000
Total Revenues and Other Financing Sources	1,200,000	1,200,000	2,400,000	2,400,000
Expenditures and Other Financing Uses				
Construction Services	-	-	-	2,400,000
Total Expenditures and Other Financing Uses	-	-	-	2,400,000
Excess of Revenues Over Expenditures	$ 1,200,000	$ 1,200,000	$ 2,400,000	$ -

Additional Project Information:	
Project Number	N/A
Grant Date	N/A
Original Authorized Cost	$ 1,200,000
Additional Authorized Cost/(Cancelled)	$ 1,200,000
Revised Authorized Cost	$ 2,400,000

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
STAFF BATHROOMS PROJECT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Other Financing Sources				
Transfer from Capital Outlay	$ 163,925	$ -	$ 163,925	$ 163,925
Total Revenues and Other Financing Sources	163,925	-	163,925	163,925
Expenditures and Other Financing Uses				
Construction Services	-	28,880	28,880	163,925
Total Expenditures and Other Financing Uses	-	28,880	28,880	163,925
Excess of Revenues Over Expenditures	$ 163,925	$ (28,880)	$ 135,045	$ -

Additional Project Information:	
Original Authorized Cost	$ 163,925
Additional Authorized Cost/(Cancelled)	$ -
Revised Authorized Cost	$ 163,925

MINE HILL TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
PARKING LOT PAVING PROJECT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Other Financing Sources				
Transfer from Capital Reserve	$ -	$ 1,000,000	$ 1,000,000	$ 1,000,000
Total Revenues and Other Financing Sources	-	1,000,000	1,000,000	1,000,000
Expenditures and Other Financing Uses				
Construction Services	-	54,031	54,031	1,000,000
Total Expenditures and Other Financing Uses	-	54,031	54,031	1,000,000
Excess of Revenues Over Expenditures	$ -	$ 945,969	$ 945,969	$ -

Additional Project Information:	
Original Authorized Cost	$ 1,000,000
Additional Authorized Cost/(Cancelled)	
Revised Authorized Cost	$ 1,000,000

ENTERPRISE FUND

EXHIBIT G-1

MINE HILL TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

EXHIBIT I-1

MINE HILL TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Purpose	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance, July 1, 2024	Issued	Retired	Balance, June 30, 2025
School Bond:	12/21/2021	$ 4,958,000	9/15/2025	$ 220,000	2.000%				
			9/15/2026	220,000	2.000%				
			9/15/2027	225,000	2.000%				
			9/15/2028	230,000	2.000%				
			9/15/2029	235,000	2.000%				
			9/15/2030	240,000	2.000%				
			9/15/2031	245,000	2.000%				
			9/15/2032	250,000	2.000%				
			9/15/2033	255,000	2.000%				
			9/15/2034	260,000	2.000%				
			9/15/2035	265,000	2.000%				
			9/15/2036	270,000	2.000%				
			9/15/2037	275,000	2.000%				
			9/15/2038	280,000	2.000%				
			9/15/2039	290,000	2.125%				
			9/15/2040	295,000	2.125%				
			9/15/2041	300,000	2.125%	$ 4,570,000	$ -	$ 215,000	$ 4,355,000
						$ 4,570,000	$ -	$ 215,000	$ 4,355,000

EXHIBIT I-2

SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Year	Description	Amount of Original Issue	Balance, July 1, 2024	Additions	Retirements	Balance, June 30, 2025
2022	Acquisition of Copier Machines	$ 69,517	$ 44,234	$ -	$ 13,849	$ 30,385

MINE HILL TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources					
Property Taxes	$ 208,634		$ 208,634	$ 208,634	-
State Sources					
Debt Service Aid	96,185	-	96,185	96,185	-
Total Revenues	304,819	-	304,819	304,819	-
EXPENDITURES					
Debt Service					
Principal	215,000	-	215,000	215,000	-
Interest	89,819	-	89,819	89,819	-
Total Expenditures	304,819	-	304,819	304,819	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -	$ -

STATISTICAL SECTION

This part of the Mine Hill Township 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 district'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 district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

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

EXHIBIT J-1

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

	As of June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	$ 5,053,585	$ 5,052,749	$ 5,781,868	$ 6,194,622	$ 6,681,142	$ 6,820,527	$ 7,219,666	$ 7,594,565	$ 7,382,585	$ 8,033,322
Restricted	1,467,791	2,530,379	2,676,602	3,627,524	4,715,932	5,096,217	5,890,775	7,109,865	9,136,322	10,001,771
Unrestricted	(1,100,632)	(1,171,251)	(1,193,251)	(1,344,865)	(1,078,930)	(8,811)	(139,482)	(515,248)	(518,154)	(668,179)
Total Governmental Activities Net Position	$ 5,420,744	$ 6,411,877	$ 7,265,219	$ 8,477,281	$ 10,318,144	$ 11,907,933	$ 12,970,959	$ 14,189,182	$ 16,000,753	$ 17,366,914
Business-Type Activities										
Investment in Capital Assets	$ 10,781	$ 10,500	$ 4,675	$ 2,651	$ 2,420	$ 2,190	$ 14,010	$ 15,205	$ 11,503	$ 7,801
Unrestricted	24,530	21,995	27,125	39,069	47,071	51,671	84,503	119,021	71,441	99,841
Total Business-Type Activities Net Position	$ 35,311	$ 32,495	$ 31,800	$ 41,720	$ 49,491	$ 53,861	$ 98,513	$ 134,226	$ 82,944	$ 107,642
District-Wide										
Net Investment in Capital Assets	$ 5,064,366	$ 5,063,249	$ 5,786,543	$ 6,197,273	$ 6,683,562	$ 6,822,717	$ 7,233,676	$ 7,609,770	$ 7,394,088	$ 8,041,123
Restricted	1,467,791	2,530,379	2,676,602	3,627,524	4,715,932	5,096,217	5,890,775	7,109,865	9,136,322	10,001,771
Unrestricted/(Deficit)	(1,076,102)	(1,149,256)	(1,166,126)	(1,305,796)	(1,031,859)	42,860	(54,979)	(396,227)	(446,713)	(568,338)
Total District Net Position	$ 5,456,055	$ 6,444,372	$ 7,297,019	$ 8,519,001	$ 10,367,635	$ 11,961,794	$ 13,069,472	$ 14,323,408	$ 16,083,697	$ 17,474,556

Note 1 - Fund Balances at June 30, 2020 have been restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities" and for a correction of an error.

EXHIBIT J-2

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
Instruction										
Regular	$ 5,339,403	$ 5,685,605	$ 5,861,087	$ 5,336,451	$ 4,815,700	$ 5,727,216	$ 5,604,736	$ 5,528,610	$ 5,285,141	$ 5,185,587
Special Education	2,392,872	1,942,774	1,965,545	1,911,761	1,822,481	1,770,911	1,891,425	1,806,006	1,878,478	2,527,564
Other Instruction	91,459	93,536	85,446	72,563	79,452	87,118	152,949	147,123	409,519	463,036
School Sponsored Activities and Athletics	41,372	26,553	31,591	33,497	16,917	8,313	34,491	37,433	31,419	33,106
Support Services:										
Tuition										
Student & Instruction Related Services	662,389	875,366	1,089,288	1,380,753	1,320,197	1,044,909	1,046,274	1,434,997	1,991,292	2,348,261
General Administration Services	394,263	391,213	433,838	402,601	417,828	451,064	454,394	491,316	443,282	483,334
School Administration Services	311,275	306,042	298,724	277,378	269,400	320,867	276,200	261,859	188,870	202,005
Central Services	266,601	297,468	331,324	353,048	326,423	374,325	386,754	421,767	356,494	411,369
Plant Operations And Maintenance	550,001	505,316	588,478	644,497	689,502	1,040,942	1,037,637	1,051,164	1,069,982	1,146,985
Pupil Transportation	691,000	749,869	765,184	693,295	680,477	513,306	711,322	700,234	634,261	650,093
Capital Outlay										
Charter Schools										
Interest On Long-Term Debt	44,483	19,740	20,909	16,679	14,764	10,573	20,011	131,344	93,606	90,146
Total Governmental Activities Expenses	10,785,118	10,893,482	11,471,414	11,122,523	10,453,141	11,349,544	11,616,193	12,011,853	12,382,344	13,541,486
Business-Type Activities:										
Food Service	144,043	139,574	140,279	129,093	125,713	138,769	242,865	185,028	270,254	213,638
Total Business-Type Activities Expense	144,043	139,574	140,279	129,093	125,713	138,769	242,865	185,028	270,254	213,638
Total District Expenses	$ 10,929,161	$ 11,033,056	$ 11,611,693	$ 11,251,616	$ 10,578,854	$ 11,488,313	$ 11,859,058	$ 12,196,881	$ 12,652,598	$ 13,755,124
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction - (Tuition)	$ -	$ 5,061	$ 33,356	$ 10,608						
School Sponsored Activities (Student Activities)						$ 7,278	$ 14,091	$ 16,784	$ 8,974	$ 11,551
Operating Grants And Contributions	1,572,615	1,899,274	2,536,791	2,410,713	2,391,109	3,090,544	2,585,725	2,323,308	3,055,076	3,238,888
Capital Grants And Contributions	-	-	-	-	-	-	27,494	-	7,348	7,598
Total Governmental Activities Program Revenues	1,572,615	1,904,335	2,570,147	2,421,321	2,391,109	3,097,822	2,627,310	2,340,092	3,071,398	3,258,037
Business-Type Activities:										
Charges For Services										
Food Service	75,223	78,294	76,166	75,642	47,498	283	1,194	82,979	80,409	83,605
Operating Grants And Contributions	59,581	62,215	60,485	63,726	85,586	142,733	286,200	135,313	134,042	152,826
Total Business Type Activities Program Revenues	134,804	140,509	136,651	139,368	133,084	143,016	287,394	218,292	214,451	236,431
Total District Program Revenues	$ 1,707,419	$ 2,044,844	$ 2,706,798	$ 2,560,689	$ 2,524,193	$ 3,240,838	$ 2,914,704	$ 2,558,384	$ 3,285,849	$ 3,494,468
Net (Expense)/Revenue										
Governmental Activities	$ (9,212,503)	$ (8,989,147)	$ (8,901,267)	$ (8,701,202)	$ (8,062,032)	$ (8,251,722)	$ (8,988,883)	$ (9,671,761)	$ (9,310,946)	$ (10,283,449)
Business-Type Activities	(9,239)	935	(3,628)	10,275	7,371	4,247	44,529	33,264	(55,803)	22,793
Total District-Wide Net Expense	$ (9,221,742)	$ (8,988,212)	$ (8,904,895)	$ (8,690,927)	$ (8,054,661)	$ (8,247,475)	$ (8,944,354)	$ (9,638,497)	$ (9,366,749)	$ (10,260,656)

EXHIBIT J-2

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied For General Purposes	$ 6,372,601	$ 6,488,053	$ 6,617,814	$ 6,868,167	$ 7,097,116	$ 7,213,972	$ 7,358,251	$ 7,319,507	$ 7,319,507	$ 7,319,507
Property Taxes Levied For Debt Service	211,090	209,275	207,150	196,168	186,118	196,622	198,354	201,681	207,033	208,634
Unrestricted Grants And Contributions	2,332,261	2,336,862	2,374,844	2,760,138	2,379,503	2,381,617	2,362,947	2,837,222	2,998,068	3,569,956
State Aid Restricted for Debt Service	-	-	-	-	-	-	-	92,980	95,448	96,185
Investment and Miscellaneous Income	21,095	60,576	114,660	78,962	133,884	49,300	132,357	427,063	502,461	455,328
Total Governmental Activities	8,937,047	9,094,766	9,314,468	9,903,435	9,796,621	9,841,511	10,051,909	10,878,453	11,122,517	11,649,610
Business-Type Activities:										
Investment Earnings	46	68	107	216	400	123	123	2,449	4,521	1,905
Total Business-Type Activities	46	68	107	216	400	123	123	2,449	4,521	1,905
Total District-Wide	$ 8,937,093	$ 9,094,834	$ 9,314,575	$ 9,903,651	$ 9,797,021	$ 9,841,634	$ 10,052,032	$ 10,880,902	$ 11,127,038	$ 11,651,515
Change in Net Position										
Governmental Activities	$ (275,456)	$ 105,619	$ 413,201	$ 1,202,233	$ 1,734,589	$ 1,589,789	$ 1,063,026	$ 1,206,692	$ 1,811,571	$ 1,366,161
Business-Type Activities	(9,193)	1,003	(3,521)	10,491	7,771	4,370	44,652	35,713	(51,282)	24,698
Total District	$ (284,649)	$ 106,622	$ 409,680	$ 1,212,724	$ 1,742,360	$ 1,594,159	$ 1,107,678	$ 1,242,405	$ 1,760,289	$ 1,390,859

EXHIBIT J-3

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

	As of June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	$ 1,388,999	$ 1,630,680	$ 2,582,742	$ 3,202,449	$ 4,198,357	$ 4,870,516	$ 6,308,211	$ 7,626,092	$ 7,140,658	$ 6,531,985
Committed			142,822			788,435	381,139	16,234		
Assigned	62,604	18,140	9,429	55,069	119,265	108,892	56,772	110,891	107,343	14,346
Unassigned	(20,488)	(26,121)	(32,121)	(82,378)	(41,219)	67,671	(7,172)	(141,469)	(233,667)	(254,558)
Total General Fund	$ 1,431,115	$ 1,622,699	$ 2,702,872	$ 3,175,140	$ 4,276,403	$ 5,835,514	$ 6,738,950	$ 7,611,748	$ 7,014,334	$ 6,291,773
All Other Governmental Funds										
Restricted	$ 78,792	$ 949,699	$ 143,860	$ 425,075	$ 617,575	$ 525,701	$ 5,009,242	$ 4,024,663	$ 3,824,615	$ 4,464,527
Total All Other Governmental Funds	$ 78,792	$ 949,699	$ 143,860	$ 425,075	$ 617,575	$ 525,701	$ 5,009,242	$ 4,024,663	$ 3,824,615	$ 4,464,527

EXHIBIT J-4

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Property Taxes	$ 6,697,328	$ 6,824,964	$ 7,064,335	$ 7,203,602	$ 7,283,234	$ 7,410,594	$ 7,556,605	$ 7,521,188	$ 7,526,540	$ 7,528,141
Tuition Charges	5,061	33,356	10,608	23,920						
Interest Earned									439,523	402,037
Miscellaneous	60,576	114,660	78,962	155,473	134,477	56,578	146,448	444,176	71,984	64,842
State Sources	3,455,661	3,638,692	3,746,240	4,045,655	4,158,971	4,201,928	4,521,433	5,082,278	5,889,110	7,485,096
Federal Sources	208,975	198,865	237,937	197,987	212,946	314,364	454,838	517,151	786,191	271,443
Total Revenue	10,427,601	10,810,537	11,138,082	11,626,637	11,789,628	11,983,464	12,679,324	13,564,793	14,713,348	15,751,559
Expenditures										
Instruction										
Regular Instruction	4,596,060	4,510,529	4,679,541	4,838,134	4,521,665	5,068,412	5,705,395	5,814,073	5,672,610	5,836,320
Special Education Instruction	2,338,374	1,845,926	1,793,697	1,822,482	1,782,631	1,663,604	1,898,236	1,853,260	1,937,732	2,583,744
Other Instruction	91,459	93,536	85,446	72,563	79,452	86,881	152,949	147,123	408,081	459,020
School Sponsored Activities and Athletics	24,843	25,090	27,231	32,639	17,279	8,392	34,097	38,182	32,004	32,079
Support Services:										
Tuition										
Student and Inst. Related Services	659,741	827,947	1,001,205	1,087,753	1,052,573	974,129	1,015,369	1,438,367	2,022,571	2,364,672
General Administration Services	360,752	375,635	387,098	393,392	414,116	392,911	467,705	514,142	462,201	504,397
School Administrative Services	278,730	252,479	238,035	248,337	254,885	275,729	280,267	279,770	205,467	224,562
Central Services	264,931	282,914	293,001	325,528	332,333	345,912	392,452	447,430	388,909	446,242
Plant Operations And Maintenance	546,728	495,323	564,846	644,775	613,136	741,609	686,327	645,245	622,446	792,246
Pupil Transportation	690,922	749,401	764,108	685,176	680,626	512,853	711,322	700,234	634,261	650,093
Unallocated Benefits										
Charter Schools										
Capital Outlay	149,336	95,888	833,372	524,303	710,521	233,633	761,851	1,490,227	2,806,927	1,620,894
Debt Service:										
Principal	150,000	180,000	180,000	185,000	199,234	202,863	208,521	189,890	223,393	228,849
Interest and Other Charges	59,275	13,378	16,168	13,072	12,311	9,299	5,373	118,631	94,208	91,090
Cost of Issuance	30,995	-	-	-	-	-	-	-	-	-
Total Expenditures	10,242,146	9,748,046	10,863,748	10,873,154	10,670,762	10,516,227	12,319,864	13,676,574	15,510,810	15,834,208
Excess (Deficiency) of Revenues Over (Under) Expenditures	185,455	1,062,491	274,334	753,483	1,118,866	1,467,237	359,460	(111,781)	(797,462)	(82,649)
Other Financing Sources (Uses)										
Bond Sale Proceeds							4,958,000			
Payments of Refunding Escrow Agent	(1,089,005)									
Refunding Bond Proceeds	1,120,000									
Capital Financing Agreement Proceeds (Non-Budget)	1,120,000				68,623		69,517			
Transfers In		1,076,792		751,767	198,324		9,095	129,495	2,756,951	2,435,809
Transfers Out	-	(1,076,792)	-	(751,767)	(198,324)	-	(9,095)	(129,495)	(2,756,951)	(2,435,809)
Total Other Financing Sources (Uses)	1,150,995	-	-	-	68,623	-	5,027,517	-	-	-
Net Change in Fund Balances	$ 1,336,450	$ 1,062,491	$ 274,334	$ 753,483	$ 1,187,489	$ 1,467,237	$ 5,386,977	$ (111,781)	$ (797,462)	$ (82,649)
Debt Service as a Percentage of Noncapital Expenditures	1.79%	1.86%	1.79%	1.79%	2.00%	1.97%	1.80%	1.56%	1.76%	1.61%

MINE HILL TOWNSHIP BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	Tuition	Interest on Deposits	Prior Year Refunds	Rentals - Use of Facilities	Other	Total
2016	$ 5,061	$ 12,553			$ 48,023	$ 65,637
2017	33,356	21,536		$ 18,000	75,124	148,016
2018	10,608	37,704		11,000	30,258	89,570
2019		75,159	$ 28,839		49,250	153,248
2020		61,450	31,772	7,000	33,662	133,884
2021		14,710	6,921	20,559	7,110	49,300
2022		18,897	73,353	28,630	2,382	123,262
2023		221,111	10,333	52,039	14,085	297,568
2024		348,511	12,066	30,310	20,562	411,449
2025		374,248	52,038		1,253	427,539

Source: School District's Financial Statements

MINE HILL TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUATION AND ACTUAL VALUATION OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Year	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Valuation	Total School Tax Rate [b]
2016	$ 11,548,400	$ 386,731,300	$ 88,600	$ 29,100	$ 27,164,800	$ 18,027,800	$ 592,300	$ 444,182,300		$ 444,182,300	$ 35,556,100	$ 423,980,203	1.522
2017	11,396,500	386,520,300	88,600	29,100	28,192,800	19,260,300	592,300	446,079,900		446,079,900	35,595,200	432,835,519	1.557
2018	11,026,300	386,784,200	88,600	24,800	29,052,800	19,260,300	592,300	446,829,300		446,829,300	35,595,200	451,928,709	1.597
2019	11,554,700	387,961,400			28,788,600	19,260,300	592,300	448,157,300		448,157,300	36,212,400	476,610,975	1.617
2020	10,948,000	387,348,100	88,600	24,800	29,792,400	19,260,300	592,300	448,054,500		448,054,500	36,144,600	478,759,312	1.640
2021	10,952,700	387,534,100	88,600	24,200	29,986,600	19,260,300	592,300	448,438,800		448,438,800	35,712,200	484,027,929	1.669
2022	11,075,700	387,590,800	88,600	24,200	30,012,100	19,260,300	592,300	448,644,000		448,644,000	35,962,500	514,665,333	1.681
2023	10,688,300	387,510,000	88,600	26,000	30,648,200	19,260,300	1,209,800	449,431,200		449,431,200	35,236,900	563,893,535	1.675
2024	10,566,700	387,498,200	88,600	27,100	30,338,400	19,260,300	7,467,300	455,246,600		455,246,600	36,475,700	627,399,653	1.654
2025	17,979,500	388,991,000		20,500	29,737,100	19,260,300	7,467,300	463,455,700		463,455,700	38,103,200	686,892,137	1.651

b - Tax rates are per $100

Source: Municipal Tax Assessor

MINE HILL TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
PER $100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)

Year	School District	Mine Hill Township	Morris County	Total
2016	$ 1.522	$ 0.758	$ 0.243	$ 2.523
2017	1.557	0.754	0.253	2.564
2018	1.597	0.752	0.255	2.604
2019	1.617	0.749	0.274	2.640
2020	1.640	0.752	0.278	2.670
2021	1.669	0.772	0.281	2.722
2022	1.681	0.790	0.296	2.767
2023	1.675	0.808	0.320	2.803
2024	1.654	0.814	0.340	2.808
2025	1.651	0.814	0.355	2.820

Source: Tax Duplicate, Mine Hill Township

MINE HILL TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

	2025		2016	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Iron Mountain Industrial Park LLC	$ 10,024,300	2.16%		
IVI Spring Brook Commerce Ctr LLC	8,566,600	1.85%		
106 Hurd Street LLC	6,875,000	1.48%		
Lots 1, 2 and 3 LLC	5,575,800	1.20%		
Stowaway Self Storage VI, LLC	5,256,400	1.13%	$ 3,059,000	0.69%
Multi-Fab Sales & Service	3,221,000	0.69%	3,221,000	0.73%
Mroz Family Properties, LLC	3,085,100	0.67%	3,085,100	0.69%
John Crimi/County Concrete, etc	2,813,700	0.61%	15,270,700	3.44%
Canfield Avenue Urban Renewal LLC	2,475,400	0.53%		
MHM Route 46 LLC	2,429,700	0.52%		
Lot 1 Block 401 Real Estate Holding			988,200	0.22%
Bruce & Diane Kreeger			2,429,700	0.55%
B&G Land Management/Benkendorf			1,898,700	0.43%
Bryant, Samuael T, Inc			1,120,300	0.25%
National Investment Corp			1,060,700	0.24%
Albert Ferrante			894,500	0.20%
	$ 50,323,000	10.86%	$ 33,027,900	7.44%

Source: Municipal Tax Assessor

MINE HILL TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	$ 6,697,328	$ 6,697,328	100.00%	N/A
2017	6,824,964	6,273,479	91.92%	$ 551,485
2018	7,064,335	7,064,335	100.00%	
2019	7,203,602	7,203,602	100.00%	
2020	7,283,234	7,283,234	100.00%	
2021	7,410,594	7,410,594	100.00%	
2022	7,556,605	7,556,605	100.00%	
2023	7,521,188	7,521,188	100.00%	
2024	7,526,540	7,526,540	100.00%	
2025	7,528,141	7,528,141	100.00%	

MINE HILL TOWNSHIP BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements			
2016	$ 1,120,000		$ 1,120,000	3,569	$ 314
2017	940,000		940,000	3,555	264
2018	760,000		760,000	3,523	216
2019	575,000		575,000	3,475	165
2020	385,000		385,000	3,473	111
2021	195,000		195,000	3,996	49
2022	4,958,000	$ 69,517	5,027,517	4,003	1,256
2023	4,780,000	57,627	4,837,627	4,006	1,208
2024	4,570,000	44,234	4,614,234	4,171	1,106
2025	4,355,000	30,385	4,385,385	4,171 *	1,051

Source: District records

* Estimate

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2016	$ 1,120,000		$ 1,120,000	0.252%	$ 314
2017	940,000		940,000	0.211%	264
2018	760,000		760,000	0.170%	216
2019	575,000		575,000	0.128%	165
2020	385,000		385,000	0.086%	111
2021	195,000		195,000	0.043%	49
2022	4,958,000		4,958,000	1.105%	1,239
2023	4,780,000		4,780,000	1.064%	1,193
2024	4,570,000		4,570,000	1.004%	1,096
2025	4,355,000		4,355,000	0.940%	1,044

Source: District records

MINE HILL TOWNSHIP BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Unaudited)

	Gross Debt	Deductions	Net Debt
Municipal Debt			
Mine Hill Township (1)	$ 4,979,939	$ 2,865,500	$ 2,114,439
Mine Hill Township Board of Education	4,355,000	4,355,000	-
	$ 9,334,939	$ 7,220,500	2,114,439
Overlapping Debt Apportioned to the Municipality:			
County of Morris (2)			2,266,015
Total Direct and Overlapping Debt			$ 4,380,454

Sources:

(1) Mine Hill Township Annual Debt Statement

(2) Morris County Debt Statement December 31, 2024

MINE HILL TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	$ 12,755,062	$ 12,721,194	$ 10,827,567	$ 11,155,561	$ 11,553,735	$ 11,823,025	$ 12,250,621	$ 12,949,902	$ 14,079,310	$ 15,410,980
Total Net Debt Applicable To Limit	1,120,000	940,000	760,000	575,000	385,000	195,000	4,958,240	4,780,240	4,570,240	4,355,240
Legal Debt Margin	$ 11,635,062	$ 11,781,194	$ 10,067,567	$ 10,580,561	$ 11,168,735	$ 11,628,025	$ 7,292,381	$ 8,169,662	$ 9,509,070	$ 11,055,740
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.40%	8.78%	7.02%	5.15%	3.33%	1.65%	40.47%	36.91%	32.46%	28.26%

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized Valuation Basis	
2024	$ 671,950,701
2023	616,842,163
2022	560,524,738
Average Equalized Valuation Of Taxable Property	$ 616,439,201
Debt Limit (2.5% of Average Equalization Value)	$ 15,410,980
Total Net Debt Applicable to Limit	4,355,240
Legal Debt Margin	$ 11,055,740

Source: Township Annual Debt Statements

MINE HILL TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)

Year Ended December 31,	Unemployment Rate	Per Capita Income	Population
2016	6.3	$ 87,984	3,569
2017	4.5	90,256	3,555
2018	4.0	93,695	3,523
2019	3.2	96,774	3,475
2020	3.0	98,875	3,473
2021	9.7	107,135	3,996
2022	5.9	109,057	4,003
2023	3.4	115,850	4,006
2024	3.9	115,850 *	4,171
2025	4.0	115,850 *	4,171 *

Source: New Jersey Department of Labor, Morris County
United States Bureau of Census
School District Records

* = Estimate

MINE HILL TOWNSHIP BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

INFORMATION NOT
AVAILABLE

EXHIBIT J-16

MINE HILL TOWNSHIP BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Years Ended June 30,									
Function/Program	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Instruction										
Regular	28.0	29.1	28.0	29.0	29.0	28.0	31.0	28.0	29.0	30.0
Special Education	13.6	12.8	13.6	17.0	10.0	13.0	15.0	15.9	15.9	22.0
Other Instruction	1.0	1.0	1.0	1.0		1.0	1.0			1.0
Support Services:										
Student & Instruction Related Services	4.1	4.4	3.4	7.6	5.1	5.0	3.0	5.6	5.6	8.0
General Administration Services	1.9	2.1	2.1	3.0	2.8	2.0	2.0	3.0	3.0	3.0
School Administrative Services	3.0	3.0	2.8	2.8	2.3	2.5	2.0	2.1	2.1	3.0
Central Services	2.0	2.0	2.5	2.0	2.0	2.0	2.0	2.6	2.6	3.0
Plant Operations and Maintenance	2.3		3.0	0.3	4.7	4.5	4.0	4.3	8.6	9.1
Pupil Transportation	0.2	0.2	0.2		0.2					
Total	56.1	54.6	56.50	62.55	56.00	58.00	60.00	61.50	66.80	79.10

Source: District Personnel Records

MINE HILL TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Enrollment [a]	Operating Expenditures [b]	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Average Daily Enrollment	Average Daily Attendance (ADA) [d]	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	360	$ 9,852,540	$ 27,525	17.26%	35	9.4:1	359	344	-5.91%	96.45%
2017	349	9,458,780	27,368	-0.57%	35	9.4:1	352	336	-1.91%	95.82%
2018	399	9,834,208	24,647	-9.94%	36	9.4:1	365	349	3.69%	95.62%
2019	335	10,150,779	30,301	22.94%	36	9.4:1	348	331	-4.66%	95.22%
2020	338	9,748,696	28,842	-4.81%	35	9.4:1	332	320	-4.59%	96.39%
2021	338	10,070,432	29,794	3.30%	34	10:1	341	330	2.71%	96.77%
2022	349	11,344,119	32,505	9.10%	35	9.9:1	351	324	2.93%	92.31%
2023	355	11,877,826	33,459	2.94%	36	9.4:1	360	339	2.56%	94.17%
2024	366	12,386,282	33,842	1.15%	35	9.4:1	365	343	1.39%	93.97%
2025	379	13,893,375	36,658	8.32%	41	9.2:1	406	383	11.23%	94.33%

Sources: District records

Note:
a Enrollment based on annual October district count.
b Operating expenditures equal total expenditures less debt service and capital outlay.

EXHIBIT J-18

MINE HILL TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Building										
Elementary										
Canfield Avenue School (1923)										
Square Feet	61,271	61,271	61,271	61,271	61,271	61,271	61,271	61,271	61,271	61,271
Capacity (students)	470	470	470	470	470	470	470	470	470	470
Enrollment	360	349	399	335	338	338	349	349	366	379

Number of Schools at June 30, 2025
Elementary - 1

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

Source: District Records

MINE HILL TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(Unaudited)

Year	Amount
2016	$ 168,606
2017	75,091
2018	123,968
2019	206,828
2020	147,715
2021	191,473
2022	109,253
2023	104,557
2024	105,205
2025	172,296

MINE HILL TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2025
(Unaudited)

	Coverage		Deductible
School Alliance Insurance Fund (SAIF):			
Property - Blanket Building and Contents Including Boiler and			
Building and Personal Property	$ 500,000,000		$ 2,500
Inland Marine - Auto Physical Damage			$ 1,000
Boiler & Machinery	$ 100,000,000		$ 2,500
General Liability including Auto, Employee Benefits			
Each Occurance	$ 10,000,000		
General Aggregate	$ 46,000,000		
Product Completed Ops			
Personal Injury			
Fire Damage	$ 2,500,000		
Medical Expenses	$ 10,000		
(Excluding Students Taking Part in Athletics)			
Employee Benefits Liability	$ 5,000,000		$ 1,000
Sexual Abouse/Molestation	$ 10,000,000	$ 28,000,000	
Automobile Coverage	$ 10,000,000	Occurrence	$ 1,000
Combined Single Limit			
Auto General Aggregate	$ 46,000,000		
Hired/Non Owned	Included		
Automobile Physical Damage	Included		$ 1,000
Environmental Impairment Liability	$1,000,000/$10,000,000	Fund Aggregate	$ 50,000
Excludes mold/fungi/fungus/legionella			
Crime Coverage	$ 50,000	Inside/Outside	$ 1,000
Blanket Dishonesty Bond	$ 500,000		$ 1,000
Cyber Liability - First Party	$ 750,000		$ 10,000
Cyber Liability - Third Party	$ 2,000,000		
School Board Legal	$5,000,000/$5,000,000		$ 5,000
Excess School Board Legal	$ 5,000,000	Occurrence/Agg	
Bond for School Business Administrator eff 7/1/24-25	$ 200,000	Selective Insurance	
Bond for Treasurer effective 7/1/24-25	$ 200,000	Selective Insurance	

Source: Arthur J. Gallagher quote 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
42 Canfield Ave.
Mine Hill, New Jersey 07803

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 Mine Hill Township Board of Education as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Mine Hill Township Board of Education's basic financial statements and have issued our report thereon dated October 30, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Mine Hill Township 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 Mine Hill Township Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Mine Hill Township 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Mine Hill Township 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.

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 Mine Hill Township 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 Mine Hill Township 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

Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
October 30, 2025

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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 COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
42 Canfield Ave.
Mine Hill, New Jersey 07803

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Mine Hill Township Board of Education's compliance with the types of compliance requirements identified as subject to audit in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Mine Hill Township Board of Education's major state programs for the fiscal year ended June 30, 2025. The Mine Hill Township Board of Education's major 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 Mine Hill Township 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 state programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, 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 Mine Hill Township 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 state program. Our audit does not provide a legal determination of the Mine Hill Township 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 Mine Hill Township Board of Education's 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 Mine Hill Township 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 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 Mine Hill Township Board of Education's compliance with the requirements of each major 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 Mine Hill Township 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 Mine Hill Township 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 New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Mine Hill Township 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 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 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 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 New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on 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 Mine Hill Township Board of Education, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated October 30, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 is 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 state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
October 30, 2025

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

Federal/Grantor/Pass-Through Grantor/ Program Title	AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2024 (Accounts Receivable)	Balance July 1, 2024 Unearned Revenue	Unearned Rev Carryover	A/R Carryover	Cash Received	Budgetary Expenditures	June 30, 2025 Accounts Receivable	June 30, 2025 Unearned Revenue	MEMO GAAP Receivable
U.S. Department of Agriculture													
Passed-Through State Department of Agriculture													
Enterprise Fund													
National School Lunch Program	10.555	251NJ304N1099	7/1/24-6/30/25	$ 94,273					$ 77,746	$ 94,273	$ (16,527)		$ (16,527)
National School Lunch Program	10.555	241NJ304N1099	7/1/23-6/30/24	75,983	$ (13,777)				13,777				
School Breakfast Program	10.553	251NJ304N1099	7/1/24-6/30/25	16,314					12,792	16,314	(3,522)		(3,522)
School Breakfast Program	10.553	241NJ304N1099	7/1/23-6/30/24	10,924	(2,276)				2,276				-
National PB Lunch	10.555	251NJ304N1099	7/1/24-6/30/25	3,458					2,857	3,458	(601)		(601)
National PB Lunch	10.555	241NJ304N1099	7/1/23-6/30/24	2,727	(479)				479				-
Federal Food Distribution Program	10.555	251NJ304N1099	7/1/24-6/30/25	22,142					22,142	21,293		$ 849	-
Federal Food Distribution Program	10.555	241NJ304N1099	7/1/23-6/30/24	24,789		$ 1,735				1,735			-
Local Food for Schools Cooperative Program	10.185	AM22CPLFS000C015	7/1/24-6/30/25	322					322	322			-
Summer Electronic Benefit Transfer Program for Children	10.646	2022225900941	7/1/24-6/30/25	459	-	-	-	-	459	459	-	-	-
Total Child Nutrition Cluster/U.S. Department of Agriculture					(16,532)	1,735	-	-	132,850	137,854	(20,650)	849	(20,650)
U.S. Department of Education													
Passed-Through State Department of Agriculture													
Special Revenue Fund													
I.D.E.A. Part B, Basic Regular	84.027	H027A220100	7/1/24-9/30/25	118,955					118,955	118,955	-	-	-
I.D.E.A. Part B, Preschool	84.173A	H173A220114	7/1/24-9/30/25	3,689	-	-	-	-	3,689	3,689	-	-	-
Total I.D.E.A. Cluster					-	-	-	-	122,644	122,644	-	-	-
No Child Left Behind/ESEA:													
Title I - Part A	84.010	S010A220030	7/1/24-9/30/25	96,696			$ 400	$ (400)	62,598	96,576	(34,498)	520	(33,978)
Title I - Part A	84.010	S010A220030	7/1/23-9/30/24	70,792	(2,080)	400	(400)	400	1,680		-	-	
Title IIA	84.367A	S367A220029	7/1/24-9/30/25	8,346			6,301	(6,301)	14,323	14,647	(324)	-	(324)
Title IIA	84.367A	S367A220029	7/1/23-9/30/24	15,348	(6,774)	6,301	(6,301)	6,301	473	-	-	-	-
Total ESEA Cluster					(8,854)	6,701	-	-	79,074	111,223	(34,822)	520	(34,302)
Elementary and Secondary School Emergency Relief Fund (ESSER):													
ARP - ESSER III	84.365	S425U210027	3/13/20-9/30/24	574,862	(41,755)	12			41,755	12	-	-	-
ARP - Evidence-Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(7,627)	7,627			7,627	7,627	-	-	-
ARP - Evidence-Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(3,712)	3,712			3,712	3,712	-	-	-
ARP - NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(2,597)				2,597		-	-	-
ARP - NJ High Impact Tutoring Competitive Grant	84.XX	E2400373	10/11/23-8/31/24	75,992	(49,069)	26,492	-	-	40,486	26,225	(8,583)	267	(8,316)
Total ESSER Cluster					(104,760)	37,843	-	-	96,177	37,576	(8,583)	267	(8,316)
Total Special Revenue Fund					(113,614)	44,544	-	-	297,895	271,443	(43,405)	787	(42,618)
Total Federal Financial Awards					$ (130,146)	$ 46,279	$ -	$ -	$ 430,745	$ 409,297	$ (64,055)	$ 1,636	$ (63,268)

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2024 Deferred Revenue (Accounts Receivable)	Carryover Amount	Cash Received	Budgetary Expenditures	Transfers	June 30, 2025 (Accounts Receivable)	June 30, 2025 Unearned Revenue	Memo GAAP Receivable	Memo Cumulative Total Expenditures
State Department of Education												
General Fund												
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	$ 571,326			$ 514,497	$ 571,326		$ (56,829)			$ 571,326
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	435,874	$ (43,316)		43,316						-
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	2,306,450			2,077,030	2,306,450		(229,420)			2,306,450
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	1,774,286	(176,325)		176,325						-
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	129,783			116,874	129,783		(12,909)			129,783
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	41,980	(4,172)		4,172						-
School Choice Aid	25-495-034-5120-068	7/1/24-6/30/25	1,323,160			1,191,547	1,323,160		(131,613)			1,323,160
School Choice Aid	24-495-034-5120-068	7/1/23-6/30/24	1,258,370	(125,054)	-	125,054	-	-	-	-	-	-
Total State Aid - Public Cluster				(348,867)	-	4,248,815	4,330,719	-	(430,771)	-	-	4,330,719
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	171,868			154,772	171,868		(17,096)			171,868
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	171,868	(17,080)		17,080						-
Nonpublic School Transportation Costs	25-495-034-5120-014	7/1/24-6/30/25	6,538				6,538		(6,538)		$ (6,538)	6,538
Nonpublic School Transportation Costs	24-495-034-5120-014	7/1/23-6/30/24	7,280	(7,280)	-	7,280	-	-	-	-	-	-
Total Transportation Aid Cluster				(24,360)	-	179,132	178,406	-	(23,634)	-	(6,538)	178,406
Extraordinary Aid	25-100-034-5120-044	7/1/24-6/30/25	398,060				398,060		(398,060)			398,060
Extraordinary Aid	24-100-034-5120-044	7/1/23-6/30/24	163,956	(163,956)		163,956						
On-Behalf TPAF												
Pension Contributions Normal Costs	25-495-034-5094-002	7/1/24-6/30/25	1,036,182			1,036,182	1,036,182					1,036,182
NCGI Prem.	25-495-034-5094-004	7/1/24-6/30/25	12,836			12,836	12,836					12,836
Post Retirement-Medical	25-495-034-5094-001	7/1/24-6/30/25	306,524			306,524	306,524					306,524
Long-Term Disability Insurance Contributions	25-495-034-5094-004	7/1/24-6/30/25	500			500	500					500
Social Security Aid	25-495-034-5094-003	7/1/24-6/30/25	249,960			225,778	249,960		(24,182)		(24,182)	249,960
Social Security Aid	24-495-034-5094-003	7/1/23-6/30/24	233,456	(11,521)	-	11,521	-	-	-	-	-	-
Total Extraordinary Aid and On-Behalf TPAF Cluster				(175,477)	-	1,757,297	2,004,062	-	(422,242)	-	(24,182)	2,004,062
Total General Fund				(548,704)	-	6,185,244	6,513,187	-	(876,647)	-	(30,720)	6,513,187
Special Revenue Fund												
Preschool Education Aid	25-495-034-5120-086	7/1/24-6/30/25	1,189,365		254,138	1,070,429	1,391,284	208,020	(118,936)	260,239		1,391,284
Preschool Education Expansion Aid	24-495-034-5120-086	7/1/23-6/30/24	850,906	147,766	(254,138)	106,372	-	-	-	-	-	-
Total Preschool Education Aid Cluster				147,766	-	1,176,801	1,391,284	208,020	(118,936)	260,239	-	1,391,284
Schools Development Authority												
Emergent and Capital Maintenance Needs	24-100-034-5120-519	7/1/23-6/30/24	7,598	-	-	7,598	7,598	-	-	-	-	7,598
Total Special Revenue Fund				147,766	-	1,184,399	1,398,882	208,020	(118,936)	260,239	-	1,398,882

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2024 Deferred Revenue (Accounts Receivable)	Carryover Amount	Cash Received	Budgetary Expenditures	Transfers	June 30, 2025 (Accounts Receivable)	June 30, 2025 Unearned Revenue	Memo GAAP Receivable	Memo Cumulative Total Expenditures
Enterprise Fund												
School Lunch Program	25-100-010-3350-023	7/1/24-6/30/25	12,103			$ 9,725	$ 12,103		$ (2,378)		$ (2,378)	$ 12,103
School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	4,035	(698)		698						
School Breakfast Program	25-100-010-3350-023	7/1/24-6/30/25	2,548			2,058	2,548		(490)		(490)	2,548
School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	309	(55)		55						-
Summer Electronic Benefit Transfer Program for Children	25-100-010-3370-100	7/1/24-6/30/25	321	-	-	321	321	-	-	-	-	321
Total Enterprise Fund				(753)	-	12,857	14,972	-	(2,868)	-	(2,868)	14,972
Schools Development Authority												
Debt Service Aid	25-495-034-5120-075	7/1/24-6/30/25	96,185	-	-	96,185	96,185	-	-	-	-	96,185
Total Debt Service Fund				-	-	96,185	96,185	-	-	-	-	96,185
State Financial Assistance Subject to Single Audit Determination				(401,691)	-	7,478,685	8,023,226	208,020	(998,451)	260,239	(33,588)	8,023,226
Less: State Aid Not Subject to Single Audit:												
On-Behalf TPAF												
Pension Contributions Normal Costs	25-495-034-5094-002	7/1/24-6/30/25	1,036,182			1,036,182	1,036,182					1,036,182
NCGI Prem.	25-495-034-5094-004	7/1/24-6/30/25	12,836			12,836	12,836					12,836
Post Retirement-Medical	25-495-034-5094-001	7/1/24-6/30/25	306,524			306,524	306,524	-	-	-	-	306,524
Long-Term Disability Insurance Contributions	25-495-034-5094-004	7/1/24-6/30/25	500	-	-	500	500	-	-	-	-	500
Total for State Financial Subject to Single Audit				$ (401,691)	$ -	$ 6,122,643	$ 6,667,184	$ 208,020	$ (998,451)	$ 260,239	$ (33,588)	$ 6,667,184

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

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

NOTE 1 REPORTING ENTITY

The Mine Hill Township 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 Principals, 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 a decrease of $316,024 for the general fund and an increase of $886 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:

	Federal	State	Total
General Fund		$ 6,197,163	$ 6,197,163
Special Revenue Fund	$ 271,443	1,191,748	1,463,191
Debt Service Fund		96,185	96,185
Food Service Fund	137,854	14,972	152,826
Total Awards and Financial Assistance	$ 409,297	$ 7,500,068	$ 7,909,365

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

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of $249,960 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2025. The amount reported as TPAF Pension System Contributions in the amount of $1,049,018, TPAF Post-Retirement Medical Benefits Contributions in the amount of $306,524 and TPAF Long-Term Disability Insurance in the amount of $500 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditors' report issued on financial statements	Unmodified		
Internal control over financial reporting:			
1) Material weakness(es) identified	____ yes	X no	
2) Significant deficiency identified that are not considered to be material weakness(es)?	____ yes	X none reported	
Noncompliance material to the basic financial statements noted?	____ yes	X no	

Federal Awards Section Not Applicable

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

Part I – Summary of Auditor's Results

State Awards Section

Internal Control over major programs:

Dollar threshold used to determine Type A programs:	$ 750,000
Auditee qualified as low-risk auditee?	X yes ____ no
Type of auditors' report on compliance for major programs:	Unmodified
Internal Control over compliance:	
1) Material weakness(es) identified:	____ yes X no
2) Were significant deficiency(ies) identified that were not considered to be material weaknesses?	____ yes X none reported
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:
25-495-034-5120-078	Equalization Aid
25-495-034-5120-068	School Choice Aid
25-495-034-5120-089	Special Education Aid
25-495-034-5120-084	Security Aid
25-495-034-5120-086	Preschool Education Aid

EXHIBIT K-6

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

Part 2 – Schedule of Financial Statement Findings

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

There are none.

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

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

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

CURRENT YEAR FEDERAL AWARDS

Not Applicable.

CURRENT YEAR STATE AWARDS

There are none.