

**LYNDHURST SCHOOL DISTRICT  
County of Bergen, New Jersey**

**Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2014  
(With Independent Auditors' Reports Thereon)**

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COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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LYNDHURST SCHOOL DISTRICT

Comprehensive Annual Financial Report

Introductory Section

LYNDHURST BOARD OF EDUCATION

420 Fern Avenue

LYNDHURST, NEW JERSEY 07071

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August 31, 2014

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

Dear Board Members:

The comprehensive annual financial report of the Lyndhurst School District for the fiscal year ended June 30, 2014, 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 Lyndhurst Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the district. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual 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 Management's Discussion and Analysis, basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, the U.S. Office of Management and Budget Circular A-133 "*Audits of States, Local Governments, and Non-Profit Organizations*", and the state Treasury Circular Letter 04-04 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Lyndhurst School District is an independent reporting entity as set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the District are included in this report. The Lyndhurst Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular as well as special education for handicapped students.

LYNDHURST BOARD OF EDUCATION

420 Fern Avenue

LYNDHURST, NEW JERSEY 07071

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2. ECONOMIC CONDITION AND OUTLOOK: The Lyndhurst area is substantially developed which both residential and industrial taxpayers. The situation is expected to continue, which suggests that its tax base will remain stable.

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

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

4. 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2014.

LYNDHURST BOARD OF EDUCATION

420 Fern Avenue

LYNDHURST, NEW JERSEY 07071

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

6. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the act.

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

8. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Di Maria & Di Maria 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 Single Audit Act and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.



LYNDHURST BOARD OF EDUCATION

420 Fern Avenue

LYNDHURST, NEW JERSEY 07071

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

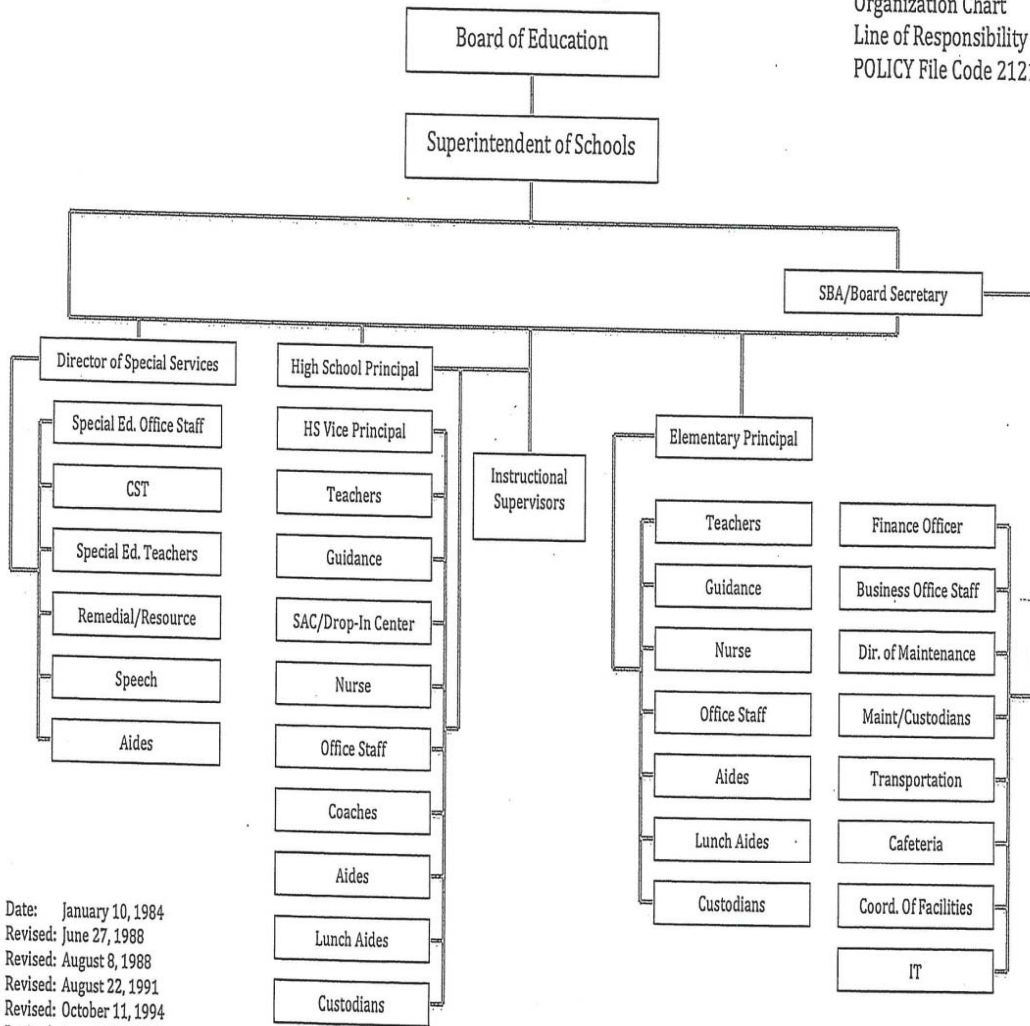
Respectfully submitted,

David DiPisa  
School Business Administrator

Valerie Troncone  
Finance Manager

**LYNDHURST SCHOOL DISTRICT  
ORGANIZATIONAL CHART**

Organization Chart  
Line of Responsibility  
POLICY File Code 2121



Date: January 10, 1984  
 Revised: June 27, 1988  
 Revised: August 8, 1988  
 Revised: August 22, 1991  
 Revised: October 11, 1994  
 Revised: August 14, 1995  
 Revised: October 19, 1999  
 Revised: January 18, 2000  
 Revised: February 26, 2003  
 Revised: September 19, 2007  
 Revised: February 9, 2009  
 Revised: September 20, 2010  
 Revised: May 6, 2013

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**LYNDHURST SCHOOL DISTRICT  
ROSTER OF OFFICIALS**

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<u>Board of Education</u>	<u>Term Expires</u>
Christopher Musto - President	2014
Joseph Abruscato - Vice President	2016
Ronald Szwec	2016
Susan Alcuri	2016
Ronald Grillo	2015
Sheri Jarvis	2015
Thomas DiMascio	2015
Josephine Malaniak	2014
Stephen Vendola	2014

Other Officials

Dr. Tracey Marinelli, Superintendent

David DiPisa, Business Administrator/Board Secretary

Valerie Troncone, Finance Manager

**LYNDHURST SCHOOL DISTRICT  
CONSULTANTS, INDEPENDENT AUDITOR AND ADVISORS**

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Independent Audit Firm  
Di Maria & Di Maria, LLP  
245 Union Street  
Lodi, New Jersey 07644

Attorney  
Richard J. DiLascio, Esq.  
Township of Lyndhurst Shared Service Agreement

Official Depository  
Capital One Bank

LYNDHURST SCHOOL DISTRICT  
Comprehensive Annual Financial Report  
Financial Section

REQUIRED SUPPLEMENTARY INFORMATION - PART I

# *Di Maria & Di Maria LLP*

*Accountants & Consultants*

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245 Union Street  
Lodi, New Jersey 07644  
Voice 973.779.6890  
Facsimile 973.779.6891

Independent Auditors' Report

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

## Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lyndhurst School District, Lyndhurst, New Jersey, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report (Continued)

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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 audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lyndhurst School District, Lyndhurst, New Jersey, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Independent Auditors' Report (Continued)

Other Matters

*Required Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lyndhurst School District's basic financial statements. The supplementary data schedules listed in the table of contents, the letter of comments and recommendations section, the accompanying schedules of expenditures of federal awards and the schedule of state financial assistance, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*; and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, respectively, and statistical information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Independent Auditors' Report (Continued)  
Other Matters (Continued)  
*Other Information* (Continued)

The introductory section and supplementary data schedules listed in the table of contents and the schedules of expenditures of federal awards and schedule of state financial assistance and statistical information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the introductory section and supplementary data schedules listed in the table of contents, the schedules of expenditures of federal awards, the schedule of state financial assistance, and statistical information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Independent Auditors' Report (Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2014 on our consideration of the Lyndhurst School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lyndhurst School District's internal control over financial reporting and compliance.

DI MARIA & DI MARIA LLP  
Accountants and Consultants

*Frank DiMaria*

Frank Di Maria  
Registered Municipal Accountant  
RMA No. CR00463

August 31, 2014

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

This section of the Lyndhurst Board of Education's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2014. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2013-2014 fiscal year include the following:

The position of the Lyndhurst Board of Education exceeded its liabilities at the close of the fiscal year by \$17,313,565 (net position).

The District's total net position increased \$13,815.

Overall district revenues were \$40,651,900. General revenues accounted for \$34,248,975 or 84% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$6,402,925 or 16% of total revenues.

Overall district expenses were \$40,638,373. Governmental activities accounted for \$39,847,222 or 98% of all expenses. Business-type activities accounted for \$791,151 or 2% of all expenses.

The school district had \$39,847,222 in expenses for governmental activities; only \$5,897,464 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes, unrestricted State aid and capital asset adjustments) of \$34,248,975 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 \$327,802 a decrease of \$170,941 when compared to the previous year ending fund balance at June 30, 2013 of \$498,743.

The General Fund unreserved unassigned fund balance at June 30, 2014 was \$327,802 a decrease of \$105,723 when compared with the ending unreserved unassigned fund balance at June 30, 2013 of \$433,525.

The General Fund unreserved, unassigned budgetary fund balance at June 30, 2014 was \$492,573 which represents a decrease of \$75,819 when compared to the ending fund balance at June 30, 2013 of \$568,392.

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts - *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the District:

The first two statements are *government wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.

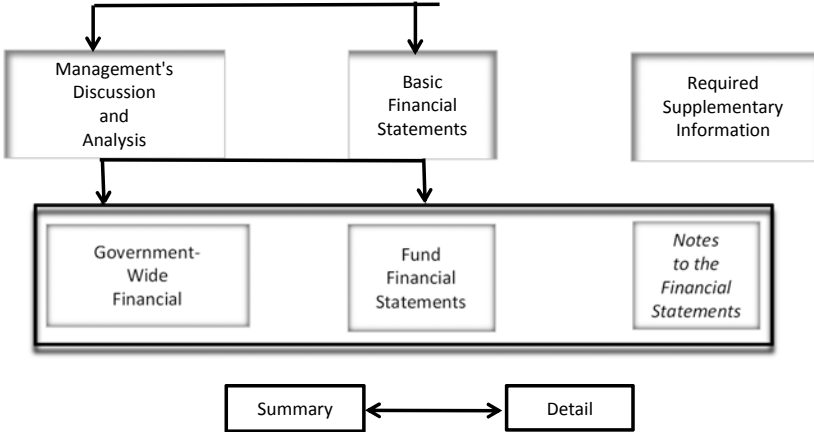
The remaining statements are *fund financial statements* that focus on individual parts of the District's government, reporting the District's operations in *more detail* than the government-wide statements.

The *governmental funds statements* tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.

*Proprietary fund* statements offer *short-term and long-term* financial information about the activities the district operated like businesses, such as the food service program.

*Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others to whom the resources belong.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The following illustration shows how the various parts of this annual report are arranged and related to one another.



**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

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

**Major Features of the District-Wide and Fund Financial Statements**

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as food service and student activities.	Activities the district operates similar to private businesses: Enterprise Fund	Instances in which the district administers resources held in trust, such as Unemployment, Payroll Agency and Student Activities
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 revenue, expenses, and changes in fund net position Statement of cash flows	Statement of Fiduciary net position Statement of changes in fiduciary net position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both 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	All revenues and expenses during the year, regardless of when cash is received or paid

**Government-wide Statements**

The government-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 government's assets and liabilities. 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 government-wide statements report the District's *net position* and how they have changed. Net position - the difference between the District's assets and liabilities - is one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the 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 government-wide financial statements the District's activities are shown in two categories:

*Governmental activities* - Most of the District's basic services are included here, such as regular and special education instruction, transportation, administration and plant operations and maintenance. Property taxes and state aids 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 where the District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service Fund is included under this category.

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

**Fund financial statements**

The fund financial statements provide more detailed information about the District's most significant *funds* - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending for particular purposes:

Some funds are required by State law and bond covenants.

The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

1. *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 government-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.

2. *Proprietary funds* - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short term financial information. In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information such as cash flows. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has the following enterprise funds: Food Service (Cafeteria)

3. *Fiduciary funds* - The District is the trustee, or *fiduciary*, for assets that - because of a trust arrangement - can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the government-wide financial statements because the District cannot use these assets to finance its operations.

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

**DISTRICT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$17,313,565 as of June 30, 2014 and \$17,299,750 as of June 30, 2013.

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, 2014 and 2013**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$ 766,949	\$ 1,366,957	\$ 93,517	\$ 42,546	\$ 860,466	\$ 1,409,503
Capital Assets	22,858,725	23,212,284	-	-	22,858,725	23,212,284
<b>Total Assets</b>	<b>23,625,674</b>	<b>24,579,241</b>	<b>93,517</b>	<b>42,546</b>	<b>23,719,191</b>	<b>24,621,787</b>
Long-Term Liabilities	5,369,892	5,931,609	-	-	5,369,892	5,931,609
Other Liabilities	944,147	1,363,214	91,586	27,214	1,035,733	1,390,428
<b>Total Liabilities</b>	<b>6,314,039</b>	<b>7,294,823</b>	<b>\$ 91,586</b>	<b>\$ 27,214</b>	<b>6,405,625</b>	<b>7,322,037</b>
<b>Net Position</b>						
Invested in capital assets, net of related debt	19,818,725	19,822,284	-	-	19,818,725	19,822,284
Restricted	0	65,218	-	-	-	65,218
Unrestricted (Deficit)	(2,507,090)	(2,603,084)	1,930	15,332	(2,505,160)	(2,587,752)
<b>Total Net Position</b>	<b>\$ 17,311,635</b>	<b>\$ 17,284,418</b>	<b>\$ 1,930</b>	<b>\$ 15,332</b>	<b>\$ 17,313,565</b>	<b>\$ 17,299,750</b>

A small portion of the District's Net Assets, less than one percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets is in a deficit position and is a result of how the district expenses its long-term liabilities for governmental activities such as compensated absences and claims and judgments on the government-wide financial statements. These long-term liabilities are recorded and expensed for governmental activities at the time the liabilities are incurred regardless of when payment is due. However, the revenue for these long-term liabilities of governmental activities is not raised until these liabilities are included in the District budget when compensated absences and claims and judgments for governmental activities are due and payable.



**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

**Change in Net Position  
For The Years Ended June 30, 2014 and 2013**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ -	\$ -	\$ 240,472	\$ 197,948	\$ 240,472	\$ 197,948
Operating Grants and Contributions	5,897,464	6,334,844	264,989	227,376	6,162,453	6,562,220
Capital Grants and Contributions	-	-	-	-	-	-
General Revenues						
Property Taxes	33,655,609	32,976,035	-	-	33,655,609	32,976,035
State and Federal Aid	389,292	381,161	-	-	389,292	381,161
Other	204,074	147,309	288	-	204,362	147,309
Capital Asset Adjustments	-	651,702	-	-	-	651,702
Transfers	(272,000)	(285,000)	272,000	285,000	-	-
<b>Total Revenues</b>	<b>39,874,439</b>	<b>40,206,051</b>	<b>777,749</b>	<b>710,324</b>	<b>40,652,188</b>	<b>40,916,375</b>
<b>Expenses</b>						
Instruction						
Regular	11,860,247	11,251,065	-	-	11,860,247	11,251,065
Special Education	2,630,426	3,068,156	-	-	2,630,426	3,068,156
Basic Skills/Remedial	387,347	411,454	-	-	387,347	411,454
Bilingual	104,805	137,768	-	-	104,805	137,768
School Sponsored Activities & Athletics	724,117	714,817	-	-	724,117	714,817
Alternative Education Program	500	500	-	-	500	500
Undistributed Expenditures						
Instruction	3,223,918	3,084,816	-	-	3,223,918	3,084,816
Attendance and Social Work	80,946	63,316	-	-	80,946	63,316
Health Services	512,055	474,743	-	-	512,055	474,743
Speech, OT, PT, Related Services	594,631	580,463	-	-	594,631	580,463
Other Support Services - Students	37,735	3,707	-	-	37,735	3,707
Guidance	599,227	613,607	-	-	599,227	613,607
Child Study Team	690,574	638,418	-	-	690,574	638,418
Improvement of Instructional Services	1,101,551	923,249	-	-	1,101,551	923,249
Educational Media Services/School Library	1,900	2,516	-	-	1,900	2,516
Instructional Staff Training Services	4,626	3,347	-	-	4,626	3,347
General Administration	907,836	977,981	-	-	907,836	977,981
School Administration	1,902,760	1,811,058	-	-	1,902,760	1,811,058
Central Services	571,373	579,310	-	-	571,373	579,310
Required Maintenance for School Facilities	1,374,730	1,186,371	-	-	1,374,730	1,186,371
Custodial Services	1,744,716	1,600,385	-	-	1,744,716	1,600,385
Care & Upkeep of Grounds	48,910	77,987	-	-	48,910	77,987
Security	34,699	35,850	-	-	34,699	35,850
Student Transportation	733,370	776,810	-	-	733,370	776,810
Unallocated Employee Benefits	5,877,714	6,107,106	-	-	5,877,714	6,107,106
TPAF Pension	1,852,978	2,196,063	-	-	1,852,978	2,196,063
TPAF Social Security	1,188,687	1,141,939	-	-	1,188,687	1,141,939
Capital Outlay						
Interest Deposit to Capital Reserve	-	-	-	-	-	-
Equipment	259,058	110,651	-	-	259,058	110,651
Facilities Acquisition and Construction Services	474,331	617,331	-	-	474,331	617,331
Charter Schools	126,447	111,805	-	-	126,447	111,805
Debt Service						
Interest on Early Retirement Bonds	44,718	51,578	-	-	44,718	51,578
Interest on Bonds	150,290	165,240	-	-	150,290	165,240
Food Services	-	-	791,151	702,878	791,151	702,878
Before/After Child Care	-	-	-	-	-	-
<b>Total Expenses</b>	<b>39,847,222</b>	<b>39,519,407</b>	<b>791,151</b>	<b>702,878</b>	<b>40,638,373</b>	<b>40,222,285</b>

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

<b>Change in Net Position</b>	27,217	686,644	(13,402)	7,446	13,815	694,090
<b>Net Position, Beginning of Year</b>	17,284,418	16,597,774	15,332	7,886	17,299,750	16,605,660
<b>Net Position, End of Year</b>	<u>\$ 17,311,635</u>	<u>\$ 17,284,418</u>	<u>\$ 1,930</u>	<u>\$ 15,332</u>	<u>\$ 17,313,565</u>	<u>\$ 17,299,750</u>

**Governmental Activities** - The District's total governmental activities' revenues, which includes State and Federal grants, were \$40,146,439 and \$39,839,349 for the years ended June 30, 2014 and June 30, 2013, respectively. Property taxes of \$33,655,609 and \$32,976,035 represented 84% and 83% of the revenues for the fiscal years ended June 30, 2014 and 2013, respectively. Another significant portion of revenues came from state aid; total state, federal and local aid and grants was \$6,286,756 and \$6,716,005 which represented 16% and 17% of the revenues for the fiscal years ended June 30, 2014 and 2013, respectively. State, federal and local aid and grants are reported as operating and capital grants and contributions if specific to a program or as general revenues if not specific to a program. In addition, other miscellaneous income is earned which includes items such as interest, prior year refunds and other miscellaneous items.

The total cost of all governmental activities programs and services were \$40,317,380 and \$40,195,529 for the years ended June 30, 2014 and 2013. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$15,707,442 and \$15,583,760 (39% and 39%) of total expenditures for the fiscal years ended June 30, 2014 and 2013, respectively. Support services, totaled \$24,609,938 and \$24,611,769 (61% and 61%) of total expenditures.

**Business-Type-Activities** - The District's total business-type activities revenues were \$505,749 and \$425,324 for the years ended June 30, 2014 and June 30, 2013. Charges for services accounted for 48% and 47% of total revenues and operating grants and contributions accounted for 52% and 53% of total revenue for the years ended June 30, 2014 and 2013. There were no capital grants received for years ended June 30, 2014 or 2013.

The total cost of all business-type activities programs and services were \$791,151 and \$702,878 for the years ended June 30, 2014 and 2013. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District.

The business-type activities revenues (including transfers) for the year ended June 30, 2014 did not surpass expenses, decreasing net position by \$13,402 below the previous year from \$15,332 at June 30, 2013 to \$1,930 at June 30, 2014. The cost of business-type activities this year was \$791,151, an increase of \$88,273 (13%) from the previous year mainly due to increases in repairs and maintenance costs on food service equipment.

Some of the cost was paid by users of the District's food service program for a total of \$240,472, an increase of \$42,524 (21%) from the previous year.

The Federal and State government subsidized the food service program with grants and contributions of \$264,989, an increase of \$37,914 (17%).

The overall net decrease in net position reflects the increased cost of sales (i.e., food and supply costs), associated with higher food prices, increased salary expenses and above average repairs and maintenance costs on food service equipment offset with increases in revenues from users and Federal and State government sources.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$327,802 for the year ended June 30, 2014 compared to a fund balance of \$498,743 for the year ended June 30, 2013, a decrease in the balance of \$170,941 for the year.

Revenues for the District's governmental funds were \$40,146,439 and \$39,839,349, while total expenses were \$40,317,380 and \$40,195,529 for the fiscal years ended June 30, 2014 and 2013, respectively.

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

**General Fund** - The General Fund is the chief operating fund of the District and includes the primary operations in the providing educational services to students from pre-kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a comparison of General Fund Revenues for the fiscal years ended June 30, 2014 and 2013:

	June 30,		Amount of Increase (Decrease)	Percent Increase (Decrease)
	<u>2014</u>	<u>2013</u>		
Local Sources				
Property Tax Levy	\$ 32,965,601	\$ 32,319,217	\$ 646,384	2%
Miscellaneous	204,074	147,309	56,765	39%
State Sources	5,164,141	5,518,698	(354,557)	-6%
Federal Sources	41,192	64,751	(23,559)	-36%
<b>Total General Fund Revenues</b>	<b><u>\$ 38,375,008</u></b>	<b><u>\$ 38,049,975</u></b>	<b><u>\$ 325,033</u></b>	<b>1%</b>

Local property taxes increased by \$646,384 or 2% over the previous year. State aid revenues decreased \$354,557, or 6%, predominantly attributable to a change in the State funding formula and adjustments made to aid during the year. Federal aid revenues decreased \$23,559, or 36% due to decreases in Special Education Medicaid Initiative funding.

The following schedule presents a comparison of General Fund expenditures for the fiscal years ended June 30, 2014 and 2013:

	June 30,		Amount of Increase (Decrease)	Percent Increase (Decrease)
	<u>2014</u>	<u>2013</u>		
Instruction	\$ 14,901,520	\$ 14,451,204	\$ 450,316	3%
Support Services	22,866,152	23,037,465	(171,313)	-1%
Debt Services	-	-	-	N/A
Charter Schools	126,447	111,805	14,642	100%
Capital Outlay	379,830	520,681	(140,851)	-27%
<b>Total Expenditures</b>	<b><u>\$ 38,273,949</u></b>	<b><u>\$ 38,121,155</u></b>	<b><u>\$ 152,794</u></b>	<b>0%</b>

Total General Fund expenditures increased \$152,794 or .4% from the previous year. The increase can be attribute to contractual increases in salaries and wages, health benefits and special education tuition costs offset by decreases in support services and capitla outlay expenditures .

**Special Revenue Fund** - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$1,081,423 and \$1,132,556 for the years ended June 30, 2014 and 2013. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 85% and 85% of the total revenues for the years ended June 30, 2014 and 2013.

Total Special Revenue Fund revenues decreased \$51,133 or 5% from the previous year. State sources decreased \$1,352 or .01% and Federal sources decreased \$49,781 or 5%.

Expenditures of the Special Revenue Fund were \$1,081,423 and \$1,132,556 for the fiscal years ended June 30, 2014 and 2013. Instructional expenditures were \$805,922 and \$1,132,556 or 75% and 100% and expenditures for support services were \$275,501 and \$0 or 25% and 0% of the total amounts expended for the years ended June 30, 2014 and 2013, respectively.

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the budgetary basis and encumbrance accounting. The most significant mandated revenue recognition of certain deferred state aid payments for budgetary purposes only. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times through appropriation transfers between budget line items.

Implementing budgets for specially funded projects, which include both Federal and State grants.

Reinstating prior year purchase orders being carried over as encumbrances.

Increases in appropriations for significant unbudgeted costs.

General Fund budgetary revenues did not exceed General Fund budgetary and other financing uses decreasing budgetary fund balance \$141,037 from the previous year. After deducting statutory reserves and designations, the unreserved/unassigned budgetary fund balance decreased \$75,819 from a \$568,392 balance at June 30, 2013 to a \$492,573 fund balance at June 30, 2014.

**CAPITAL ASSETS**

The District's investment in capital assets for its governmental and business type activities as of June 30, 2014 and 2013 amounted to \$22,858,725 and \$23,212,284 (net of accumulated depreciation). The capital assets consist of land, land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal years 2013-2014 and 2012-2013 amounted to \$196,970 and \$207,301 for governmental activities and \$0 and \$0 for business-type activities.

Capital Assets at June 30, 2014 and 2013  
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land and Land Improvements	\$ 9,342,900	\$ 9,342,900	\$ -	\$ -	\$ 9,342,900	\$ 9,342,900
Building and Building Improvements	13,020,664	13,120,664	-	-	13,020,664	13,120,664
Machinery and Equipment	495,161	748,720	-	-	495,161	748,720
Construction in Progress	-	-	-	-	-	-
<b>Total Net Assets</b>	<b>\$ 22,858,725</b>	<b>\$ 23,212,284</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,858,725</b>	<b>\$ 23,212,284</b>

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

**LONG TERM LIABILITIES**

At June 30, 2014 and 2013, the District's long-term liabilities consisted of bonds payable of \$3,740,000 and \$4,235,000, and compensated absences payable of \$2,134,892 and \$2,191,609, respectively.

Additional information on the District's long term liabilities is presented in Note 5 of this report.

**LYNDHURST BOARD OF EDUCATION  
LYNDHURST, NEW JERSEY**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

While many factors influence the District's future, the availability of State funding, special education needs, capital improvements and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District's administration during the process of developing the fiscal year 2014 - 2015 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs, and increased special education tuition costs.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, 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 School Business Administrator, Lyndhurst Board of Education.

SECTION "A" - DISTRICT WIDE FINANCIAL STATEMENTS

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2014**

	Governmental Activities	Business-Type Activities	Total
<b><u>ASSETS</u></b>			
Cash	\$ 568,844	\$ 40,467	\$ 609,311
Receivables, (Net)	198,105	53,049	251,154
Capital Assets, (Net)	22,858,725	-	22,858,725
<b>Total Assets</b>	<b>\$ 23,625,674</b>	<b>\$ 93,516</b>	<b>\$ 23,719,190</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 439,147	\$ 91,586	\$ 530,733
Non-Current Liabilities:			
Due Within One Year	505,000	-	505,000
Due Beyond One Year	5,369,892	-	5,369,892
<b>Total liabilities</b>	<b>\$ 6,314,039</b>	<b>\$ 91,586</b>	<b>\$ 6,405,625</b>
<b><u>NET POSITION</u></b>			
Invested in Capital Assets, Net of Related Debt	\$ 19,818,725	\$ -	\$ 19,818,725
Unrestricted	(2,507,090)	1,930	(2,505,160)
<b>Total Net Position</b>	<b>\$ 17,311,635</b>	<b>\$ 1,930</b>	<b>\$ 17,313,565</b>

LYNDHURST SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FISCAL YEAR ENDED JUNE 30, 2014

Functions/Programs	Program Expenses				Program Revenues				Net (Expense) Revenue & Changes in Net Assets		
	Budgetary Basis	Adjustments	Depreciation	Total	Charges for Services	Operating Grants/Contributions	Capital Grants/Contributions	Total	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>											
Current Expense:											
Instruction:											
Regular Programs - Instruction	\$ 11,860,247	\$ -	\$ -	\$ 11,860,247	\$ -	\$ 805,922	\$ -	\$ 805,922	\$ (11,054,325)	\$ -	\$ (11,054,325)
Special Education - Instruction	2,630,426	-	-	2,630,426	-	1,613,664	-	1,613,664	(1,016,762)	-	(1,016,762)
Basic Skills - Remedial Instruction	387,347	-	-	387,347	-	-	-	-	(387,347)	-	(387,347)
Bilingual Education - Instruction	104,805	-	-	104,805	-	-	-	-	(104,805)	-	(104,805)
School Sponsored Cocurricular Activities - Instruction	188,199	-	-	188,199	-	-	-	-	(188,199)	-	(188,199)
School Sponsored Athletics - Instruction	535,918	-	-	535,918	-	-	-	-	(535,918)	-	(535,918)
Alternative Education Program	500	-	-	500	-	-	-	-	(500)	-	(500)
Undistributed Expenditures:											
Instruction	3,223,918	-	-	3,223,918	-	229,976	-	229,976	(2,993,942)	-	(2,993,942)
Attendance and Social Work Services	80,946	-	-	80,946	-	-	-	-	(80,946)	-	(80,946)
Health Services	512,055	-	-	512,055	-	-	-	-	(512,055)	-	(512,055)
Speech, OT, PT, Related Services	594,631	-	-	594,631	-	4,359	-	4,359	(590,272)	-	(590,272)
Other Support Services - Students Extraordinary Services	37,735	-	-	37,735	-	-	-	-	(37,735)	-	(37,735)
Guidance	599,227	-	-	599,227	-	-	-	-	(599,227)	-	(599,227)
Child Study Team	690,574	-	-	690,574	-	-	-	-	(690,574)	-	(690,574)
Improvement of Instructional Services	1,101,551	-	-	1,101,551	-	-	-	-	(1,101,551)	-	(1,101,551)
Educational Media Services/School Library	1,900	-	-	1,900	-	-	-	-	(1,900)	-	(1,900)
Instructional Staff Training Services	4,626	-	-	4,626	-	-	-	-	(4,626)	-	(4,626)
Support Services - General Administration	907,836	-	-	907,836	-	-	-	-	(907,836)	-	(907,836)
Support Services - School Administration	1,902,760	-	-	1,902,760	-	-	-	-	(1,902,760)	-	(1,902,760)
Central Services	571,373	-	-	571,373	-	-	-	-	(571,373)	-	(571,373)
Required Maintenance for School Facilities	1,374,730	-	-	1,374,730	-	65,826	-	65,826	(1,308,904)	-	(1,308,904)
Custodial Services	1,744,716	-	-	1,744,716	-	-	-	-	(1,744,716)	-	(1,744,716)
Care & Upkeep of Grounds	48,910	-	-	48,910	-	-	-	-	(48,910)	-	(48,910)
Security	34,699	-	-	34,699	-	-	-	-	(34,699)	-	(34,699)
Student Transportation Services	733,370	-	-	733,370	-	53,694	-	53,694	(679,676)	-	(679,676)
Allocated and Unallocated Employee Benefits	5,934,431	(56,717)	-	5,877,714	-	82,358	-	82,358	(5,795,356)	-	(5,795,356)
TPAF Pension	1,852,978	-	-	1,852,978	-	1,852,978	-	1,852,978	-	-	-
TPAF Social Security	1,188,687	-	-	1,188,687	-	1,188,687	-	1,188,687	-	-	-
Capital Outlay											
Equipment	5,499	-	253,559	259,058	-	-	-	-	(259,058)	-	(259,058)
Facilities Acquisition and Construction Services	374,331	-	100,000	474,331	-	-	-	-	(474,331)	-	(474,331)
Charter Schools	126,447	-	-	126,447	-	-	-	-	(126,447)	-	(126,447)
Debt Service:											
Interest on Early Retirement Bonds	44,718	-	-	44,718	-	-	-	-	(44,718)	-	(44,718)
Redemption of Principal - Early Retirement Bonds	145,000	(145,000)	-	-	-	-	-	-	-	-	-
Interest on Bonds	150,290	-	-	150,290	-	-	-	-	(150,290)	-	(150,290)
Redemption of Principal	350,000	(350,000)	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 40,045,380</b>	<b>\$ (551,717)</b>	<b>\$ 353,559</b>	<b>\$ 39,847,222</b>	<b>\$ -</b>	<b>\$ 5,897,464</b>	<b>\$ -</b>	<b>\$ 5,897,464</b>	<b>\$ (33,949,758)</b>	<b>\$ -</b>	<b>\$ (33,949,758)</b>
<b>Business-Type Activities:</b>											
Food Service	\$ 791,151	\$ -	\$ -	\$ 791,151	\$ 240,472	\$ 264,989	\$ -	\$ 505,461	\$ -	\$ (285,690)	\$ (285,690)
<b>Total Primary Government</b>	<b>\$ 40,836,531</b>	<b>\$ (551,717)</b>	<b>\$ 353,559</b>	<b>\$ 40,638,373</b>	<b>\$ 240,472</b>	<b>\$ 6,162,453</b>	<b>\$ -</b>	<b>\$ 6,402,925</b>	<b>\$ (33,949,758)</b>	<b>\$ (285,690)</b>	<b>\$ (34,235,448)</b>
<b>General Revenues:</b>											
Local Tax Levy									33,655,609	-	33,655,609
Unrestricted Miscellaneous Revenues									204,074	288	204,362
State Aid									389,292	-	389,292
Transfers									(272,000)	272,000	-
Change in Net Assets									\$ 27,217	\$ (13,402)	\$ 13,815
Net Assets—Beginning									17,284,418	15,332	17,299,750
Net Assets—Ending									\$ 17,311,635	\$ 1,930	\$ 17,313,565



SECTION "B" - FUND FINANCIAL STATEMENTS

LYNDHURST SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
<u>ASSETS</u>					
Cash	\$ 485,673	\$ 83,171	\$ -	\$ -	\$ 568,844
Intergovernmental Receivable:					
Federal	-	8,119	-	-	8,119
State	187,601	2,385	-	-	189,986
Total Assets	<u>\$ 673,274</u>	<u>\$ 93,675</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 766,949</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts Payable	\$ 345,472	\$ 53,961	\$ -	\$ -	\$ 399,433
Intergovernmental Payable:					
State	-	32,335	-	-	32,335
Deferred Revenue	-	7,379	-	-	7,379
Total Liabilities	<u>\$ 345,472</u>	<u>\$ 93,675</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 439,147</u>
Fund Balances:					
Unassigned	<u>\$ 327,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 327,802</u>
Total Liabilities and Fund Balances	<u>\$ 673,274</u>	<u>\$ 93,675</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 766,949</u>

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

Net Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. \$ 22,858,725

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. (5,874,892)

Net assets of governmental activities \$ 17,311,635

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 32,965,601	\$ -	\$ -	\$ 690,008	\$ 33,655,609
Unrestricted Miscellaneous Revenues	204,074	-	-	-	204,074
Total Local Sources	\$ 33,169,675	\$ -	\$ -	\$ 690,008	\$ 33,859,683
State Sources	5,164,141	166,655	-	-	5,330,796
Federal Sources	41,192	914,768	-	-	955,960
Total Revenues	\$ 38,375,008	\$ 1,081,423	\$ -	\$ 690,008	\$ 40,146,439
<b>EXPENDITURES</b>					
Current Expense:					
Instruction:					
Regular Programs	\$ 11,054,325	\$ 805,922	\$ -	\$ -	\$ 11,860,247
Regular Programs - Special Education	2,630,426	-	-	-	2,630,426
Basic Skills - Remedial	387,347	-	-	-	387,347
Bilingual Education	104,805	-	-	-	104,805
School Sponsored Cocurricular Activities	188,199	-	-	-	188,199
School Sponsored Athletics	535,918	-	-	-	535,918
Alternative Education Program	500	-	-	-	500
Undistributed Expenditures:					
Instruction	2,993,942	229,976	-	-	3,223,918
Attendance and Social Work Services	80,946	-	-	-	80,946
Health Services	512,055	-	-	-	512,055
Speech, OT, PT, Related Services	590,272	4,359	-	-	594,631
Other Support Services Students - Extraordinary Services	37,735	-	-	-	37,735
Guidance	599,227	-	-	-	599,227
Child Study Team	690,574	-	-	-	690,574
Improvement of Instructional Services	1,101,551	-	-	-	1,101,551
Educational Media Services/School Library	1,900	-	-	-	1,900
Instructional Staff Training Services	4,626	-	-	-	4,626
Support Services - General Administration	907,836	-	-	-	907,836
Support Services - School Administration	1,902,760	-	-	-	1,902,760
Central Services	571,373	-	-	-	571,373
Required Maintenance for School Facilities	1,374,730	-	-	-	1,374,730
Custodial Services	1,744,716	-	-	-	1,744,716
Care & Upkeep of Grounds	48,910	-	-	-	48,910
Security	34,699	-	-	-	34,699
Student Transportation Services	733,370	-	-	-	733,370
Allocated and Unallocated Employee Benefits	5,893,265	41,166	-	-	5,934,431
TPAF Pension	1,852,978	-	-	-	1,852,978
TPAF Social Security	1,188,687	-	-	-	1,188,687
Capital Outlay:					
Equipment	5,499	-	-	-	5,499
Facilities Acquisition and Construction Services	374,331	-	-	-	374,331
Charter Schools	126,447	-	-	-	126,447
Debt Service:					
Interest on Early Retirement Bonds	-	-	-	44,718	44,718
Redemption of Principal - Early Retirement Bonds	-	-	-	145,000	145,000
Interest on Bonds	-	-	-	150,290	150,290
Redemption of Principal	-	-	-	350,000	350,000
Total Expenditures	\$ 38,273,949	\$ 1,081,423	\$ -	\$ 690,008	\$ 40,045,380
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 101,059	\$ -	\$ -	\$ -	\$ 101,059
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating Transfers	(272,000)	-	-	-	(272,000)
Net Change In Fund Balances	\$ (170,941)	\$ -	\$ -	\$ -	\$ (170,941)
Fund Balances - July 1	498,743	-	-	-	498,743
Fund Balances - June 30	\$ 327,802	\$ -	\$ -	\$ -	\$ 327,802

**LYNDHURST SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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Total Net Change in Fund Balances - Governmental Funds (B-2) \$ (170,941)

Amounts reported for governmental activities in the statement  
Investment Earnings

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

Depreciation Expense	(353,559)
Capital Outlays	-

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

495,000

Employee Benefits

56,717

Change in net position of governmental activities

\$ 27,217

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2014**

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	<u>Business-Type Activities Enterprise Funds</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 40,467
Intergovernmental Receivable:	
State	1,402
Federal	51,647
Total Assets	<u>\$ 93,516</u>
<u>LIABILITIES</u>	
Accounts Payable	<u>\$ 91,586</u>
<u>NET POSITION</u>	
Unrestricted	<u><u>\$ 1,930</u></u>

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Business-Type Activities</u> <u>Enterprise Funds</u>
<u>OPERATING REVENUES</u>	
Charges for Services:	
Sales	\$ 240,472
<u>OPERATING EXPENSES</u>	
Salaries	\$ 307,386
Support Services - Employee Benefits	23,515
Cost of Goods Sold	4,756
Other Purchased Services	455,314
Supplies & Materials	180
	<u>\$ 791,151</u>
Operating Income (Loss)	<u>\$ (550,679)</u>
<u>NON-OPERATING REVENUES</u>	
Local Sources:	
Interest on Investments	\$ 288
State Sources:	
School Lunch Program	6,143
Federal Sources:	
School Breakfast Program	18,134
School Lunch Program	240,712
	<u>\$ 265,277</u>
Income (Loss) Before Other Financing Sources (Uses)	\$ (285,402)
Other Financing Sources (Uses):	
Operating Transfers	<u>\$ 272,000</u>
Change in Net Position	\$ (13,402)
Total Net Position - Beginning	15,332
Total Net Position - Ending	<u><u>\$ 1,930</u></u>

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

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	<u>Business-Type Activities</u> <u>Enterprise Funds</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Sales	\$ 240,472
Payments for Operating Expenses	(726,779)
	<u>\$ (486,307)</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>	
Local Sources	\$ 272,288
State Sources	5,135
Federal Sources	224,486
	<u>\$ 501,909</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Purchase of Capital Assets	<u>\$ -</u>
Net Increase (Decrease) in Cash	<u>\$ 15,602</u>
Balances - Beginning of Year	<u>24,865</u>
Balances - End of Year	<u>\$ 40,467</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided	
(Used) by Operating Activities:	
Operating Income (Loss)	\$ (550,679)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by	
(Used for) Operating Activities:	
(Increase) Decrease in Accounts Receivable	-
Increase (Decrease) in Accounts Payable	64,372
Net Cash Provided by (used for)	
Operating Activities	<u>\$ (486,307)</u>

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

LYNDHURST SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2014

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ASSETS

Cash \$ 1,282,364

LIABILITIES

Due to Student Groups \$ 290,257  
Payroll, Deductions and Withholdings Payable 918,748

Total Liabilities \$ 1,209,005

NET POSITION

Held in Trust for Scholarships \$ 73,359



**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014**

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ADDITIONS

Earnings on Investments	\$ 366
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DEDUCTIONS

Scholarships	\$ 303
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Change in Net Position	\$ 63
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Net Position - Beginning	<u>73,296</u>
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Net Position - Ending	<u>\$ 73,359</u>
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**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies**

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

A. Reporting Entity

The Lyndhurst School District is a Type II School District located in Bergen County, New Jersey. As a Type II District, the School District functions independently through a Board of Education. The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The District includes seven school facilities, all located in the Borough of Lyndhurst which support the following programs:

Regular Programs:

- Preschool
- Kindergarten
- Grades 1 - 5
- Grades 6 - 8
- Grades 9 - 12

Special Education Program:

- Learning and/or Language Disabilities

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*, is whether (1) the organization is legally separate (can sue or be sued in their own name), (2) the District holds the corporate powers of the organization, (3) the District appoints a voting majority of the organization's board, (4) the District is able to impose its will on the organization, (5) the organization has the potential to impose a financial benefit/burden on the District and (6) there is a fiscal dependency by the organization on the District.

There were no additional entities required to be included in the reporting entity under the criteria, as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**B. Fund Accounting**

The accounts of the district are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

**Governmental Fund Types --**

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.

Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds.)

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

**Proprietary Fund Type --**

Enterprise (Food Service) Fund: The enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

**Fiduciary Fund Types --**

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of others as their agent. Agency funds are custodial in nature and do not involve a measurement of results of operations.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

C. Basis of Accounting

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recorded in the accounting period in which they are earned and expenses are recorded at the time liabilities are incurred.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools. All budget amendments must be approved by School Board resolution. There were no budget amendments during the fiscal year ended June 30, 2013.

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. 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.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

E. Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

F. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represents amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

G. Inventories and Prepaid Expenses

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in first-out (FIFO) method.

H. Capital Assets

Capital Assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received.

Capital assets acquired or constructed prior to June 30, 1999, are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company.

Capital assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the general fixed assets account group. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized.

LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

I. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten month academic year, have the option to have their salaries evenly disbursed during the entire twelve month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2013, the amount earned by these employees but not disbursed was \$859,962.

J. Deferred Revenue

Deferred revenue in the special revenue fund represents cash which has been received but not yet earned. See note 1(e) regarding the special revenue fund.

K. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

L. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not appropriatable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

M. Memorandum Only - Total Columns

Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund elimination's have not been made in the aggregation of this data.

N. Comparative Data

Comparative total data for the prior year has been presented in order to provide an understanding of changes on the District's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

O. Accounting Changes

As a result of recently effective pronouncements by the Governmental Accounting Standards Board (GASB) the terminology for Net Assets has been revised to *Net Position*. This change was only a terminology change and did not have an impact on either *Fund Balance* or *Net Position* (formerly identified as Net Assets). In addition, GASB has also introduced the concept of *Deferred Inflows and Outflows* to identify categories that were previously identified as *Liabilities* or *Assets*, respectively.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

P. Recent Accounting Pronouncements

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 66 "Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62". This statement, which resolves conflicts between Statements No. 10 and No. 54 provides more flexibility in fund classifications for risk based activities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 67 "Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25". This statement, which is effective for fiscal periods beginning after June 15, 2013, will not have any effect on the District's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the District's financial reporting.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations". This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the District's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Nonexchange Financial Guarantees". This statement, which is effective for fiscal periods beginning after June 15, 2013, will not have any impact on the District's financial statements.

**LYNDHURST SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2014**

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**Note 2 - Cash, Cash Equivalents and Investments**

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, and short term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

Deposits --

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the daily balance of collected public funds on deposit.

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

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

Investments --

New Jersey statutes permit the Board to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

As of June 30, 2014, cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash</u>	<u>Investments</u>
Checking/Money Market Accounts - Governmental Funds	\$ 568,844	\$ -
Checking/Money Market Accounts - Proprietary Funds	40,467	-
Checking/Money Market Accounts - Fiduciary Funds	1,282,364	-
	<u>\$ 1,891,675</u>	<u>\$ -</u>



**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

**Note 3 - Capital Assets**

The following schedule is a summarization of the changes in general fixed assets by source for the fiscal year ended June 30, 2014:

	Beginning Balance	Additions	Disposals	Adjustments	Ending Balance
<i>Governmental Activities --</i>					
Capital Assets not being Depreciated:					
Sites	\$ 9,342,900	\$ -	\$ -	\$ -	\$ 9,342,900
Construction in Progress	-	-	-	-	-
	<u>\$ 9,342,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,342,900</u>
Capital Assets being Depreciated:					
Site Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
Building Improvements	19,066,114	-	-	-	19,066,114
Machinery and Equipment	1,862,869	5,499	-	(41,340)	1,827,028
	<u>\$ 20,928,983</u>	<u>\$ 5,499</u>	<u>\$ -</u>	<u>\$ (41,340)</u>	<u>\$ 20,893,142</u>
	<u>\$ 30,271,883</u>	<u>\$ 5,499</u>	<u>\$ -</u>	<u>\$ (41,340)</u>	<u>\$ 30,236,042</u>
Less Accumulated Depreciation:					
Site Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
Building Improvements	(5,945,450)	(100,000)	-	-	(6,045,450)
Machinery and Equipment	(1,114,149)	(96,970)	-	(120,748)	(1,331,867)
	<u>\$ (7,059,599)</u>	<u>\$ (196,970)</u>	<u>\$ -</u>	<u>\$ (120,748)</u>	<u>\$ (7,377,317)</u>
Net Assets for Governmental Activities	<u>\$ 23,212,284</u>	<u>\$ (191,471)</u>	<u>\$ -</u>	<u>\$ (162,088)</u>	<u>\$ 22,858,725</u>

LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014

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**Note 4 - Operating Leases and Other Commitments**

The District has commitments to lease copying equipment, fax machines and postage meters under operating leases which expire on various dates in 2015, 2016, 2017 and 2018. Lease terms are either 36, 48 or 60 months with monthly payments of \$93, \$389, \$533, \$1,170, \$1,229, \$1,455, \$1,621, \$1,988, \$2,381 and \$2,890. The District also has commitments to lease Apple computers and iPads under operating leases which expire in 2015. Lease terms are 4 and 5 years with annual payments of \$236,786.26 and \$35,860.70. Total operating lease payments made during the year ended June 30, 2014 were \$412,358. Future minimum lease payments are as follows:

Year Ended	Amount
2015	\$ 452,696
2016	127,912
2017	38,601
2018	15,902
Total future minimum lease payments	<u>\$ 635,111</u>

The amount noted above as paid in 2014 does not include payments for Automatic External Defibrillators (AED's) leased from Less Stress Instructional Services pertaining to a lease that terminated on June 30, 2014 as leasing documents were not available as of the date this report was issued. The excluded amount is not deemed to be material to the financial statements of the District taken as a whole.

LYNDHURST SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2014

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**Note 5 - Long-Term Debt**

During the fiscal year ended June 30, 2014, the following changes occurred in liabilities reported as general long-term debt:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Bonds Payable	\$ 4,235,000	\$ -	\$ (495,000)	\$ -	\$ 3,740,000
Compensated Absences Payable	2,191,609	68,664	(125,381)	-	2,134,892
	<u>\$ 6,426,609</u>	<u>\$ 68,664</u>	<u>\$ (620,381)</u>	<u>\$ -</u>	<u>\$ 5,874,892</u>

	<u>Amounts Due within One Year</u>	<u>Long-Term Portion</u>	<u>Ending Balance</u>
Bonds Payable	\$ 505,000	\$ 3,235,000	\$ 3,740,000
Compensated Absences Payable	-	2,134,892	2,134,892
	<u>\$ 505,000</u>	<u>\$ 5,369,892</u>	<u>\$ 5,874,892</u>

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

**Note 5 - Long-Term Debt (Continued)**

A. Bonds Payable

Bonds are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. As of June 30, 2014, the Board had \$3,740,000 of bonds payable. As of June 30, 2014, the Board had not authorized the issuance of any additional bonds.

B. Compensated Absences Payable

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and contractual obligations. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions. The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. In the District-wide Statement of Net Assets, the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2014, no liability existed for compensated absences in the Food Service Fund.

C. Long-Term Debt Service to Maturity

The annual debt service requirement for long-term obligation requirements to maturity, including principal and interest as of June 30, 2014 are as follows:

Year Ended June 30,	08/15/01 School Bonds		2003 Pension Refunding Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 350,000	\$ 134,190	\$ 155,000	\$ 37,468	\$ 505,000	\$ 171,658
2016	350,000	118,090	160,000	29,563	510,000	147,653
2017	350,000	101,990	170,000	21,243	520,000	123,233
2018	390,000	84,970	180,000	12,148	570,000	97,118
2019	400,000	66,500	35,000	1,978	435,000	68,478
2020	400,000	47,500	-	-	400,000	47,500
2021	400,000	28,500	-	-	400,000	28,500
2022	400,000	9,500	-	-	400,000	9,500
	<u>\$ 3,040,000</u>	<u>\$ 591,240</u>	<u>\$ 700,000</u>	<u>\$ 102,400</u>	<u>\$ 3,740,000</u>	<u>\$ 693,640</u>

**LYNDHURST SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 6 - Retirement Plans**

Those employees who are eligible for pension coverage are enrolled in either the Public Employees Retirement System of New Jersey (PERS) or the Teachers' Pension and Annuity Fund of New Jersey (TPAF). The systems are cost-sharing multiple-employer contributory defined benefit pension plans, and are component units of the State of New Jersey. Each retirement system has a Board of Trustees which is responsible for its organization and administration.

**A. Public Employees' Retirement System (PERS)**

Description of the System - The State of New Jersey Public Employees' Retirement System (the System; PERS) is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The System is included along with other state-administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

At June 30, 2011 and 2010, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	2011	2010
State of New Jersey	1	1
County Agencies	65	65
Municipalities	579	580
School Districts	580	581
Other Public Agencies	481	483
Total	<u>1,706</u>	<u>1,710</u>

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 6 - Retirement Plans (Continued)**

**A. Public Employees' Retirement System (PERS) (Continued)**

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The System provides retirement, death and disability benefits. All benefits vest after eight to ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the System.

For Tier 1 members, retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of final average salary for each year of service credit (as defined). Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years service credit, as defined, or they may elect deferred retirement after achieving eight to ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement age.

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

Eligible retirees receiving monthly benefits are entitled to cost-of-living adjustment (COLA) increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired, as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in a dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement. The COLA increases are funded by the retirement system and are included in the annual actuarial calculations of the required state-related employer contributions. Pursuant to the provisions of Chapter 78, P.L. 2011, COLA increases are suspended for all current and future retirees of all retirement systems. No further COLA increases will be granted. The law does not reduce any COLA increases that have already been added to retiree benefits.

Significant Legislation - Chapter 103, P.L. 2007 amended the early retirement reduction formula for members hired on or after July 1, 2007 and prior to November 2, 2008 (Tier 2 members) and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55. Also, this law provided that the amount of compensation for Tier 2 members used for employer and member contributions and benefits under the PERS cannot exceed the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contributions Act.

Chapter 89, P.L. 2008 increased the PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008 and on or before May 21, 2010 (Tier 3 members). It also increased the minimum annual compensation required for membership eligibility for new Tier 3 members from \$1,500 to \$7,500 in addition to amending the early retirement reduction formula for Tier 3 members retiring with 25 years of service to 1% for every year between age 55 and 62, plus 3% for every year under age 55.

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of PERS hired after May 21, 2010 (Tier 4 and 5 members) from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for these members of PERS to 1/60 from 1/55, and it provided that the retirement allowance for these members be calculated using the average annual compensation for the last five years of service instead of the last three years of service. Tier 4 and 5 members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for Tier 4 and 5 members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 78, P.L. 2011, provides that new members of PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. Tier 5 members will be eligible for a service retirement benefit at age 65.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 6 - Retirement Plans (Continued)**

**A. Public Employees' Retirement System (PERS) (Continued)**

Membership in the system consisted of the following at June 30, 2011 and 2010, the dates of the most recent actuarial valuations:

	2011	2010
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	149,218	141,973
Active Members:		
Vested	149,719	149,506
Non-Vested	142,107	159,593
Total Active Members	291,826	309,099
Total	441,044	451,072

**B. Teachers' Pension and Annuity Fund (TPAF)**

Description of the Fund - The State of New Jersey Teachers' Pension and Annuity Fund (the Fund; TPAF) is a cost-sharing contributory defined benefit plan with a special funding situation which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The Fund is included along with other state-administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

The Fund's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the Fund is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified. The Fund's Board of Trustees is primarily responsible for the administration of the Fund.

According to the State of New Jersey Administrative Code, all obligations of the Fund will be assumed by the State of New Jersey should the Fund terminate.

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 18A:66. The 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 the Fund.

For Tier 1 members, retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of final average salary for each year of service credit (as defined). Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years service credit, as defined, or they may elect deferred retirement after achieving ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement age.

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.

Eligible retirees receiving monthly benefits are entitled to cost-of-living adjustment (COLA) increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired, as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in a dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement. Pursuant to the provisions of Chapter 78, P.L. 2011, COLA increases are suspended for all current and future retirees of all retirement systems. No further COLA increases will be granted. The law does not reduce any COLA increases that have already been added to retiree benefits.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 6 - Retirement Plans (Continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (Continued)**

Chapter 103, P.L. 2007 amended the early retirement reduction formula for members hired on or after July 1, 2007 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55. Also, this law provided that for members hired on or after July 1, 2007, the amount of compensation used for employer and member contributions and benefits under the TPAF cannot exceed the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contributions Act.

Chapter 89, P.L. 2008 increased the TPAF eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008. It also increased the minimum annual compensation required for membership eligibility for new members and amended the early retirement reduction formula for members hired on or after November 1, 2008 and retiring with 25 years of service to 1% for every year between age 55 and 62, plus 3% for every year under age 55.

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of TPAF from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of TPAF to 1/60 from 1/55, and it provided that new members of TPAF have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of TPAF will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of TPAF with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 78, P.L. 2011, provides that new members of TPAF hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. Tier 5 members will be eligible for a service retirement benefit at age 65.

Membership in the Fund consisted of the following at June 30, 2011 and 2010 the dates of the most recent actuarial valuations:

	2011	2010
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	86,332	80,714
Active members:		
Vested	83,178	82,719
Non-vested	67,937	74,304
Total active members	151,115	157,023
Total	237,447	237,737
Contributing Employers	29	35



**LYNDHURST SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

**Note 6 - Retirement Plans (Continued)**

Trend Information

Historical trend information showing the plan's progress in accumulating sufficient assets to pay benefits when due are presented in the State of New Jersey's PERS and TPAF financial reports. Those reports may be obtained by writing to the State of New Jersey, Department of Treasury Division of Pensions & Benefits P.O. Box 295, Trenton, New Jersey 08625-0295 or by calling (609) 292-7524.

Contributions required by the District were as follows:

*Public Employees Retirement System:*

Year	Annual Pension Cost	Chapter 108 P.L. 2003 Phase - In Credit	Chapter 19 P.L. 2009 Deferral	Non-Contributory Group Life Insurance	Net Pension Obligation
2014	\$ 317,155	\$ -	\$ 13,519	\$ 5,394	\$ 336,068
2013	320,212	-	13,127	19,058	352,397
2012	316,858	-	12,958	20,188	350,004
2011	289,082	-	-	21,956	311,038
2010	202,589	-	-	28,094	230,683
2009	181,325	-	(90,663)	22,539	113,201
2008	179,095	(35,819)	-	-	143,276
2007	101,542	(40,617)	-	-	60,925
2006	89,401	(53,641)	-	-	35,760
2005	20,599	-	-	-	20,599
2004	-	-	-	-	-
2003	-	-	-	-	-
2002	-	-	-	-	-
2001	-	-	-	-	-

*Teachers' Pension and Annuity Fund:*

Year	Annual Pension Cost	Percentage Contributed	Total Obligation
2014	\$ 1,852,978	100%	- (On-Behalf)
2013	2,196,063	100%	- (On-Behalf)
2012	1,473,058	100%	- (On-Behalf)
2011	1,051,954	100%	- (On-Behalf)
2010	1,000,167	100%	- (On-Behalf)
2009	969,669	100%	- (On-Behalf)
2008	2,106,442	100%	- (On-Behalf)
2007	2,052,735	100%	- (On-Behalf)
2006	1,109,573	100%	- (On-Behalf)
2005	997,719	100%	- (On-Behalf)
2004	911,626	100%	- (On-Behalf)
2003	644,891	100%	- (On-Behalf)
2002	-	-	- (On-Behalf)
2001	422,616	100%	- (On-Behalf)

**Note 7 - Post-Retirement Benefits**

Chapter 384 of P.L. 1987 and Chapter 6 of P.L. 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, Chapter 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2013, there were 100,134 retirees receiving post-retirement medical benefits, and the State contributed \$1.07 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in Fiscal Year 2013.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 8 - Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2014, no liability existed for compensated absences in the Food Service Fund.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 9 - Deferred Compensation**

The Board offers its employees a choice of deferred compensation plans created in accordance with Internal Revenue Code Section 457 and 403(b). The plans permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 10 - Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 11 - Fund Balance Appropriated**

General Fund -- The following is an analysis of the General Fund balance at June 30, 2014:

Reserve for Encumbrances	\$	-
Designated for Subsequent Years' Expenditures		-
Unassigned		327,802
	\$	<u>327,802</u>

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 12 - Calculation of Excess Surplus**

The designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to *N.J.S.A. 18A:7F-7*, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014 was \$0.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 13 - Economic Dependency**

The District is heavily reliant on federal and state sources to fund the District operations and debt service. Federal and state sources funded approximately 17% of the District's 2013-2014 governmental operations.



**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 14 - Contingent Liabilities**

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgement of the District's management, the outcome of any legal proceedings will not have any adverse effect on the accompanying financial statements.

**LYNDHURST SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014**

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**Note 15 - Subsequent Events**

We have evaluated subsequent events through August 31, 2014, the date which the financial statements were available to be issued and no items were noted for disclosure or adjustment.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

SECTION "C" - GENERAL FUND

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<b>REVENUES</b>								
Local Sources:								
Local Tax Levy	10-1210	\$ 32,965,601	\$ -	\$ -	\$ -	\$ 32,965,601	\$ 32,965,601	\$ -
Rents and Royalties	10-1910	98,380	-	-	-	98,380	100,840	2,460
Unrestricted Miscellaneous Revenues	10-1xxx	5,000	-	-	-	5,000	103,234	98,234
Total Local Sources		<u>\$ 33,068,981</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,068,981</u>	<u>\$ 33,169,675</u>	<u>\$ 100,694</u>
State Sources:								
Equalization Aid	10-3176	\$ 419,196	\$ -	\$ -	\$ -	\$ 419,196	\$ 419,196	\$ -
Categorical Transportation Aid	10-3121	53,694	-	-	-	53,694	53,694	-
Categorical Special Education Aid	10-3132	1,426,063	-	-	-	1,426,063	1,426,063	-
Categorical Security Aid	10-3177	65,826	-	-	-	65,826	65,826	-
Extraordinary Aid	10-3131	210,000	-	-	-	210,000	187,601	(22,399)
Other State Aids	10-3xxx	1	-	-	-	1	-	(1)
TPAF Pension (On-Behalf - Non-Budgeted)		-	-	-	-	-	1,852,978	1,852,978
TPAF Social Security (Reimbursed - Non-Budgeted)		-	-	-	-	-	1,188,687	1,188,687
Total State Sources		<u>\$ 2,174,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,174,780</u>	<u>\$ 5,194,045</u>	<u>\$ 3,019,265</u>
Federal Sources:								
Medicaid Reimbursement	10-4200	\$ 27,184	\$ -	\$ -	\$ -	\$ 27,184	\$ 41,192	\$ 14,008
Total Revenues		<u>\$ 35,270,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,270,945</u>	<u>\$ 38,404,912</u>	<u>\$ 3,133,967</u>

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES</u>									
<u>General Current Expense</u>									
Regular Programs - Instruction:									
Kindergarten - Salaries of Teachers	11-110-100-101	\$ 757,249	\$ -	\$ (32,930)	\$ -	\$ 724,319	\$ 724,318	\$ 1	\$ -
Grades 1-5 - Salaries of Teachers	11-120-100-101	3,275,868	-	66,538	-	3,342,406	3,342,406	-	-
Grades 6-8 - Salaries of Teachers	11-130-100-101	2,258,827	-	(6,640)	-	2,252,187	2,252,187	-	-
Grades 9-12 - Salaries of Teachers	11-140-100-101	3,745,853	-	(90,344)	-	3,655,509	3,655,509	-	-
Regular Programs - Home Instruction:									
Salaries of Teachers	11-150-100-101	40,000	-	1,835	-	41,835	41,835	-	-
Regular Programs - Undistributed Instruction:									
Other Salaries for Instruction	11-190-100-106	258,204	-	1,257	-	259,461	259,461	-	-
Purchased Professional - Educational Services	11-190-100-320	14,000	-	1,600	-	15,600	15,600	-	-
Purchased Technical Services	11-190-100-340	350,000	-	(37,630)	-	312,370	312,370	-	-
Other Purchased Services	11-190-100-500	3,000	-	(1,909)	-	1,091	1,089	2	-
General Supplies	11-190-100-610	301,051	-	(11,013)	-	290,038	290,037	1	-
Textbooks	11-190-100-640	230,000	-	(70,461)	-	159,539	159,513	26	-
Total Regular Programs - Instruction		\$ 11,234,052	\$ -	\$ (179,697)	\$ -	\$ 11,054,355	\$ 11,054,325	\$ 30	\$ -

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES (Continued)</u>									
<u>General Current Expense (Continued)</u>									
Special Education - Instruction - Learning and/or Language Disabilities:									
Salaries of Teachers	11-204-100-101	\$ 609,301	\$ -	\$ 5,949	\$ -	\$ 615,250	\$ 615,249	\$ 1	-
Other Salaries for Instruction	11-204-100-106	265,670	-	(26,405)	-	239,265	239,264	1	-
General Supplies	11-204-100-610	5,000	-	99	-	5,099	5,098	1	-
Textbooks	11-204-100-640	5,000	-	(85)	-	4,915	4,914	1	-
		<u>\$ 884,971</u>	<u>\$ -</u>	<u>\$ (20,442)</u>	<u>\$ -</u>	<u>\$ 864,529</u>	<u>\$ 864,525</u>	<u>\$ 4</u>	<u>\$ -</u>
Special Education - Instruction - Resource Room/Resource Center:									
Salaries of Teachers	11-213-100-101	\$ 1,384,768	\$ -	\$ 54,873	\$ -	\$ 1,439,641	\$ 1,439,640	\$ 1	\$ -
Other Salaries for Instruction	11-213-100-106	121,068	-	(10,269)	-	110,799	110,799	-	-
General Supplies	11-213-100-610	4,500	-	(2,717)	-	1,783	1,783	-	-
Textbooks	11-213-100-640	2,500	-	(2,378)	-	122	122	-	-
		<u>\$ 1,512,836</u>	<u>\$ -</u>	<u>\$ 39,509</u>	<u>\$ -</u>	<u>\$ 1,552,345</u>	<u>\$ 1,552,344</u>	<u>\$ 1</u>	<u>\$ -</u>
Special Education - Instruction - Preschool Disabilities - Part-Time:									
Salaries of Teachers	11-215-100-101	\$ 102,462	\$ -	\$ 57,707	\$ -	\$ 160,169	\$ 160,169	\$ -	\$ -
Other Salaries for Instruction	11-215-100-106	15,188	-	26,337	-	41,525	41,525	-	-
Purchased Professional-Educational Services	11-215-100-600	500	-	1,061	-	1,561	1,561	-	-
		<u>\$ 118,150</u>	<u>\$ -</u>	<u>\$ 85,105</u>	<u>\$ -</u>	<u>\$ 203,255</u>	<u>\$ 203,255</u>	<u>\$ -</u>	<u>\$ -</u>
Special Education - Instruction - Home Instruction:									
Purchased Professional-Educational Services	11-219-100-320	\$ 25,000	\$ -	\$ (14,254)	\$ -	\$ 10,746	\$ 10,302	\$ 444	\$ -
Total Special Education - Instruction		<u>\$ 2,540,957</u>	<u>\$ -</u>	<u>\$ 89,918</u>	<u>\$ -</u>	<u>\$ 2,630,875</u>	<u>\$ 2,630,426</u>	<u>\$ 449</u>	<u>\$ -</u>

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES (Continued)</u>								
<u>General Current Expense (Continued)</u>								
Basic Skills/Remedial - Instruction:								
Salaries of Teachers	11-230-100-101	\$ 492,330	\$ -	\$ (105,670)	\$ -	\$ 386,660	\$ 386,659	\$ 1
General Supplies	11-230-100-610	2,300	-	(1,612)	-	688	688	-
		<u>\$ 494,630</u>	<u>\$ -</u>	<u>\$ (107,282)</u>	<u>\$ -</u>	<u>\$ 387,348</u>	<u>\$ 387,347</u>	<u>\$ 1</u>
Bilingual Education - Instruction:								
Salaries of Teachers	11-240-100-101	\$ 128,146	\$ -	\$ (22,953)	\$ -	\$ 105,193	\$ 104,805	\$ 388
General Supplies	11-240-100-610	800	-	(800)	-	-	-	-
Textbooks	11-240-100-640	1,000	-	(1,000)	-	-	-	-
		<u>\$ 129,946</u>	<u>\$ -</u>	<u>\$ (24,753)</u>	<u>\$ -</u>	<u>\$ 105,193</u>	<u>\$ 104,805</u>	<u>\$ 388</u>
School Sponsored Co-Curricular Activities - Instruction:								
Salaries	11-401-100-100	\$ 125,632	\$ -	\$ 19,759	\$ -	\$ 145,391	\$ 145,389	\$ 2
Purchased Services	11-401-100-500	1,000	-	(1,000)	-	-	-	-
Supplies and Materials	11-401-100-600	32,000	-	10,825	-	42,825	42,810	15
		<u>\$ 158,632</u>	<u>\$ -</u>	<u>\$ 29,584</u>	<u>\$ -</u>	<u>\$ 188,216</u>	<u>\$ 188,199</u>	<u>\$ 17</u>
School Sponsored Athletics - Instruction:								
Salaries	11-402-100-100	\$ 407,289	\$ -	\$ (13,402)	\$ -	\$ 393,887	\$ 393,887	\$ -
Purchased Services	11-402-100-500	31,000	-	60	-	31,060	31,007	53
Supplies and Materials	11-402-100-600	61,000	-	(4,042)	-	56,958	56,948	10
Other Objects	11-402-100-800	1,000	-	(424)	-	576	576	-
Transfer to Cover Deficit	11-402-100-930	62,500	-	(9,000)	-	53,500	53,500	-
		<u>\$ 562,789</u>	<u>\$ -</u>	<u>\$ (26,808)</u>	<u>\$ -</u>	<u>\$ 535,981</u>	<u>\$ 535,918</u>	<u>\$ 63</u>
Alternative Education Program - Instruction:								
Other Objects	11-423-100-800	\$ 500	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ -
Total - Instruction		<u>\$ 15,121,506</u>	<u>\$ -</u>	<u>\$ (219,038)</u>	<u>\$ -</u>	<u>\$ 14,902,468</u>	<u>\$ 14,901,520</u>	<u>\$ 948</u>



LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES (Continued)</u>									
<u>General Current Expense (Continued)</u>									
Undistributed Expenditures - Instruction:									
Tuition to Other LEAs Within the State - Special	11-000-100-562	\$ 815,784	\$ -	\$ (68,056)	\$ -	\$ 747,728	\$ 747,728	\$ -	\$ -
Tuition to County Vocational School District - Regular	11-000-100-563	361,100	-	(24,119)	-	336,981	336,981	-	-
Tuition to County Vocational School District - Special	11-000-100-564	268,100	-	(57,652)	-	210,448	210,447	1	-
Tuition to CSSD & Regional Day Schools	11-000-100-565	599,410	-	168,190	-	767,600	767,600	-	-
Tuition to Private Schools for the Disabled - W/I State	11-000-100-566	1,155,834	-	(224,647)	-	931,187	931,186	1	-
		<u>\$ 3,200,228</u>	<u>\$ -</u>	<u>\$ (206,284)</u>	<u>\$ -</u>	<u>\$ 2,993,944</u>	<u>\$ 2,993,942</u>	<u>\$ 2</u>	<u>\$ -</u>
Undistributed Expenditures - Attendance and Social Work:									
Salaries	11-000-211-100	\$ 63,203	\$ -	\$ 17,258	\$ -	\$ 80,461	\$ 80,461	\$ -	\$ -
Supplies and Materials	11-000-211-600	1,000	-	(506)	-	494	485	9	-
		<u>\$ 64,203</u>	<u>\$ -</u>	<u>\$ 16,752</u>	<u>\$ -</u>	<u>\$ 80,955</u>	<u>\$ 80,946</u>	<u>\$ 9</u>	<u>\$ -</u>
Undistributed Expenditures - Health Services:									
Salaries	11-000-213-100	\$ 518,302	\$ -	\$ (37,601)	\$ -	\$ 480,701	\$ 480,700	\$ 1	\$ -
Purchased Professional and Technical Services	11-000-213-300	16,600	-	-	-	16,600	16,600	-	-
Other Purchased Services	11-000-213-500	5,148	-	1,053	-	6,201	6,201	-	-
Supplies and Materials	11-000-213-600	8,000	-	(592)	-	7,408	7,407	1	-
Other Objects	11-000-213-800	3,000	-	(1,831)	-	1,169	1,147	22	-
		<u>\$ 551,050</u>	<u>\$ -</u>	<u>\$ (38,971)</u>	<u>\$ -</u>	<u>\$ 512,079</u>	<u>\$ 512,055</u>	<u>\$ 24</u>	<u>\$ -</u>
Undistributed Expenditures - Speech, OT, PT, Related Services:									
Salaries	11-000-216-100	\$ 339,033	\$ -	\$ (8,952)	\$ -	\$ 330,081	\$ 330,081	\$ -	\$ -
Purchased Professional Educational Services	11-000-216-320	243,400	-	15,028	-	258,428	258,019	409	-
Supplies and Materials	11-000-216-600	2,200	-	(28)	-	2,172	2,172	-	-
		<u>\$ 584,633</u>	<u>\$ -</u>	<u>\$ 6,048</u>	<u>\$ -</u>	<u>\$ 590,681</u>	<u>\$ 590,272</u>	<u>\$ 409</u>	<u>\$ -</u>
Undistributed Expenditures - Other Support Services Students - Extraordinary Services:									
Salaries	11-000-217-100	\$ -	\$ -	\$ 36,272	\$ -	\$ 36,272	\$ 36,272	\$ -	\$ -
Supplies and Materials	11-000-217-600	3,000	-	(1,536)	-	1,464	1,463	1	-
		<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 34,736</u>	<u>\$ -</u>	<u>\$ 37,736</u>	<u>\$ 37,735</u>	<u>\$ 1</u>	<u>\$ -</u>

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES (Continued)</u>									
<u>General Current Expense (Continued)</u>									
Undistributed Expenditures - Guidance:									
Salaries of Other Professional Staff	11-000-218-104	\$ 520,485	\$ -	\$ (60,960)	\$ -	\$ 459,525	\$ 459,525	\$ -	\$ -
Salaries of Secretarial and Clerical Assistants	11-000-218-105	74,287	-	778	-	75,065	75,065	-	-
Purchased Professional - Educational Services	11-000-218-320	70,000	-	(14,590)	-	55,410	55,409	1	-
Other Purchased Professional and Technical Services	11-000-218-390	1,200	-	1,044	-	2,244	2,244	-	-
Supplies and Materials	11-000-218-600	6,550	-	435	-	6,985	6,984	1	-
		<u>\$ 672,522</u>	<u>\$ -</u>	<u>\$ (73,293)</u>	<u>\$ -</u>	<u>\$ 599,229</u>	<u>\$ 599,227</u>	<u>\$ 2</u>	<u>\$ -</u>
Undistributed Expenditures - Child Study Team:									
Salaries of Other Professional Staff	11-000-219-104	\$ 619,806	\$ -	\$ (2,508)	\$ -	\$ 617,298	\$ 617,297	\$ 1	\$ -
Salaries of Secretarial and Clerical Assistants	11-000-219-105	59,437	-	690	-	60,127	60,127	-	-
Miscellaneous Purchased Services	11-000-219-592	2,500	-	466	-	2,966	2,966	-	-
Supplies and Materials	11-000-219-600	10,000	-	186	-	10,186	10,184	2	-
		<u>\$ 691,743</u>	<u>\$ -</u>	<u>\$ (1,166)</u>	<u>\$ -</u>	<u>\$ 690,577</u>	<u>\$ 690,574</u>	<u>\$ 3</u>	<u>\$ -</u>
Undistributed Expenditures - Improvement of Instructional Services:									
Salaries of Supervisors of Instruction	11-000-221-102	\$ 831,774	\$ -	\$ 195,552	\$ -	\$ 1,027,326	\$ 1,027,326	\$ -	\$ -
Salaries of Secretarial and Clerical Assistants	11-000-221-105	53,972	-	(422)	-	53,550	53,550	-	-
Other Purchases Services	11-000-221-500	3,100	-	747	-	3,847	3,846	1	-
Supplies and Materials	11-000-221-600	1,000	-	10,296	-	11,296	11,295	1	-
Other Objects	11-000-221-800	5,700	-	(166)	-	5,534	5,534	-	-
		<u>\$ 895,546</u>	<u>\$ -</u>	<u>\$ 206,007</u>	<u>\$ -</u>	<u>\$ 1,101,553</u>	<u>\$ 1,101,551</u>	<u>\$ 2</u>	<u>\$ -</u>
Undistributed Expenditures - Educational Media Services/School Library:									
Salaries	11-000-222-100	\$ 6,000	\$ -	\$ (4,071)	\$ -	\$ 1,929	\$ 1,900	\$ 29	\$ -
Undistributed Expenditures - Instructional Staff Training Services:									
Other Purchased Services	11-000-223-500	\$ 4,000	\$ -	\$ 626	\$ -	\$ 4,626	\$ 4,626	\$ -	\$ -

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES (Continued)</u>									
<u>General Current Expense (Continued)</u>									
Undistributed Expenditures - Support Services - General Administration:									
Salaries	11-000-230-100	\$ 457,518	\$ -	\$ 7,811	\$ -	\$ 465,329	\$ 465,283	\$ 46	\$ -
Legal Services	11-000-230-331	110,000	-	(8,979)	-	101,021	101,021	-	-
Audit Fees	11-000-230-332	32,000	-	820	-	32,820	32,820	-	-
Architectural/Engineering Services	11-000-230-334	30,000	-	15,525	-	45,525	45,525	-	-
Other Purchased Professional Services	11-000-230-339	9,000	-	13,230	-	22,230	22,230	-	-
Communications/Telephone	11-000-230-530	135,500	-	(14,131)	-	121,369	121,075	294	-
BOE Other Purchased Services	11-000-230-585	5,000	-	(3,265)	-	1,735	1,734	1	-
Other Purchased Services	11-000-230-590	75,256	-	15,925	-	91,181	91,157	24	-
General Supplies	11-000-230-610	10,000	-	(2,350)	-	7,650	7,513	137	-
BOE In-House Training/Meeting Supplies	11-000-230-630	3,000	-	(1,329)	-	1,671	1,671	-	-
Judgments Against District	11-000-230-820	-	-	-	-	-	-	-	-
Miscellaneous Expenditures	11-000-230-890	2,350	-	139	-	2,489	2,489	-	-
BOE Membership Dues and Fees	11-000-230-895	16,000	-	(682)	-	15,318	15,318	-	-
		<u>\$ 885,624</u>	<u>\$ -</u>	<u>\$ 22,714</u>	<u>\$ -</u>	<u>\$ 908,338</u>	<u>\$ 907,836</u>	<u>\$ 502</u>	<u>\$ -</u>
Undistributed Expenditures - Support Services - School Administration:									
Salaries of Principals/Assistance Principals	11-000-240-103	\$ 1,282,845	\$ -	\$ (60,787)	\$ -	\$ 1,222,058	\$ 1,222,057	\$ 1	\$ -
Salaries of Secretarial and Clerical Assistants	11-000-240-105	472,631	-	(18,806)	-	453,825	453,825	-	-
Other Purchased Services	11-000-240-500	88,804	-	65,406	-	154,210	154,137	73	-
Supplies and Materials	11-000-240-600	38,800	-	24,612	-	63,412	63,411	1	-
Other Objects	11-000-240-800	8,000	-	1,330	-	9,330	9,330	-	-
		<u>\$ 1,891,080</u>	<u>\$ -</u>	<u>\$ 11,755</u>	<u>\$ -</u>	<u>\$ 1,902,835</u>	<u>\$ 1,902,760</u>	<u>\$ 75</u>	<u>\$ -</u>
Undistributed Expenditures - Central Services:									
Salaries	11-000-251-100	\$ 408,336	\$ -	\$ (1,685)	\$ -	\$ 406,651	\$ 406,650	\$ 1	\$ -
Purchased Professional Services	11-000-251-330	-	-	-	-	-	-	-	-
Purchased Technical Services	11-000-251-340	138,395	-	-	-	138,395	138,311	84	-
Miscellaneous Purchased Services	11-000-251-592	3,500	-	1,728	-	5,228	5,198	30	-
Supplies and Materials	11-000-251-600	15,000	-	4,591	-	19,591	19,466	125	-
Other Objects	11-000-251-890	1,800	-	(52)	-	1,748	1,748	-	-
		<u>\$ 567,031</u>	<u>\$ -</u>	<u>\$ 4,582</u>	<u>\$ -</u>	<u>\$ 571,613</u>	<u>\$ 571,373</u>	<u>\$ 240</u>	<u>\$ -</u>

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES (Continued)</u>									
<u>General Current Expense (Continued)</u>									
Undistributed Expenditures - Required Maintenance for School Facilities:									
Salaries	11-000-261-100	\$ 298,400	\$ -	\$ (8,603)	\$ -	\$ 289,797	\$ 289,796	\$ 1	\$ -
Cleaning, Repair and Maintenance Services	11-000-261-420	630,000	-	387,505	-	1,017,505	1,017,504	1	-
General Supplies	11-000-261-610	40,000	-	27,434	-	67,434	67,430	4	-
		<u>\$ 968,400</u>	<u>\$ -</u>	<u>\$ 406,336</u>	<u>\$ -</u>	<u>\$ 1,374,736</u>	<u>\$ 1,374,730</u>	<u>\$ 6</u>	<u>\$ -</u>
Undistributed Expenditures - Custodial Services:									
Salaries	11-000-262-100	\$ 879,072	\$ -	\$ 80,982	\$ -	\$ 960,054	\$ 960,054	\$ -	\$ -
Purchased Professional and Technical Services	11-000-262-300	1,500	-	(1,500)	-	-	-	-	-
Cleaning, Repair and Maintenance Services	11-000-262-420	140,243	-	(29,624)	-	110,619	110,583	36	-
Rental of Land & Bldg. Other Than Lease Purch Agrmt.	11-000-262-441	350,000	-	(350,000)	-	-	-	-	-
Insurance	11-000-262-520	114,097	-	43,034	-	157,131	157,131	-	-
General Supplies	11-000-262-610	40,000	-	35,866	-	75,866	75,857	9	-
Energy (Natural Gas)	11-000-262-621	160,000	-	3,764	-	163,764	163,764	-	-
Energy (Electricity)	11-000-262-622	250,000	-	13,067	-	263,067	263,067	-	-
Energy (Gasoline)	11-000-262-626	12,000	-	-	-	12,000	12,000	-	-
Other Objects	11-000-262-800	2,500	-	(240)	-	2,260	2,260	-	-
		<u>\$ 1,949,412</u>	<u>\$ -</u>	<u>\$ (204,651)</u>	<u>\$ -</u>	<u>\$ 1,744,761</u>	<u>\$ 1,744,716</u>	<u>\$ 45</u>	<u>\$ -</u>
Undistributed Expenditures - Care & Upkeep of Grounds:									
Cleaning, Repair, and Maintenance Services	11-000-263-420	\$ 10,000	\$ -	\$ 31,812	\$ -	\$ 41,812	\$ 41,812	\$ -	\$ -
General Supplies	11-000-263-610	3,000	-	4,099	-	7,099	7,098	1	-
		<u>\$ 13,000</u>	<u>\$ -</u>	<u>\$ 35,911</u>	<u>\$ -</u>	<u>\$ 48,911</u>	<u>\$ 48,910</u>	<u>\$ 1</u>	<u>\$ -</u>
Undistributed Expenditures - Security:									
Salaries	11-000-266-100	\$ 42,324	\$ -	\$ (7,624)	\$ -	\$ 34,700	\$ 34,699	\$ 1	\$ -

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>EXPENDITURES (Continued)</u>									
<u>General Current Expense (Continued)</u>									
Undistributed Expenditures - Student Transportation Services:									
Salaries of Non-Instructional Aides	11-000-270-107	\$ 38,215	\$ -	\$ 9,764	\$ -	\$ 47,979	\$ 47,979	\$ -	\$ -
Salaries for Pupil Trans. (Between Home and School) R	11-000-270-160	26,589	-	585	-	27,174	27,174	-	-
Salaries for Pupil Trans. (Between Home and School) -	11-000-270-161	26,589	-	585	-	27,174	27,174	-	-
Sal. for Pupil Trans. (Other Than Bet. Home and Sch)	11-000-270-162	30,000	-	26,167	-	56,167	56,167	-	-
Cleaning, Repair and Maintenance Services	11-000-270-420	40,000	-	5,237	-	45,237	45,236	1	-
Lease Purchase Payments - School Buses	11-000-270-443	-	-	210	-	210	210	-	-
Aid in Lieu	11-000-270-504	2,652	-	6,188	-	8,840	8,840	-	-
Contr Serv (Other Than Bet Home and Sch) - Vendors	11-000-270-512	42,000	-	524	-	42,524	42,523	1	-
Contr Serv (Bet Home and Sch) - Joint Agreements	11-000-270-513	100,000	-	(12,400)	-	87,600	87,600	-	-
Contr Serv (Special Ed Students) - Joint Agreements	11-000-270-515	370,000	-	(5,452)	-	364,548	364,547	1	-
Miscellaneous Purchased Services - Transportation	11-000-270-593	23,919	-	(23,919)	-	-	-	-	-
Transportation Supplies	11-000-270-615	25,000	-	(1,055)	-	23,945	23,945	-	-
Other Objects	11-000-270-800	1,000	-	975	-	1,975	1,975	-	-
		<u>\$ 725,964</u>	<u>\$ -</u>	<u>\$ 7,409</u>	<u>\$ -</u>	<u>\$ 733,373</u>	<u>\$ 733,370</u>	<u>\$ 3</u>	<u>\$ -</u>
Unallocated Benefits - Employee Benefits:									
Social Security Contributions	11-000-291-220	\$ 358,000	\$ -	\$ 68,156	\$ -	\$ 426,156	\$ 426,156	\$ -	\$ -
Other Retirement Contributions - PERS	11-000-291-241	363,241	-	(30,049)	-	333,192	333,192	-	-
Other Retirement Contributions - Deferred PERS	11-000-291-248	13,217	-	223	-	13,440	13,440	-	-
Unemployment Compensation	11-000-291-250	75,000	-	7,000	-	82,000	82,000	-	-
Workmen's Compensation	11-000-291-260	171,425	-	(59,130)	-	112,295	112,295	-	-
Health Benefits	11-000-291-270	4,954,557	-	(387,714)	-	4,566,843	4,557,970	8,873	-
Other Employee Benefits	11-000-291-290	60,470	-	308,446	-	368,916	368,212	704	-
		<u>\$ 5,995,910</u>	<u>\$ -</u>	<u>\$ (93,068)</u>	<u>\$ -</u>	<u>\$ 5,902,842</u>	<u>\$ 5,893,265</u>	<u>\$ 9,577</u>	<u>\$ -</u>
TPAF Pension (On-Behalf - Non-Budgeted)		\$ -	\$ -	\$ -	\$ -	\$ -	1,852,978	\$ (1,852,978)	\$ -
TPAF Social Security (Reimbursed - Non-Budgeted)		\$ -	\$ -	\$ -	\$ -	\$ -	1,188,687	\$ (1,188,687)	\$ -
Total Undistributed Expenditures		<u>\$ 19,711,670</u>	<u>\$ -</u>	<u>\$ 123,748</u>	<u>\$ -</u>	<u>\$ 19,835,418</u>	<u>\$ 22,866,152</u>	<u>\$ (3,030,734)</u>	<u>\$ -</u>
Total Expenditures - Current Expense		<u>\$ 34,833,176</u>	<u>\$ -</u>	<u>\$ (95,290)</u>	<u>\$ -</u>	<u>\$ 34,737,886</u>	<u>\$ 37,767,672</u>	<u>\$ (3,029,786)</u>	<u>\$ -</u>

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
<u>Capital Outlay</u>									
Equipment:									
Undistributed Expenditures - Operation & Maintenance	12-000-263-730	\$ -	\$ -	\$ 5,499	\$ -	\$ 5,499	\$ 5,499	\$ -	\$ -
Facilities Acquisition and Construction Services:									
Construction Services	12-000-400-450	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 350,000	\$ -	\$ -
Assessment for Debt Service on SDA Funding	12-000-400-896	37,517	-	(13,186)	-	24,331	24,331	-	-
		<u>\$ 37,517</u>	<u>\$ -</u>	<u>\$ 336,814</u>	<u>\$ -</u>	<u>\$ 374,331</u>	<u>\$ 374,331</u>	<u>\$ -</u>	<u>\$ -</u>
Total Capital Outlay		\$ 37,517	\$ -	\$ 342,313	\$ -	\$ 379,830	\$ 379,830	\$ -	\$ -
<u>Charter Schools</u>									
Transfers to Charter Schools	10-000-100-56X	\$ 180,470	\$ -	\$ (54,023)	\$ -	\$ 126,447	\$ 126,447	\$ -	\$ -
Total Expenditures		\$ 35,051,163	\$ -	\$ 193,000	\$ -	\$ 35,244,163	\$ 38,273,949	\$ (3,029,786)	\$ -
Excess (Deficiency) of Revenues Over (Under) Expenditures		\$ 219,782	\$ -	\$ (193,000)	\$ -	\$ 26,782	\$ 130,963	\$ 104,181	\$ -

LYNDHURST SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2013

	Account Number	Original Budget	Budget Amendments	Budget Transfers	Prior Year Encumbrances	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	Encumbered (Memo Only)
Other Financing Sources (Uses):									
Operating Transfers:									
	Food Service Enterprise Fund	11-000-310-930	\$ (285,000)	\$ -	\$ 13,000	\$ -	\$ (272,000)	\$ (272,000)	\$ -
Excess (Deficiency) of Revenues Over (Under) Expenditures and Expenditures and Other Financing Uses			\$ (65,218)	\$ -	\$ (180,000)	\$ -	\$ (245,218)	\$ (141,037)	\$ 104,181
Fund Balances, July 1			633,610	-	-	-	633,610	633,610	-
Fund Balances, June 30			\$ 568,392	\$ -	\$ (180,000)	\$ -	\$ 388,392	\$ 492,573	\$ 104,181
<i>Recapitulation of Excess (Deficiency) of Revenues Under Expenditures:</i>									
Adjustment for Prior Year Encumbrances			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Budgeted Fund Balance - Original			(65,218)	-	-	-	(65,218)	38,963	104,181
Budgeted Fund Balance - Additional			-	-	(180,000)	-	(180,000)	(180,000)	-
			\$ (65,218)	\$ -	\$ (180,000)	\$ -	\$ (245,218)	\$ (141,037)	\$ 104,181

Recapitulation of Fund Balance:

Unreserved - Unassigned	492,573
	<u>492,573</u>

Reconciliation to Governmental Funds Statements (GAAP):

Last State Aid Payment(s) not recognized on GAAP basis	(164,771)
Fund Balance per Governmental Funds (GAAP) (Exhibit B-1)	<u>\$ 327,802</u>

**LYNDHURST SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 1 Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1,2) Difference - budget to GAAP:	\$ 38,404,912	\$ 1,081,423
State aid payment recognized for GAAP purposes, not recognized for budgetary statements	134,867	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements	(164,771)	-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	<u>\$ 38,375,008</u>	<u>\$ 1,081,423</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 38,273,949	\$ 1,081,423
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 38,273,949</u>	<u>\$ 1,081,423</u>



SECTION "E" - SPECIAL REVENUE FUND

LYNDHURST SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FISCAL YEAR ENDED JUNE 30, 2014

	FY2014	FY2014	FY2014	FY2013	FY2014	FY2014	FY2014
	N.C.L.B.			I.D.E.A. Part B (Handicapped)			
	Title I - Part A	Title II - Part A	Title III	Title III	Title III Immigrant	Basic	Preschool
<b>REVENUES</b>							
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	215,669	54,435	11,846	3,401	10,551	595,216	23,650
<b>Total Revenues</b>	<b>\$ 215,669</b>	<b>\$ 54,435</b>	<b>\$ 11,846</b>	<b>\$ 3,401</b>	<b>\$ 10,551</b>	<b>\$ 595,216</b>	<b>\$ 23,650</b>
<b>EXPENDITURES</b>							
Instruction:							
Salaries of Teachers	100-101	\$ 155,000	\$ 3,000	\$ 8,047	\$ -	\$ -	\$ -
Purchased Professional and Technical Services	100-300	21,498	-	-	-	-	-
Other Purchased Services	100-500	-	-	-	-	546,070	21,733
General Supplies	100-600	-	11,409	1,804	891	10,551	2,146
Textbooks	100-640	-	-	-	-	-	-
<b>Total Instruction</b>		<b>\$ 176,498</b>	<b>\$ 14,409</b>	<b>\$ 9,851</b>	<b>\$ 891</b>	<b>\$ 10,551</b>	<b>\$ 548,216</b>
Support Services:							
Personal Services - Employee Benefits	200-200	\$ 39,171	\$ -	\$ 1,995	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	200-320	-	35,667	-	2,510	-	47,000
Purchased Technical Services	200-300	-	-	-	-	-	-
Other Purchased Services	200-500	-	4,359	-	-	-	-
Travel	200-580	-	-	-	-	-	-
<b>Total Support Services</b>		<b>\$ 39,171</b>	<b>\$ 40,026</b>	<b>\$ 1,995</b>	<b>\$ 2,510</b>	<b>\$ -</b>	<b>\$ 47,000</b>
Facilities Acquisition and Construction Services:							
Buildings		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional Equipment	400-731	-	-	-	-	-	-
Non-Instructional Equipment	400-732	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Services</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenditures</b>		<b>\$ 215,669</b>	<b>\$ 54,435</b>	<b>\$ 11,846</b>	<b>\$ 3,401</b>	<b>\$ 10,551</b>	<b>\$ 595,216</b>

LYNDHURST SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENSES  
FISCAL YEAR ENDED JUNE 30, 2014

	FY2014	FY2014	FY2014	FY2014	FY2014	FY2014	FY2014	FY2014	FY2014
	N.J. Non-Public			Ch. 193 N.J. Non-Public Handicapped Services			Ch. 192 N.J. Non-Public Auxiliary Services		
	Textbook Aid	Nursing Aid	Technology Aid	Examination & Classification	Corrective Speech	Supplementary Instruction	Compensatory Education	E.S.L.	Home Instruction
<b>REVENUES</b>									
State Sources	\$ 16,016	\$ 22,542	\$ 5,840	\$ 19,270	\$ 14,687	\$ 14,640	\$ 68,307	\$ 2,968	\$ 2,385
Federal Sources	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 16,016</b>	<b>\$ 22,542</b>	<b>\$ 5,840</b>	<b>\$ 19,270</b>	<b>\$ 14,687</b>	<b>\$ 14,640</b>	<b>\$ 68,307</b>	<b>\$ 2,968</b>	<b>\$ 2,385</b>
<b>EXPENDITURES</b>									
Instruction:									
Salaries of Teachers	100-101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Professional and Technical Services	100-300	-	-	-	-	-	-	-	-
Other Purchased Services	100-500	-	-	-	-	-	-	-	-
General Supplies	100-600	-	-	5,840	-	-	-	-	-
Textbooks	100-640	16,016	-	-	-	-	-	-	-
<b>Total Instruction</b>	<b>\$ 16,016</b>	<b>\$ -</b>	<b>\$ 5,840</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Support Services:									
Personal Services - Employee Benefits	200-200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	200-320	-	22,542	-	19,270	14,687	14,640	68,307	2,968
Purchased Technical Services	200-300	-	-	-	-	-	-	-	-
Other Purchased Services	200-500	-	-	-	-	-	-	-	-
Travel	200-580	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	<b>\$ -</b>	<b>\$ 22,542</b>	<b>\$ -</b>	<b>\$ 19,270</b>	<b>\$ 14,687</b>	<b>\$ 14,640</b>	<b>\$ 68,307</b>	<b>\$ 2,968</b>	<b>\$ 2,385</b>
Facilities Acquisition and Construction Services:									
Buildings		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional Equipment	400-731	-	-	-	-	-	-	-	-
Non-Instructional Equipment	400-732	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenditures</b>	<b>\$ 16,016</b>	<b>\$ 22,542</b>	<b>\$ 5,840</b>	<b>\$ 19,270</b>	<b>\$ 14,687</b>	<b>\$ 14,640</b>	<b>\$ 68,307</b>	<b>\$ 2,968</b>	<b>\$ 2,385</b>

LYNDHURST SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENSES  
FISCAL YEAR ENDED JUNE 30, 2014

		Reconciliation to GAAP Basis			
		Total	plus 6/30/13 encumbrances	(less) 6/30/14 encumbrances	GAAP Basis
<b>REVENUES</b>					
State Sources		\$ 166,655	\$ -	\$ -	\$ 166,655
Federal Sources		914,768	-	-	914,768
Total Revenues		<u>\$ 1,081,423</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,081,423</u>
<b>EXPENDITURES</b>					
Instruction:					
Salaries of Teachers	100-101	\$ 166,047	\$ -	\$ -	\$ 166,047
Purchased Professional and Technical Services	100-300	21,498	-	-	21,498
Other Purchased Services	100-500	567,803	-	-	567,803
General Supplies	100-600	34,558	-	-	34,558
Textbooks	100-640	16,016	-	-	16,016
Total Instruction		<u>\$ 805,922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 805,922</u>
Support Services:					
Personal Services - Employee Benefits	200-200	\$ 41,166	\$ -	\$ -	\$ 41,166
Purchased Professional - Educational Services	200-320	229,976	-	-	229,976
Purchased Technical Services	200-300	-	-	-	-
Other Purchased Services	200-500	4,359	-	-	4,359
Travel	200-580	-	-	-	-
Total Support Services		<u>\$ 275,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,501</u>
Facilities Acquisition and Construction Services:					
Buildings		\$ -	\$ -	\$ -	-
Instructional Equipment	400-731	-	-	-	-
Non-Instructional Equipment	400-732	-	-	-	-
Total Facilities Acquisition and Construction Services		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures		<u>\$ 1,081,423</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,081,423</u>

SECTION "G" - ENTERPRISE FUNDS

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
ENTERPRISE FUND  
JUNE 30, 2014**

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	<u>Food Service</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 40,467
Intergovernmental Receivable:	
State	1,402
Federal	51,647
Total Assets	<u>\$ 93,516</u>
<u>LIABILITIES</u>	
Accounts Payable	<u>\$ 91,586</u>
<u>NET POSITION</u>	
Unrestricted	<u>\$ 1,930</u>

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Food Service</u>
<u>OPERATING REVENUES</u>	
Charges for Services:	
Sales	<u>\$ 240,472</u>
<u>OPERATING EXPENSES</u>	
Salaries	\$ 307,386
Support Services - Employee Benefits	23,515
Cost of Goods Sold	4,756
Other Purchased Services	455,314
Supplies & Materials	180
	<u>\$ 791,151</u>
Operating Income (Loss)	<u>\$ (550,679)</u>
<u>NON-OPERATING REVENUES</u>	
Local Sources:	
Interest on Investments	\$ 288
State Sources:	
State School Lunch Program	6,143
Federal Sources:	
School Breakfast Program	18,134
National School Lunch Program	240,712
	<u>\$ 265,277</u>
Income (Loss) Before	
Other Financing Sources (Uses)	\$ (285,402)
Other Financing Sources (Uses):	
Operating Transfers:	
General Fund	<u>\$ 272,000</u>
Change in Net Position	\$ (13,402)
Total Net Position - Beginning	15,332
Total Net Position - Ending	<u><u>\$ 1,930</u></u>

**LYNDHURST SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Food Service</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Sales	\$ 240,472
Payments for Operating Expenses	(726,779)
	<u>\$ (486,307)</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>	
Local Sources	\$ 272,288
State Sources	5,135
Federal Sources	224,486
	<u>\$ 501,909</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Purchase of Capital Assets	<u>\$ -</u>
Net Increase (Decrease) in Cash	<u>\$ 15,602</u>
Balance - Beginning of Year	24,865
Balance - End of Year	<u><u>\$ 40,467</u></u>
	-
Reconciliation of Operating Income (Loss) to Net Cash Provided	
(Used) by Operating Activities:	
Operating Income (Loss)	\$ (550,679)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by	
(Used for) Operating Activities:	
(Increase) Decrease in Accounts Receivable	-
Increase (Decrease) in Accounts Payable	64,372
Net Cash Provided by (used for)	
Operating Activities	<u><u>\$ (486,307)</u></u>



SECTION "H" - FIDUCIARY FUNDS

**LYNDHURST SCHOOL DISTRICT  
 FIDUCIARY FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 AS OF JUNE 30, 2014**

	Agency Funds			Scholarship Trust	Total
	Student Activity	Payroll	Total		
<b><u>ASSETS</u></b>					
Cash	\$ 290,257	\$ 918,748	\$ 1,209,005	\$ 73,359	\$ 1,282,364
<b><u>LIABILITIES</u></b>					
Due to Student Groups	\$ 290,257	\$ -	\$ 290,257	\$ -	\$ 290,257
Payroll, Deductions and Withholdings Payable	-	918,748	918,748	-	918,748
Total Liabilities	\$ 290,257	\$ 918,748	\$ 1,209,005	\$ -	\$ 1,209,005
<b><u>NET POSITION</u></b>					
Unrestricted	\$ -	\$ -	\$ -	\$ 73,359	\$ 73,359

LYNDHURST SCHOOL DISTRICT  
 FIDUCIARY FUNDS  
 SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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	<u>Scholarship Trust</u>
<u>REVENUES</u>	
Earnings on Investments	<u>\$ 366</u>
<u>EXPENDITURES</u>	
Scholarships	<u>303</u>
	<u>\$ 63</u>
Net Position, July 1	<u>73,296</u>
Net Position, June 30	<u><u>\$ 73,359</u></u>

**LYNDHURST SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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	Balance July 1, 2013	Cash Receipts	Cash Disbursements	Balance June 30, 2014
Elementary Student Activities	\$ 24,897	\$ 53,572	\$ 50,787	\$ 27,682
High School Student Activities	247,002	403,489	391,067	259,424
Student Athletics	18,507	67,625	85,286	846
Project Graduation	1,891	82,639	82,225	2,305
	<u>\$ 292,297</u>	<u>\$ 607,325</u>	<u>\$ 609,365</u>	<u>\$ 290,257</u>

**LYNDHURST SCHOOL DISTRICT  
 PAYROLL AGENCY FUND  
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
<b><u>ASSETS</u></b>				
Cash:				
Net Payroll Account	\$ 1,122	\$ 12,524,792	\$ 12,525,309	\$ 605
Payroll Agency Account	23,584	24,724,115	24,719,828	27,871
Summer Payment Plan Account	859,962	990,255	959,945	890,272
	<u>\$ 884,668</u>	<u>\$ 38,239,162</u>	<u>\$ 38,205,082</u>	<u>\$ 918,748</u>
<b><u>LIABILITIES</u></b>				
Payroll, Deductions and Withholdings Payable	<u>\$ 884,668</u>	<u>\$ 38,239,162</u>	<u>\$ 38,205,082</u>	<u>\$ 918,748</u>

SECTION "I" - LONG-TERM DEBT

**LYNDHURST SCHOOL DISTRICT  
SCHEDULE OF SERIAL BONDS  
FISCAL YEAR ENDED JUNE 30, 2014**

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<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding June 30, 2013</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2014</u>
School Bonds	07/01/01	\$ 6,190,000	\$ 3,390,000	\$ -	\$ 350,000	\$ 3,040,000
Pension Refunding Bonds	03/15/03	\$ 2,030,000	845,000	-	145,000	700,000
			<u>\$ 4,235,000</u>	<u>\$ -</u>	<u>\$ 495,000</u>	<u>\$ 3,740,000</u>

LYNDHURST SCHOOL DISTRICT  
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2014

	Account Number	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable / (Unfavorable)
<u>REVENUES</u>						
Local Sources:						
Local Tax Levy	40-1210	\$ 690,008	\$ -	\$ 690,008	\$ 690,008	\$ -
<u>EXPENDITURES</u>						
Regular Debt Service						
Interest on Early Retirement Bonds	40-701-510-835	\$ 44,718	\$ -	\$ 44,718	\$ 44,718	\$ -
Redemption of Principal - Early Retirement Bonds	40-701-510-910	145,000	-	145,000	145,000	-
Interest on Bonds	40-701-510-834	150,290	-	150,290	150,290	-
Redemption of Principal	40-701-510-910	350,000	-	350,000	350,000	-
Total Expenditures		\$ 690,008	\$ -	\$ 690,008	\$ 690,008	\$ -
Excess (Deficiency) of Revenues Over (Under) Expenditures						
		-	-	-	-	-
Fund Balances, July 1						
		-	-	-	-	-
Fund Balances, June 30						
		\$ -	\$ -	\$ -	\$ -	\$ -



LYNDHURST SCHOOL DISTRICT  
Comprehensive Annual Financial Report  
Statistical Section

**LYNDHURST SCHOOL DISTRICT  
NET POSITION BY COMPONENT (DISTRICT)  
UNAUDITED**

J-1

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 19,818,725	\$ 19,822,284	\$ 19,077,883	\$ 18,952,883	\$ 17,577,883	\$ 17,145,263	\$ 23,274,783	\$ 17,751,185	\$ 18,081,127	\$ 17,907,757
Restricted	-	65,218	214,212	107,245	-	-	2	393,956	284	11,453
Unrestricted	(2,507,090)	(2,603,084)	(2,694,321)	(2,833,186)	(1,966,931)	(1,825,315)	(8,118,628)	(3,596,201)	(2,192,291)	(2,201,994)
<b>Total governmental activities</b>	<b>\$ 17,311,635</b>	<b>\$ 17,284,418</b>	<b>\$ 16,597,774</b>	<b>\$ 16,226,942</b>	<b>\$ 15,610,952</b>	<b>\$ 15,319,948</b>	<b>\$ 15,156,157</b>	<b>\$ 14,548,940</b>	<b>\$ 15,889,120</b>	<b>\$ 15,717,216</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,930	15,332	7,886	35,116	16,934	17,199	18,350	44,255	59,115	41,425
<b>Total business-type activities</b>	<b>\$ 1,930</b>	<b>\$ 15,332</b>	<b>\$ 7,886</b>	<b>\$ 35,116</b>	<b>\$ 16,934</b>	<b>\$ 17,199</b>	<b>\$ 18,350</b>	<b>\$ 44,255</b>	<b>\$ 59,115</b>	<b>\$ 41,425</b>
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 19,818,725	\$ 19,822,284	\$ 19,077,883	\$ 18,952,883	\$ 17,577,883	\$ 17,145,263	\$ 23,274,783	\$ 17,751,185	\$ 18,081,127	\$ 17,907,757
Restricted	-	65,218	214,212	107,245	-	-	2	393,956	284	11,453
Unrestricted	(2,505,160)	(2,587,752)	(2,686,435)	(2,798,070)	(1,949,997)	(1,808,116)	(8,100,278)	(3,551,946)	(2,133,176)	(2,160,569)
<b>Total district-wide net position</b>	<b>\$ 17,313,565</b>	<b>\$ 17,299,750</b>	<b>\$ 16,605,660</b>	<b>\$ 16,262,058</b>	<b>\$ 15,627,886</b>	<b>\$ 15,337,147</b>	<b>\$ 15,174,507</b>	<b>\$ 14,593,195</b>	<b>\$ 15,948,235</b>	<b>\$ 15,758,641</b>

**LYNDHURST SCHOOL DISTRICT  
CHANGES IN NET POSITION (DISTRICT)  
UNAUDITED**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Expenses</b>										
Governmental Activities:										
Instruction										
Regular Programs	\$ 11,860,247	\$ 11,251,065	\$ 10,850,650	\$ 10,258,383	\$ 10,396,628	\$ 10,271,102	\$ 9,843,904	\$ 9,712,168	\$ 9,651,757	\$ 9,163,160
Special Education	2,630,426	3,068,156	3,041,577	2,883,630	2,885,367	2,089,010	2,031,642	1,968,877	1,780,657	2,041,499
Basic Skills - Remedial Instruction	387,347	411,454	526,616	497,055	516,898	542,798	519,204	457,076	399,689	320,521
Bilingual Education	104,805	137,768	114,718	116,590	111,418	104,344	106,068	100,527	98,222	83,278
School Sponsored Cocurricular Activities	188,199	180,297	158,099	151,767	167,481	161,805	153,243	165,780	154,936	157,980
School Sponsored Athletics	535,918	534,520	533,944	449,594	439,849	433,813	389,549	377,962	356,022	335,711
Alternative Education Program	500	500	-	500	500	-	-	-	-	-
Undistributed Expenditures:										
Instruction	3,223,918	3,084,816	3,072,615	3,330,268	4,286,863	3,905,443	3,723,516	3,343,210	2,709,441	2,071,827
Attendance and Social Work	80,946	63,316	86,298	32,735	44,922	83,380	73,782	67,966	63,244	58,639
Health Services	512,055	474,743	553,887	540,898	585,717	602,789	556,444	474,108	403,969	381,427
Speech, OT, PT, Related Services	594,631	580,463	588,084	700,532	516,266	529,504	515,673	453,466	370,843	357,806
Other Support Services - Students Ext Svcs	37,735	3,707	15,756	15,176	13,804	24,552	9,402	-	1,720	18,862
Guidance	599,227	613,607	716,975	750,127	718,033	635,967	652,995	634,412	624,094	614,435
Child Study Team	690,574	638,418	649,348	638,771	662,917	687,152	658,789	619,833	573,289	551,021
Improvement of Instructional Services	1,101,551	923,249	838,522	817,590	688,241	535,941	521,591	506,312	499,458	484,046
Educational Media Services/School Library	1,900	2,516	118,927	110,475	111,429	119,383	107,954	116,463	112,677	108,358
Instructional Staff Training Services	4,626	3,347	44,530	68,401	66,265	64,855	60,671	110,167	103,543	97,171
Support Services - General Administration	907,836	977,981	1,014,482	993,483	992,475	927,451	914,452	916,307	978,742	925,316
Support Services - School Administration	1,902,760	1,811,058	1,611,203	1,500,106	1,498,398	1,432,945	1,461,553	1,481,003	1,344,596	1,265,839
Central Services	571,373	579,310	628,389	484,777	389,200	398,387	373,665	315,991	286,017	421,548
Required Maintenance for School Facilities	1,374,730	1,186,371	737,504	552,976	406,610	483,078	434,097	394,734	341,819	1,488,255
Custodial Services	1,744,716	1,600,385	1,826,736	1,785,479	1,408,168	1,294,668	1,342,662	1,291,249	1,422,342	739,245
Care & Upkeep of Grounds	48,910	77,987	54,083	13,715	4,026	-	-	-	-	-
Security	34,699	35,850	34,934	36,705	29,335	-	-	-	-	-
Student Transportation Services	733,370	776,810	663,149	839,842	903,699	792,493	912,586	994,260	861,087	276,464
Allocated and Unallocated Employee Benefits	5,877,714	6,107,106	6,107,637	5,718,235	5,600,379	4,892,766	4,453,197	4,829,653	3,888,117	3,423,221
TPAF Pension	1,852,978	2,196,063	1,473,058	1,051,954	1,000,167	969,669	2,106,442	2,052,735	1,109,573	837,070
TPAF Social Security	1,188,687	1,141,939	1,211,608	1,171,264	1,153,079	1,119,367	1,074,768	1,029,913	1,000,599	927,678
Capital Outlay	733,389	727,982	362,719	383,000	273,554	364,647	(266,362)	532,558	584,031	-
Charter Schools	126,447	111,805	55,086	1,157	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal on Commissioner Approved LP Agreement	-	-	-	-	-	-	-	-	-	-
Interest on Commissioner Approved LP Agreement	-	-	-	-	-	-	3,306	7,525	11,525	15,319
Interest on Early Retirement Bonds	44,718	51,578	58,058	63,973	69,348	74,208	78,405	81,925	84,707	-
Redemption of Principal - Early Retirement Bonds	-	-	-	-	-	-	-	-	105,000	-
Interest on Bonds	150,290	165,240	179,040	192,840	206,640	219,290	230,790	242,290	253,790	351,110
Redemption of Principal	-	-	-	-	-	-	-	-	(105,000)	-
<b>Total Governmental Activities Expenses</b>	<b>\$ 39,847,222</b>	<b>\$ 39,519,407</b>	<b>\$ 37,928,232</b>	<b>\$ 36,151,998</b>	<b>\$ 36,147,676</b>	<b>\$ 33,760,807</b>	<b>\$ 33,043,988</b>	<b>\$ 33,278,470</b>	<b>\$ 30,070,506</b>	<b>\$ 27,516,806</b>
Business-Type Activities:										
Food Service	\$ 791,151	\$ 702,878	\$ 689,129	\$ 668,626	\$ 602,406	\$ 576,973	\$ 579,984	\$ 520,515	\$ 496,934	\$ 444,160
Before/After School Child Care	-	-	34,954	218,796	124,682	233,639	240,517	225,336	222,865	194,303
Saturday Enrichment	-	-	-	-	-	-	-	-	940	560
<b>Total Business-Type Activities Expenses</b>	<b>\$ 791,151</b>	<b>\$ 702,878</b>	<b>\$ 724,083</b>	<b>\$ 887,422</b>	<b>\$ 727,088</b>	<b>\$ 810,612</b>	<b>\$ 820,501</b>	<b>\$ 745,851</b>	<b>\$ 720,739</b>	<b>\$ 639,023</b>
<b>Total District Expenses</b>	<b>\$ 40,638,373</b>	<b>\$ 40,222,285</b>	<b>\$ 38,652,315</b>	<b>\$ 37,039,420</b>	<b>\$ 36,874,764</b>	<b>\$ 34,571,419</b>	<b>\$ 33,864,489</b>	<b>\$ 34,024,321</b>	<b>\$ 30,791,245</b>	<b>\$ 28,155,829</b>

**LYNDHURST SCHOOL DISTRICT  
CHANGES IN NET POSITION (DISTRICT)  
UNAUDITED**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,715	\$ 4,060	\$ 12,006	\$ -	\$ -
Operating Grants and Contributions	5,897,464	6,334,844	5,456,695	4,845,962	5,665,397	4,303,864	4,912,222	5,824,749	4,843,669	4,519,259
Capital Grants and Contributions	-	-	-	-	49,099	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<b>\$ 5,897,464</b>	<b>\$ 6,334,844</b>	<b>\$ 5,456,695</b>	<b>\$ 4,845,962</b>	<b>\$ 5,714,496</b>	<b>\$ 4,311,579</b>	<b>\$ 4,916,282</b>	<b>\$ 5,836,755</b>	<b>\$ 4,843,669</b>	<b>\$ 4,519,259</b>
Business-Type Activities:										
Charges for Services	\$ 240,472	\$ 197,948	\$ 211,839	\$ 441,513	\$ 353,245	\$ 463,609	\$ 482,703	\$ 466,853	\$ 510,790	\$ 380,299
Operating Grants and Contributions	264,989	227,376	210,014	188,091	154,761	140,676	113,531	112,138	100,639	102,334
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities Program Revenues</b>	<b>505,461</b>	<b>425,324</b>	<b>421,853</b>	<b>629,604</b>	<b>508,006</b>	<b>604,285</b>	<b>596,234</b>	<b>578,991</b>	<b>611,429</b>	<b>482,633</b>
<b>Total District Program Revenues</b>	<b>\$ 6,402,925</b>	<b>\$ 6,760,168</b>	<b>\$ 5,878,548</b>	<b>\$ 5,475,566</b>	<b>\$ 6,222,502</b>	<b>\$ 4,915,864</b>	<b>\$ 5,512,516</b>	<b>\$ 6,415,746</b>	<b>\$ 5,455,098</b>	<b>\$ 5,001,892</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (33,949,758)	\$ (33,184,563)	\$ (32,471,537)	\$ (31,306,036)	\$ (30,433,180)	\$ (29,449,228)	\$ (28,127,706)	\$ (27,441,715)	\$ (25,226,837)	\$ (22,997,547)
Business-Type Activities	(285,690)	(277,554)	(302,230)	(257,818)	(219,082)	(206,327)	(224,267)	(166,860)	(109,310)	(156,390)
<b>Total District-Wide</b>	<b>\$ (34,235,448)</b>	<b>\$ (33,462,117)</b>	<b>\$ (32,773,767)</b>	<b>\$ (31,563,854)</b>	<b>\$ (30,652,262)</b>	<b>\$ (29,655,555)</b>	<b>\$ (28,351,973)</b>	<b>\$ (27,608,575)</b>	<b>\$ (25,336,147)</b>	<b>\$ (23,153,937)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Local Tax Levy	33,655,609	32,976,035	32,684,721	31,807,753	29,711,738	28,477,291	27,502,953	26,525,895	25,013,799	23,355,817
Unrestricted Miscellaneous Revenues	204,074	147,309	172,353	451,073	262,376	139,738	136,975	218,770	164,293	80,423
State Sources	389,292	381,161	260,295	-	1,004,607	326,318	652,395	355,435	157,659	352,709
Federal Sources	-	-	-	-	28,957	828,219	811,405	2,933	283	-
Other Financing Sources	-	-	-	-	-	-	-	-	-	-
Interest Earned on Capital Reserve Funds	-	-	-	-	-	-	-	-	-	-
Capital Asset Adjustments	-	651,702	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	(809,498)	189,707	-
Transfers	(272,000)	(285,000)	(275,000)	(336,800)	(283,494)	(281,496)	(245,856)	(192,000)	(127,000)	(170,000)
<b>Total Governmental Activities</b>	<b>\$ 33,976,975</b>	<b>\$ 33,871,207</b>	<b>\$ 32,842,369</b>	<b>\$ 31,922,026</b>	<b>\$ 30,724,184</b>	<b>\$ 29,490,070</b>	<b>\$ 28,857,872</b>	<b>\$ 26,101,535</b>	<b>\$ 25,398,741</b>	<b>\$ 23,618,949</b>
Business-Type Activities:										
Unrestricted Miscellaneous Revenues	\$ 288	\$ -	\$ -	\$ -	\$ 817	\$ 1,176	\$ 1,362	\$ -	\$ -	\$ -
Transfers	272,000	285,000	275,000	276,000	218,000	204,000	197,000	152,000	127,000	122,000
<b>Total business-type activities</b>	<b>\$ 272,288</b>	<b>\$ 285,000</b>	<b>\$ 275,000</b>	<b>\$ 276,000</b>	<b>\$ 218,817</b>	<b>\$ 205,176</b>	<b>\$ 198,362</b>	<b>\$ 152,000</b>	<b>\$ 127,000</b>	<b>\$ 122,000</b>
<b>Total district-wide</b>	<b>\$ 34,249,263</b>	<b>\$ 34,156,207</b>	<b>\$ 33,117,369</b>	<b>\$ 32,198,026</b>	<b>\$ 30,943,001</b>	<b>\$ 29,695,246</b>	<b>\$ 29,056,234</b>	<b>\$ 26,253,535</b>	<b>\$ 25,525,741</b>	<b>\$ 23,740,949</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 27,217	\$ 686,644	\$ 370,832	\$ 615,990	\$ 291,004	\$ 40,842	\$ 730,166	\$ (1,340,180)	\$ 171,904	\$ 621,402
Business-Type Activities	(13,402)	7,446	(27,230)	18,182	(265)	(1,151)	(25,905)	(14,860)	17,690	(34,390)
<b>Total District</b>	<b>\$ 13,815</b>	<b>\$ 694,090</b>	<b>\$ 343,602</b>	<b>\$ 634,172</b>	<b>\$ 290,739</b>	<b>\$ 39,691</b>	<b>\$ 704,261</b>	<b>\$ (1,355,040)</b>	<b>\$ 189,594</b>	<b>\$ 587,012</b>
Net Position - Beginning	17,299,750	16,605,660	16,262,058	15,627,886	15,337,147	15,297,456	14,593,195	15,948,235	15,758,641	15,171,629
<b>Net Position - Ending</b>	<b>\$ 17,313,565</b>	<b>\$ 17,299,750</b>	<b>\$ 16,605,660</b>	<b>\$ 16,262,058</b>	<b>\$ 15,627,886</b>	<b>\$ 15,337,147</b>	<b>\$ 15,297,456</b>	<b>\$ 14,593,195</b>	<b>\$ 15,948,235</b>	<b>\$ 15,758,641</b>

LYNDHURST SCHOOL DISTRICT  
 FUND BALANCES - GOVERNMENTAL FUNDS (DISTRICT)  
 UNAUDITED

	2014	2013	2012	2012	2011	2010	2009	2008	2007	2006	2005
General Fund											
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	327,802	498,743	854,923	854,923	786,065	602,031	557,524	463,301	642,302	1,272,494	1,367,791
Total General Fund	\$ 327,802	\$ 498,743	\$ 854,923	\$ 854,923	\$ 786,065	\$ 602,031	\$ 557,524	\$ 463,301	\$ 642,302	\$ 1,272,494	\$ 1,367,791
All Other Governmental Funds											
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:											
Special Revenue Fund	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	49,105	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	1	3	174	284	11,453
Total all Other Governmental Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,105	\$ 1	\$ 3	\$ 174	\$ 284	\$ 11,453
Total Governmental Funds	\$ 327,802	\$ 498,743	\$ 854,923	\$ 854,923	\$ 786,065	\$ 651,136	\$ 557,525	\$ 463,304	\$ 642,476	\$ 1,272,778	\$ 1,379,244

**LYNDHURST SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (DISTRICT)  
UNAUDITED**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Revenues:</b>										
Local Tax Levy	\$ 33,655,609	\$ 32,976,035	\$ 32,684,721	\$ 31,807,753	\$ 29,711,738	\$ 28,477,291	\$ 27,502,953	\$ 26,525,895	\$ 25,013,799	\$ 23,355,817
Tuition	-	-	-	-	-	7,715	4,060	12,006	-	-
Unrestricted Miscellaneous Revenues	204,074	147,309	172,353	451,073	262,376	139,738	136,975	218,770	164,293	80,423
State Sources	5,330,796	5,686,705	4,698,506	3,809,562	5,013,681	4,753,131	5,564,617	5,337,436	4,385,315	4,011,894
Federal Sources	955,960	1,029,300	1,018,484	1,036,400	1,734,379	828,219	811,405	845,681	844,004	860,074
<b>Total Revenue</b>	<b>\$ 40,146,439</b>	<b>\$ 39,839,349</b>	<b>\$ 38,574,064</b>	<b>\$ 37,104,788</b>	<b>\$ 36,722,174</b>	<b>\$ 34,206,094</b>	<b>\$ 34,020,010</b>	<b>\$ 32,939,788</b>	<b>\$ 30,407,411</b>	<b>\$ 28,308,208</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Programs	\$ 11,860,247	\$ 11,251,065	\$ 10,850,650	\$ 10,258,383	\$ 10,396,628	\$ 10,271,102	\$ 9,843,904	\$ 9,712,168	\$ 9,598,188	\$ 9,109,118
Special Education	2,630,426	3,068,156	3,041,577	2,883,630	2,885,367	2,089,010	2,031,642	1,968,877	1,770,774	2,029,459
Basic Skills - Remedial Instruction	387,347	411,454	526,616	497,055	516,898	542,798	519,204	457,076	397,471	318,631
Bilingual Education	104,805	137,768	114,718	116,590	111,418	104,344	106,068	100,527	97,677	82,787
School Sponsored Cocurricular Activities	188,199	180,297	158,099	151,767	167,481	161,805	153,243	165,780	154,076	157,048
School Sponsored Athletics	535,918	534,520	533,944	449,594	439,849	433,813	389,549	377,962	354,046	333,731
Alternative Education Program	500	500	-	500	500	-	-	-	-	-
<b>Undistributed Expenditures:</b>										
Instruction	3,223,918	3,084,816	3,072,615	3,330,268	4,286,863	3,905,443	3,723,516	3,343,210	2,694,403	2,059,608
Attendance and Social Work	80,946	63,316	86,298	32,735	44,922	83,380	73,782	67,966	62,893	58,293
Health Services	512,055	474,743	553,887	540,898	585,717	602,789	556,444	474,108	401,727	379,177
Speech, OT, PT, Related Services	594,631	580,463	588,084	700,532	516,266	529,504	515,673	453,466	368,785	355,696
Other Support Services - Students Ext Svcs	37,735	3,707	15,756	15,176	13,804	24,552	9,402	-	1,710	18,751
Guidance	599,227	613,607	716,975	750,127	718,033	635,967	652,995	634,412	620,630	610,811
Child Study Team	690,574	638,418	649,348	638,771	662,917	687,152	658,789	619,833	570,107	547,771
Improvement of Instructional Services	1,101,551	923,249	838,522	817,590	688,241	535,941	521,591	506,312	496,686	481,191
Educational Media Services/School Library	1,900	2,516	118,927	110,475	111,429	119,383	107,954	116,463	112,052	107,719
Instructional Staff Training Services	4,626	3,347	44,530	68,401	66,265	64,855	60,671	110,167	102,968	96,598
Support Services - General Administration	907,836	977,981	1,014,482	993,483	992,475	927,451	914,452	916,307	973,310	919,859
Support Services - School Administration	1,902,760	1,811,058	1,611,203	1,500,106	1,498,398	1,432,945	1,461,553	1,481,003	1,337,133	1,258,373
Central Services	571,373	579,310	628,389	484,777	389,200	398,387	373,665	315,991	284,430	419,062
Required Maintenance for School Facilities	1,374,730	1,186,371	737,504	552,976	406,610	483,078	434,097	394,931	339,922	1,479,478
Custodial Services	1,744,716	1,600,385	1,826,736	1,785,479	1,408,168	1,294,668	1,342,662	1,291,249	1,414,448	734,885
Care and Upkeep of Grounds	48,910	77,987	54,083	13,715	4,026	-	-	-	-	-
Security	34,699	35,850	34,934	36,705	29,335	-	-	-	-	-
Student Transportation Services	733,370	776,810	663,149	839,842	903,699	792,493	912,586	994,260	856,308	274,833
Allocated and Unallocated Employee Benefits	5,934,431	6,265,529	6,149,611	5,944,296	5,365,152	4,756,856	4,563,937	4,339,717	3,866,538	3,450,677
TPAF Pension	1,852,978	2,196,063	1,473,058	1,051,954	1,000,167	969,669	2,106,442	2,052,735	1,109,573	837,070
TPAF Social Security	1,188,687	1,141,939	1,211,608	1,171,264	1,153,079	1,119,367	1,074,768	1,029,913	1,000,599	927,678
<b>Sub-Total</b>	<b>\$ 38,849,095</b>	<b>\$ 38,621,225</b>	<b>\$ 37,315,303</b>	<b>\$ 35,737,089</b>	<b>\$ 35,362,907</b>	<b>\$ 32,966,752</b>	<b>\$ 33,108,589</b>	<b>\$ 31,924,236</b>	<b>\$ 28,986,454</b>	<b>\$ 27,048,304</b>

**LYNDHURST SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (DISTRICT)  
UNAUDITED**

J-4

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Capital Outlay	\$ 379,830	\$ 520,681	\$ 187,719	\$ 209,157	\$ 281,174	\$ 200,127	\$ 85,647	\$ 684,744	\$ 584,031	\$ 333,513
Charter School	126,447	111,805	55,086	-	-	-	-	-	-	-
Debt Service:										
Principal on Commissioner Approved LP Agree	-	-	-	-	-	-	81,589	77,370	73,370	69,576
Interest on Commissioner Approved LP Agree	-	-	-	-	-	-	3,306	7,525	11,525	15,319
Interest on Early Retirement Bonds	44,718	51,578	58,058	63,973	69,348	74,208	78,405	81,925	84,707	-
Redemption of Principal - Early Retirement Bon	145,000	140,000	135,000	130,000	125,000	120,000	115,000	110,000	105,000	-
Interest on Bonds	150,290	165,240	179,040	192,840	206,640	219,290	230,790	242,290	253,790	351,110
Redemption of Principal	350,000	300,000	300,000	300,000	300,000	250,000	250,000	250,000	250,000	305,000
Total Expenditures	\$ 40,045,380	\$ 39,910,529	\$ 38,230,206	\$ 36,633,059	\$ 36,345,069	\$ 33,830,377	\$ 33,953,326	\$ 33,378,090	\$ 30,348,877	\$ 28,122,822
Excess (Deficiency) of revenues over (under) expenditures	\$ 101,059	\$ (71,180)	\$ 343,858	\$ 471,729	\$ 377,105	\$ 375,717	\$ 66,684	\$ (438,302)	\$ 58,534	\$ 185,386
Other Financing Sources (Uses)										
Serial Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of New Jersey - N.J.S.A. 18:7Q-15	-	-	-	-	-	-	-	-	-	-
Port Authority of NY & NJ Grant	-	-	-	-	-	-	-	-	-	-
Operating Transfers	(272,000)	(285,000)	(275,000)	(336,800)	(283,494)	(281,496)	(245,856)	(192,000)	(165,000)	(170,000)
Private Donation	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	\$ (272,000)	\$ (285,000)	\$ (275,000)	\$ (336,800)	\$ (283,494)	\$ (281,496)	\$ (245,856)	\$ (192,000)	\$ (165,000)	\$ (170,000)
Net change in fund balances	\$ (170,941)	\$ (356,180)	\$ 68,858	\$ 134,929	\$ 93,611	\$ 94,221	\$ (179,172)	\$ (630,302)	\$ (106,466)	\$ 15,386
Debt service as a percentage of noncapital expenditures	1.26%	1.18%	1.26%	1.35%	1.40%	1.40%	1.42%	1.51%	1.69%	2.36%

LYNDHURST SCHOOL DISTRICT  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE (DISTRICT)  
UNAUDITED

Fiscal Year Ended June 30.	Tuition	Interest on Investments	Rent	State Health Benefits Rebate	Prior Year Refunds/ Credits	Adult Education Fees	Credits & Adjustments	Miscellaneous	Total
2014	28,534	5,520	-	-	65,667	-	3,205	308	103,234
2013	-	6,572	98,380	-	38,928	-	-	3,429	147,309
2012	-	-	64,300	-	104,340	-	-	3,713	172,353
2011	-	19,643	71,248	-	309,207	-	-	50,975	451,073
2010	1,915	15,782	159,775	-	71,762	-	10,988	2,148	262,370
2009	7,715	26,557	87,500	-	16,523	-	(3,307)	4,750	139,738
2008	4,060	77,203	32,500	-	14,480	-	-	12,792	141,035
2007	12,006	122,004	25,000	-	55,056	-	-	16,710	230,776
2006	12,019	38,392	-	-	53,931	-	-	34,281	138,623
2005	-	24,775	-	-	22,792	-	-	7,744	55,311



**LYNDHURST SCHOOL DISTRICT  
 ASSESSED VALUE and ESTIMATED ACTUAL VALUE  
 OF TAXABLE PROPERTY (MUNICIPALITY)  
 UNAUDITED**

Description	2013		2012**		2011		2010	
	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value
Net Valuations Taxable:								
Vacant Land	106	\$ 51,265,900	106	\$ 51,468,800	112	\$ 161,491,700	116	\$ 155,689,200
Residential	5112	1,564,237,000	5112	1,562,667,400	5117	2,119,432,600	5113	2,114,056,800
Farm (Regular)	0	-	0	-	0	-	0	-
Farm (Qualified)	0	-	0	-	0	-	0	-
Commercial	325	403,364,900	325	404,209,800	327	467,476,050	327	469,021,100
Industrial	92	575,442,300	92	575,492,500	96	655,880,200	103	696,219,400
Apartments	54	56,709,600	54	56,843,600	53	62,855,700	52	61,743,700
Sub-Total	5689	2,651,019,700	5689	2,650,682,100	5705	3,467,136,250	5711	3,496,730,200
Personal Property		4,355,209		4,652,311		6,647,733		6,577,516
Net Valuations Taxable		<u>2,655,374,909</u>		<u>2,655,334,411</u>		<u>3,473,783,983</u>		<u>3,503,307,716</u>
County Equalization Adjustment		178,479,994		282,231,509		(97,858,625)		(218,482)
County Equalized Valuations		<u>\$ 2,833,854,903</u>		<u>\$ 2,937,565,920</u>		<u>\$ 3,375,925,358</u>		<u>\$ 3,503,089,234</u>
County Equalization Ratio		<u>94.59%</u>		<u>91.27%</u>		<u>103.73%</u>		<u>100.82%</u>
Average Residential Assessment		<u>\$ 305,993</u>		<u>\$ 305,686</u>		<u>\$ 414,194</u>		<u>\$ 413,467</u>
Total County Equalized Valuations		<u>\$165,008,934,260</u>		<u>\$ 173,258,537,441</u>		<u>\$ 173,258,537,441</u>		<u>\$ 183,412,099,706</u>
Municipal Percentage								
County Equalized Valuations		<u>1.72%</u>		<u>1.70%</u>		<u>1.95%</u>		<u>1.91%</u>

\*\*Revaluation Year

**LYNDHURST SCHOOL DISTRICT  
 ASSESSED VALUE and ESTIMATED ACTUAL VALUE  
 OF TAXABLE PROPERTY (MUNICIPALITY)  
 UNAUDITED**

Description	2009		2008		2007		2006**		2005	
	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value
Net Valuations Taxable:										
Vacant Land	140	\$ 157,651,000	132	\$ 171,367,000	134	\$ 171,122,400	129	\$ 170,988,700	170	\$ 53,112,300
Residential	5092	2,108,894,900	5084	2,100,885,000	5080	2,093,002,000	5087	2,091,288,700	5063	857,397,800
Farm (Regular)	0	-	0	-	0	-	0	-	0	-
Farm (Qualified)	0	-	0	-	0	-	0	-	0	-
Commercial	321	450,421,800	323	460,341,500	328	469,160,100	330	468,897,400	306	214,826,600
Industrial	103	718,638,000	102	729,566,800	101	673,322,100	100	672,083,500	99	276,304,600
Apartments	53	89,243,700	51	62,057,300	51	62,057,300	50	61,502,300	50	27,711,600
Sub-Total	5709	3,524,849,400	5692	3,524,217,600	5694	3,468,663,900	5696	3,464,760,600	5688	1,429,352,900
Personal Property		6,512,570		3,946,801		3,395,221		3,395,221		2,157,950
Net Valuations Taxable		<u>3,531,361,970</u>		<u>3,528,164,401</u>		<u>3,472,059,121</u>		<u>3,468,155,821</u>		<u>1,431,510,850</u>
County Equalization Adjustment		(82,452,935)		(78,772,637)		(354,239,177)		(823,180,695)		872,756,820
County Equalized Valuations		<u>\$ 3,448,909,035</u>		<u>\$ 3,449,391,764</u>		<u>\$ 3,117,819,944</u>		<u>\$ 2,644,975,126</u>		<u>\$ 2,304,267,670</u>
County Equalization Ratio		103.27%		103.11%		112.30%		132.34%		62.69%
Average Residential Assessment		<u>\$ 414,158</u>		<u>\$ 413,235</u>		<u>\$ 412,008</u>		<u>\$ 411,105</u>		<u>\$ 169,346</u>
Total County Equalized Valuations		<u>\$ 187,580,071,463</u>		<u>\$ 182,767,512,263</u>		<u>\$ 172,863,500,734</u>		<u>\$ 153,984,695,626</u>		<u>\$ 136,528,998,442</u>
Municipal Percentage County Equalized Valuations		<u>1.84%</u>		<u>1.89%</u>		<u>1.80%</u>		<u>1.72%</u>		<u>1.69%</u>

\*\*Revaluation Year

LYNDHURST SCHOOL DISTRICT  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES (MUNICIPALITY)  
 UNAUDITED

J-7

	2013	2012**	2011	2010	2009	2008	2007	2006**	2005	2004
NET VALUATIONS TAXABLE	\$ 2,655,374,909	\$ 2,655,334,411	\$ 3,473,783,983	\$ 3,503,307,716	\$ 3,531,361,970	\$ 3,528,164,401	\$ 3,472,059,121	\$ 3,468,155,821	\$ 1,431,510,850	\$ 1,411,640,653
<b>TAX REQUIREMENTS</b>										
County	\$ 6,264,119	\$ 6,301,846	\$ 6,886,226	\$ 6,663,683	\$ 6,212,674	\$ 5,967,116	\$ 5,256,991	\$ 4,668,674	\$ 4,369,270	\$ 4,073,626
County Open Space	70,846	73,439	84,398	87,577	344,891	344,939	311,782	264,497	230,427	204,179
Local School	33,315,823	32,830,378	32,246,237	30,759,746	29,094,514	27,990,122	27,014,424	25,769,847	24,184,808	22,846,117
Municipal - Local	29,254,885	27,421,715	25,836,662	25,997,381	24,031,493	23,491,674	22,655,215	19,501,068	16,931,092	15,933,094
Municipal - Minimum Library Tax	935,645	1,064,450	1,125,855	-	-	-	-	-	-	-
Total	\$ 69,841,318	\$ 67,691,828	\$ 66,179,378	\$ 63,508,387	\$ 59,683,572	\$ 57,793,851	\$ 55,238,412	\$ 50,204,086	\$ 45,715,597	\$ 43,057,016
<b>TAX RATES</b>										
County	0.236	0.238	0.199	0.191	0.176	0.170	0.151	0.135	0.305	0.289
County Open Space	0.003	0.003	0.003	0.002	0.010	0.010	0.010	0.010	0.010	0.010
Local School	1.255	1.237	0.928	0.878	0.824	0.793	0.778	0.743	1.689	1.618
Library	0.035	0.040	0.032	-	-	-	-	-	-	-
Municipal	1.102	1.032	0.744	0.742	0.681	0.666	0.661	0.562	1.196	1.143
Total	2.631	2.550	1.906	1.813	1.691	1.639	1.600	1.450	3.200	3.060

\*\*Revaluation Year

**LYNDHURST SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS (MUNICIPALITY)  
UNAUDITED**

Taxpayer	Assessed Valuation	As a Percent of Total 2013 Net Valuations \$ 2,655,374,909
Avalon Bay Communities, Inc.	\$ 65,600,000	2.47%
Wells Operating Partnership (2 Properties)	54,200,000	2.04%
Chubb Funding, LLC	50,122,100	1.89%
Sika Chemical Corp. (2 Properties)	32,396,800	1.22%
Veterans Square Towne Center, LLC	31,000,000	1.17%
DGDJ 1-1200 WSW 337771, LLC (ETALS)	30,072,200	1.13%
Riverside Plz Urban RN, LLC (3 Properties)	21,740,000	0.82%
Lyndhurst Residential Comm 2, LLC	21,731,000	0.82%
Denholtz 1099 Wall Street, LLC (2 Properties)	21,269,800	0.80%
DDR-SAU Lew Andowski LLC (2 Properties)	21,000,000	0.79%
	<u>\$ 349,131,900</u>	

**LYNDHURST SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS (MUNICIPALITY)  
UNAUDITED**

	CY2013	CY2012	CY2011	CY2010	TY2009	SFY2009	SFY2008	SFY2007	SFY2006	SFY2005
Total Tax Levy	\$ 70,634,586	\$ 67,857,360	\$ 66,179,378	\$ 63,393,449	\$ 30,904,791	\$ 58,847,938	\$ 57,492,435	\$ 52,934,078	\$ 48,737,600	\$ 45,157,461
Total Credits	\$ 68,854,668	\$ 65,612,799	\$ 59,988,671	\$ 58,425,753	\$ 27,416,737	\$ 56,344,944	\$ 55,791,491	\$ 51,687,766	\$ 46,661,941	\$ 43,920,450
% of Tax Levy Collected	<u>97.48%</u>	<u>96.69%</u>	<u>90.65%</u>	<u>92.16%</u>	<u>88.71%</u>	<u>95.75%</u>	<u>97.04%</u>	<u>97.65%</u>	<u>95.74%</u>	<u>97.26%</u>
Tax Title Liens	\$ 562,168	\$ 1,627,174	\$ 1,602,460	\$ 5,634,175	\$ 2,895,284	\$ 2,323,315	\$ 2,326,553	\$ 2,244,178	\$ 3,316,823	\$ 3,257,232
Delinquent Taxes	4,824,248	5,127,240	5,092,612	7,098,769	6,412,223	4,158,299	2,177,262	1,596,468	2,112,993	1,280,085
Total Delinquent	\$ 5,386,416	\$ 6,754,414	\$ 6,695,072	\$ 12,732,944	\$ 9,307,507	\$ 6,481,614	\$ 4,503,815	\$ 3,840,646	\$ 5,429,816	\$ 4,537,317
Total Tax Levy	\$ 70,634,586	\$ 67,857,360	\$ 66,179,378	\$ 63,393,449	\$ 30,904,791	\$ 58,847,938	\$ 57,492,435	\$ 52,934,078	\$ 48,737,600	\$ 45,157,461
% of Delinquencies to Tax Levy	<u>7.63%</u>	<u>9.95%</u>	<u>10.12%</u>	<u>20.09%</u>	<u>30.12%</u>	<u>11.01%</u>	<u>7.83%</u>	<u>7.26%</u>	<u>11.14%</u>	<u>10.05%</u>
Foreclosed Property: Assessed Valuation	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000	\$ 7,542,000

**LYNDHURST SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE (DISTRICT)  
UNAUDITED**

Fiscal Year Ended June 30,	Governmental Activities		Total District	(Exhibit J-14)		(Exhibit J-14)	
	General Obligation Bonds	Certificates of Participation		District Population	Outstanding Debt Per Capita	(County) Per Capita Income	Percentage of Personal Income
2014	\$ 3,740,000	\$ -	\$ 3,740,000	21,325	\$ 175	\$ 69,919	0.25%
2013	\$ 4,235,000	\$ -	\$ 4,235,000	21,325	\$ 199	\$ 69,919	0.28%
2012	\$ 4,675,000	\$ -	\$ 4,675,000	21,223	\$ 220	\$ 69,919	0.31%
2011	\$ 5,110,000	\$ -	\$ 5,110,000	20,689	\$ 247	\$ 67,240	0.37%
2010	\$ 5,540,000	\$ -	\$ 5,540,000	20,580	\$ 269	\$ 63,950	0.42%
2009	\$ 5,965,000	\$ -	\$ 5,965,000	19,290	\$ 309	\$ 63,862	0.48%
2008	\$ 6,335,000	\$ -	\$ 6,335,000	19,234	\$ 329	\$ 67,375	0.49%
2007	\$ 6,700,000	\$ -	\$ 6,700,000	19,279	\$ 348	\$ 67,606	0.51%
2006	\$ 7,165,000	\$ -	\$ 7,165,000	19,330	\$ 371	\$ 63,166	0.59%
2005	\$ 7,415,000	\$ -	\$ 7,415,000	19,134	\$ 388	\$ 57,745	0.67%
2004	\$ 7,720,000	\$ -	\$ 7,720,000	19,282	\$ 400	\$ 55,322	0.72%
2003	\$ 8,020,000	\$ -	\$ 8,020,000	19,287	\$ 416	\$ 51,995	0.80%
2002	\$ 6,190,000	\$ -	\$ 6,190,000	19,302	\$ 321	\$ 51,913	0.62%

**LYNDHURST SCHOOL DISTRICT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING (DISTRICT)  
UNAUDITED**

J-11

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Population (Exhibit J-14)	21,325	21,223	20,689	20,580	19,290	19,234	19,279	19,330	19,134	19,282
County Equalized Valuations Valuations (Exhibit J-6)	\$ 2,833,854,903	\$ 2,937,565,920	\$ 3,375,925,358	\$ 3,503,089,234	\$ 3,448,909,035	\$ 3,449,391,764	\$ 3,117,819,944	\$ 2,644,975,126	\$ 2,304,267,670	\$ 2,041,787,206
Gross Debt (Exhibit J-10)	\$ 4,235,000	\$ 4,675,000	\$ 5,110,000	\$ 5,540,000	\$ 5,965,000	\$ 6,335,000	\$ 6,700,000	\$ 7,165,000	\$ 7,415,000	\$ 7,720,000
Gross Debt Per Capita	\$ 199	\$ 220	\$ 247	\$ 269	\$ 309	\$ 329	\$ 348	\$ 371	\$ 388	\$ 400
Ratio of Gross Debt to County Equalized Valuations	0.15%	0.16%	0.15%	0.16%	0.17%	0.18%	0.21%	0.27%	0.32%	0.38%

LYNDHURST SCHOOL DISTRICT  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (MUNICIPALITY)  
 UNAUDITED

DIRECT DEBT

	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005
Municipal:										
General Purposes:										
B&N Issued and Outstanding:										
Serial Bonds	\$ 38,463,000	\$ 9,473,000	\$ 10,923,000	\$ 12,563,000	\$ 14,263,000	\$ 15,298,000	\$ 16,913,000	\$ 18,503,000	\$ 20,068,000	\$ 18,648,000
Bond Anticipation Notes	17,660,500	50,803,000	36,900,000	37,250,008	26,169,238	26,169,238	17,503,453	4,288,300	2,500,000	3,500,000
Loans	2,857,106	2,996,053	3,130,000	-	-	-	-	-	-	-
B&N Authorized But Not Issued	14,250	14,250	14,195,750	5,962,500	2,525,000	-	8,665,785	2,007,000	2,156,500	-
Credits	-	-	-	-	-	-	-	-	-	-
	\$ 58,994,856	\$ 63,286,303	\$ 65,148,750	\$ 55,775,508	\$ 42,957,238	\$ 41,467,238	\$ 43,082,238	\$ 24,798,300	\$ 24,724,500	\$ 22,148,000
Water Utility:										
B&N Issued and Outstanding:										
Serial Bonds	\$ 5,345,000	\$ 2,070,000	\$ 2,235,000	\$ 2,400,000	\$ 2,565,000	\$ 2,615,000	\$ 2,780,000	\$ 3,580,000	\$ 3,200,000	\$ 3,460,000
Bond Anticipation Notes	-	3,530,000	1,290,000	1,313,670	635,000	635,000	635,000	-	-	-
Other Notes	9,677,344	10,137,000	10,137,776	-	-	-	-	-	-	-
B&N Authorized But Not Issued	-	-	2,262,224	15,000,000	-	-	-	-	500,000	-
	\$ 15,022,344	\$ 15,737,000	\$ 15,925,000	\$ 18,713,670	\$ 3,200,000	\$ 3,250,000	\$ 3,415,000	\$ 3,580,000	\$ 3,700,000	\$ 3,460,000
Local School:										
Serial Bonds Issued	\$ 4,235,000	\$ 4,675,000	\$ 5,110,000	\$ 5,540,000	\$ 5,965,000	\$ 5,965,000	\$ 6,335,000	\$ 6,700,000	\$ 7,165,000	\$ 7,415,000
Total Direct Debt - Gross	\$ 78,252,200	\$ 83,698,303	\$ 86,183,750	\$ 80,029,178	\$ 52,122,238	\$ 50,682,238	\$ 52,832,238	\$ 35,078,300	\$ 35,589,500	\$ 33,023,000

OVERLAPPING DEBT

	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009	December 31, 2008	December 31, 2007	December 31, 2006	December 31, 2005	December 31, 2004
(1) County Debt:										
Municipal Equalized Valuations										
Municipal Equalized Valuations	\$ 2,833,854,903	\$ 2,937,565,920	\$ 3,375,925,358	\$ 3,503,089,234	\$ 3,448,909,035	\$ 3,449,391,764	\$ 3,117,819,944	\$ 2,644,975,126	\$ 2,304,267,670	\$ 2,041,787,206
Total County Equalized Valuations	\$ 165,008,934,260	\$ 173,258,537,441	\$ 173,258,537,441	\$ 183,412,099,706	\$ 187,580,071,463	\$ 182,767,512,263	\$ 172,863,500,734	\$ 153,984,695,626	\$ 136,528,998,442	\$ 121,601,699,827
	1.72%	1.70%	1.95%	1.91%	1.84%	1.89%	1.80%	1.72%	1.69%	1.68%
X's Outstanding County Debt	1,343,787,738	1,276,830,919	1,209,730,830	1,248,273,490	1,138,505,430	1,102,573,565	1,087,757,268	825,597,736	808,502,305	651,460,590
	\$ 23,113,149	\$ 21,706,126	\$ 23,589,751	\$ 23,842,024	\$ 20,948,500	\$ 20,838,640	\$ 19,579,631	\$ 14,200,281	\$ 13,663,689	\$ 10,944,538
(2) Passaic Valley Sewerage Commission:										
Municipal Sewer Flow Charges										
Municipal Sewer Flow Charges	\$ 1,576,860	\$ 1,574,479	\$ 1,572,807	\$ 1,596,174	\$ 1,569,661	\$ 1,532,212	\$ 1,440,543	\$ 1,320,352	\$ 1,077,946	\$ 961,883
Total Flow Charges	\$ 127,569,056	\$ 123,957,348	\$ 129,883,667	\$ 129,963,014	\$ 127,525,062	\$ 125,403,855	\$ 121,388,216	\$ 118,930,095	\$ 99,930,995	\$ 94,136,079
	1.24%	1.27%	1.21%	1.23%	1.23%	1.22%	1.19%	1.11%	1.08%	1.02%
X's Outstanding Debt	296,652,116	316,515,886	339,880,368	355,234,494	305,533,465	293,135,787	305,405,498	316,172,356	285,797,506	294,049,501
	\$ 3,678,486	\$ 4,019,752	\$ 4,112,552	\$ 4,369,384	\$ 3,758,062	\$ 3,576,257	\$ 3,634,325	\$ 3,509,513	\$ 3,086,613	\$ 2,999,305
Total Overlapping Debt	\$ 26,791,635	\$ 25,725,878	\$ 27,702,303	\$ 28,211,408	\$ 24,706,562	\$ 24,414,897	\$ 23,213,956	\$ 17,709,794	\$ 16,750,302	\$ 13,943,843
Total Direct and Overlapping Debt - Gross	\$ 105,043,835	\$ 109,424,181	\$ 113,886,053	\$ 108,240,586	\$ 76,828,800	\$ 75,097,135	\$ 76,046,194	\$ 52,788,094	\$ 52,339,802	\$ 46,966,843



LYNDHURST SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION (MUNICIPALITY AND DISTRICT)  
 UNAUDITED

J-13

	December 31,					June 30,				
	2013	2012	2011	2010	2009	2009	2008	2007	2006	2005
State Equalized Valuation Basis	\$ 2,906,021,002	\$ 3,119,994,688	\$ 3,351,293,007	\$ 3,426,599,226	\$ 3,287,313,029	\$ 3,287,313,029	\$ 3,012,126,129	\$ 2,640,169,226	\$ 2,282,385,203	\$ 2,013,064,899
Municipal Borrowing Power:										
3 1/2% of Equalized Valuation Basis	\$ 101,710,735	\$ 109,199,814	\$ 117,295,255	\$ 119,930,973	\$ 115,055,956	\$ 115,055,956	\$ 105,424,415	\$ 92,405,923	\$ 79,883,482	\$ 70,457,271
Net Debt	42,852,356	47,533,303	48,237,663	53,004,421	39,536,151	37,517,238	41,892,238	19,480,663	18,869,500	16,393,140
Remaining Borrowing Power	\$ 58,858,379	\$ 61,666,511	\$ 69,057,592	\$ 66,926,552	\$ 75,519,805	\$ 77,538,718	\$ 63,532,177	\$ 72,925,260	\$ 61,013,982	\$ 54,064,131
School Borrowing Power:										
4% of Equalized Valuation Basis	\$ 116,240,840	\$ 124,799,788	\$ 134,051,720	\$ 137,063,969	\$ 131,492,521	\$ 131,492,521	\$ 120,485,045	\$ 105,606,769	\$ 91,295,408	\$ 80,522,596
Net School Debt	4,235,000	4,675,000	5,110,000	5,540,000	5,965,000	5,965,000	6,335,000	6,700,000	7,165,000	7,415,000
School Borrowing Margin Available	\$ 112,005,840	\$ 120,124,788	\$ 128,941,720	\$ 131,523,969	\$ 125,527,521	\$ 125,527,521	\$ 114,150,045	\$ 98,906,769	\$ 84,130,408	\$ 73,107,596

LYNDHURST SCHOOL DISTRICT  
 DEMOGRAPHIC AND ECONOMIC STATISTICS (MUNICIPALITY)  
 UNAUDITED

J-14

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Average Labor Force Estimates by Municipality:										
Labor Force	10,441	11,270	11,179	11,193	11,262	11,048	10,886	10,893	10,751	10,707
Employment	9,605	10,035	9,974	9,967	10,057	10,376	10,375	10,327	10,210	10,105
Unemployment	836	1,235	1,205	1,226	1,205	673	511	566	540	601
Unemployment Rate	8.0%	11.0%	10.8%	11.0%	10.7%	6.1%	4.7%	5.2%	5.0%	5.6%
Per Capital Personal Income by County	69,919	69,919	67,240	63,950	63,862	67,375 \$	67,606 \$	63,166 \$	57,745 \$	55,322

	Estimates as of July 1,									
Subcounty Population Estimates:										
Lyndhurst TWP	21,325	21,223	20,689	20,580	19,290	19,234	19,279	19,330	19,134	19,282
County of Bergen	925,328	918,888	911,004	906,184	895,250	889,915	885,664	884,581	887,322	890,232

**LYNDHURST SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS (MUNICIPALITY)  
UNAUDITED**

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Not Available

**LYNDHURST SCHOOL DISTRICT  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM (DISTRICT)  
 UNAUDITED**

	<u>2014</u>	
<u>Function/Program</u>		
Instruction:		
Regular Programs (Including Aides)	1XX	162
Special Education (Including Aides)	2XX	58
Basic Skills/Remedial	230	6
Bilingual Education	240	2
School Sponsored Co/Extra Curr. Activities	401	-
School Sponsored Athletics	402	1
Support Services:		
Tuition	100	-
Attendance and Social Work Services	211	2
Health Services	213	5
Students - Related and Extraordinary	216,217	4
Guidance	218	9
Child Study Teams	219	11
Improvement of Instructional Services	221	8
Educational Media Services/School Library	222	-
Instructional Staff Training Services	223	-
General Administration	230	6
School Administration	240	21
Central Svcs. & Admin. Info. Technology	25X	6
Operation and Maintenance of Plant Services	26X	34
Student Transportation Services	270	7
Personal Services - Employee Benefits	XXX	-
Special Schools		-
Food Service	310	-
Child Care	000	-
		<u>342</u>

**LYNDHURST SCHOOL DISTRICT  
OPERATING STATISTICS (DISTRICT)  
UNAUDITED**

J-17

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<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>% Change</u>	<u>(Exhibit J-4)</u>		<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/ Teacher Ratio</u>	<u>Average Daily Attendance</u>	<u>Student Attendance Percentage</u>
			<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>					
2014	2311.7	3.2%	\$ 37,275,715	16,125	-2.0%	149	15.5	2200.9	95.2%
2013	2240.3	-4.1%	\$ 36,857,527	16,452	7.3%	159	14.1	2132.4	95.2%
2012	2336.0	1.0%	\$ 35,820,540	15,334	2.0%	155	15.1	2222.5	95.1%
2011	2312.0	0.2%	\$ 34,746,641	15,029	4.4%	162	14.3	2191.1	94.8%
2010	2307.5	-7.9%	\$ 33,209,661	14,392	16.8%	160	14.4	2177.7	94.4%
2009	2504.9	12.1%	\$ 30,877,716	12,327	-8.0%	176	14.2	2355.7	94.0%
2008	2234.7	1.3%	\$ 29,927,379	13,392	2.4%	156	14.3	2102.2	94.1%
2007	2205.2	0.1%	\$ 28,841,588	13,079	7.2%	154	14.3	2081.1	94.4%
2006	2203.4	0.8%	\$ 26,876,282	12,198	5.4%	153	14.4	2078.8	94.3%
2005	2185.7	1.7%	\$ 25,283,556	11,568	0.9%	150	14.6	2066.4	94.5%
2004	2148.6		\$ 24,630,278	11,463		149	14.4	2039.2	94.9%

**LYNDHURST SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION (DISTRICT)  
UNAUDITED**

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2014

Elementary

Columbus:	
Square Feet	10,500
Capacity (students)	126.90
Enrollment	222.00 (A)
Franklin:	
Square Feet	18,400
Capacity (students)	205.20
Enrollment	317.00 (B)
Jefferson:	
Square Feet	32,060
Capacity (students)	260.10
Enrollment	266.00
Lincoln:	
Square Feet	24,300
Capacity (students)	283.50
Enrollment	241.00
Roosevelt:	
Square Feet	21,600
Capacity (students)	431.10
Enrollment	377.00
Washington:	
Square Feet	19,500
Capacity (students)	273.70
Enrollment	221.00

High School

Lyndhurst High School:	
Square Feet	112,300
Capacity (students)	906.95
Enrollment	704.00
District Totals:	
Square Feet	238,660
Capacity (students)	2,487.45
Enrollment	2,348.00

(A) - Includes Jefferson Community School Students

(B) - Includes Franklin Community School Students

**LYNDHURST SCHOOL DISTRICT**  
**SCHEDULE OF ALLOWABLE MAINTENANCE EXPENDITURES BY SCHOOL FACILITY (DISTRICT)**  
**UNAUDITED**

School Facilities	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Lyndhurst Senior High School	\$ 329,062	\$ 387,873	\$ 257,611	\$ 220,136	\$ 238,214	\$ 195,507	\$ 212,164	\$ 170,602	\$ 220,428	\$ 107,140
Columbus Elementary School	60,522	19,436	19,049	8,376	13,483	31,880	10,817	6,247	5,504	10,639
Franklin Elementary School	288,847	47,705	32,025	22,947	51,019	33,253	24,389	24,756	22,307	34,459
Jefferson Elementary School	262,287	110,215	84,430	60,240	78,532	61,590	57,534	44,797	57,627	64,738
Lincoln Elementary School	47,289	51,667	68,282	37,552	32,773	42,880	27,863	27,030	49,953	45,218
Roosevelt Elementary School	55,563	52,779	41,985	19,068	14,683	18,673	22,326	19,993	26,897	39,596
Washington Elementary School	142,801	67,829	49,594	38,291	54,374	50,314	39,641	46,497	54,862	37,391
<b>\$ 1,186,371</b>	<b>\$ 737,504</b>	<b>\$ 552,976</b>	<b>\$ 406,610</b>	<b>\$ 483,078</b>	<b>\$ 434,097</b>	<b>\$ 394,734</b>	<b>\$ 339,922</b>	<b>\$ 437,578</b>	<b>\$ 339,181</b>	

**LYNDHURST SCHOOL DISTRICT  
INSURANCE SCHEDULE (DISTRICT)  
UNAUDITED**

Coverage Type	Coverage Amount	Carrier	Policy Number	Effective Dates
<b>Property</b>				
Blanket Building Coverage	\$ 91,698,040	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Business Income/Extra Expense	\$ 250,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Flood & Earthquake	\$ 10,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Blanket Contents Coverage	\$ 12,457,582	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
<b>General Liability</b>				
General Aggregate	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Products/Completed Operations	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Personal & Advertising Injury	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Each Occurrence	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Damage to Rented Premises	\$ 100,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Medical Expense (Per Person)	\$ 5,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Employee Benefits	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
<b>School Leaders Professional Liability</b>				
General Aggregate	\$ 5,000,000	Ace Group	EON G21650377 006	7/1/2013-7/1/2014
Each Occurrence	\$ 5,000,000	Ace Group	EON G21650377 006	7/1/2013-7/1/2014
Deductible	\$ 25,000	Ace Group	EON G21650377 006	7/1/2013-7/1/2014
<b>Environmental Liability</b>				
Each Occurrence	\$ 1,000,000	Ace Group	PPL G23566527 004	7/1/2013-7/1/2014
Aggregate Limit	\$ 3,000,000	Ace Group	PPL G23566527 004	7/1/2013-7/1/2014
<b>Student Accident</b>				
Maximum Benefit	\$ 5,000,000	Monumental Life Insurance Co.	PB106	7/1/2013-7/1/2014
Benefit Period	10 Years	Monumental Life Insurance Co.	PB106	7/1/2013-7/1/2014
<b>Business Auto</b>				
Liability - Combined Single Limit	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Medical Payments (Each Person)	\$ 5,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Uninsured Motorists - Combined Single Limit	\$ 15,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Underinsured Motorists - Combined Single Limit	\$ 15,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Comprehensive Deductible	\$ 500	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Collision Deductible	\$ 500	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
<b>Crime</b>				
Employee Dishonesty	\$ 500,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Forgery or Alteration	\$ 50,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Inside Premises	\$ 50,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Outside Premises	\$ 50,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Robbery of Custodians	\$ 25,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Safe Burglary	\$ 25,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Outside Premises	\$ 25,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Computer Fraud	\$ 50,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Deductible for All Above	\$ 1,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
<b>Equipment Floater</b>				
Deductible	\$ 1,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
<b>Umbrella</b>				
Liability - Each Occurrence	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014
Aggregate Limit	\$ 5,000,000	School Alliance Insurance Fund	PR-08-01-183	7/1/2013-7/1/2014



LYNDHURST SCHOOL DISTRICT  
 INSURANCE SCHEDULE (DISTRICT)  
 UNAUDITED

Coverage Type	Coverage Amount	Carrier	Policy Number	Effective Dates
<b>Excess Umbrella</b>				
Liability - Each Occurrence	\$ 5,000,000	Fireman's Fund	SHX-000-9045-5668	7/1/2013-7/1/2014
Aggregate Limit	\$ 5,000,000	Fireman's Fund	SHX-000-9045-5668	7/1/2013-7/1/2014
<b>Accidental Death &amp; Dismemberment</b>				
Coverage Limit Per Person	\$ 100,000	Gerber Life Insurance Company	BTA37350	7/1/2013-7/1/2014
Aggregate Limit	\$ 500,000	Gerber Life Insurance Company	BTA37350	7/1/2013-7/1/2014
<b>Finance Department Surety Bond</b>				
	\$ 50,000	Selective Insurance Company	B1023611	7/1/2013-7/1/2014
<b>Employee Blanket Bond</b>				
Coverage	\$ 100,000	Selective Insurance Company	B6017696	7/1/2013-7/1/2014
Deductible	\$ 1,000	Selective Insurance Company	B6017696	7/1/2013-7/1/2014
<b>Business Administrator Surety Bond</b>				
Coverage	\$ 250,000	First Indemnity of America	FP0021178	7/1/2013-7/1/2014
<b>High School Treasurer Surety Bond</b>				
Coverage	\$ 10,000	Selective Insurance Company	B1110606	7/1/2013-7/1/2014
<b>Treasurer of School Monies Surety Bond</b>				
Coverage	\$ 140,000	Selective Insurance Company	B116808	7/1/2013-7/1/2014

LYNDHURST SCHOOL DISTRICT  
Comprehensive Annual Financial Report  
Single Audit Section

**Di Maria & Di Maria LLP**  
**Accountants and Consultants**

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### **Independent Auditor's Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lyndhurst School District, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Lyndhurst School District's basic financial statements, and have issued our report thereon dated August 31, 2014.

### **Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

**Di Maria & Di Maria LLP**

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**Independent Auditor's Report (Continued)**  
**Internal Control Over Financial Reporting (Continued)**

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lyndhurst School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**DI MARIA & DI MARIA LLP**  
**Accountants and Consultants**

*Frank DiMaria*

**Frank Di Maria**  
**Licensed Public School Accountant**  
**PSA No. CS 01168**

August 31, 2014

**Di Maria & Di Maria LLP**  
**Accountants and Consultants**

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**Independent Auditor's Report**

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

**Report on Compliance for Each Major Federal and State Program**

We have audited the compliance of the Board of Education of the Lyndhurst School District, in the County of Bergen, State of New Jersey, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the New Jersey *State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of Lyndhurst School District's major federal and state programs for the year ended June 30, 2014. The Lyndhurst School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Lyndhurst School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, New Jersey OMB's Circular 04-04, *State Aid/Grant Compliance Supplement*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred.

**Di Maria & Di Maria LLP**

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**Independent Auditor's Report (Continued)**  
**Auditor's Responsibility (Continued)**

An audit includes examining, on a test basis, evidence about the Lyndhurst School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Lyndhurst School District's compliance.

**Opinion on Each Major Federal and State Program**

In our opinion, the Lyndhurst School District, in the County of Bergen, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2014.

**Report on Internal Control Over Compliance**

Management of the Lyndhurst School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Lyndhurst School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lyndhurst School Board's internal control over compliance.

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

**Di Maria & Di Maria LLP**

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**Independent Auditor's Report (Continued)  
Report on Internal Control Over Compliance (Continued)**

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

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 OMB Circular A-133 and New Jersey OMB Circular 04-04. Accordingly, this report is not suitable for any other purpose.

**Report on Schedules of Expenditures of Federal Awards and State Financial Assistance  
Required by OMB Circular A-133 and New Jersey OMB Circular 04-04**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Lyndhurst School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Lyndhurst School District's basic financial statements. We issued our report thereon dated August 31, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB Circular 04-04 and are not a required part of the 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 and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. In our opinion, the schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

**DI MARIA & DI MARIA LLP**  
**Accountants and Consultants**

*Frank DiMaria*

**Frank Di Maria**  
**Licensed Public School Accountant**  
**PSA No. CS 01168**

August 31, 2014

LYNDHURST SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

K-3  
 Schedule A

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A. Number	State Aid/Grant Program Titles	Award Amount	Grant Period		(Accounts Receivable) June 30, 2013	Deferred Revenue June 30, 2013	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) June 30, 2014	Deferred Revenue June 30, 2014	Due to Grantor at June 30, 2014
				From	To										
<b>General Fund</b>															
Medical Assistance Program	93.778	Special Education Medicaid Initiative	\$ 41,192	09/01/13	06/30/14	\$ -	\$ -	\$ -	\$ 41,192	\$ (41,192)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Special Revenue Fund</b>															
Title I Grants to Local Educational Agencies	84.010	Title I, Part A	222,091	09/01/13	08/31/14	\$ -	\$ -	\$ -	\$ 222,091	\$ (215,669)	\$ -	\$ -	\$ -	\$ 6,422	\$ -
Improving Teacher Quality State Grants	84.367	Title II, Part A	54,786	09/01/13	08/31/14	-	-	-	54,786	(54,435)	-	-	-	351	-
English Language Acquisition Grants	84.365	Title III	11,846	09/01/13	08/31/14	-	-	-	11,846	(11,846)	-	-	-	-	-
English Language Acquisition Grants	84.365	Title III Immigrant	11,004	09/01/13	08/31/14	-	-	-	11,004	(10,551)	-	-	-	453	-
Special Education - Grants to States	84.027	I.D.E.A. Part B - Basic	595,216	09/01/13	08/31/14	-	-	-	587,097	(595,216)	-	-	(8,119)	-	-
Special Education - Grants to States	84.027	I.D.E.A. Part B - Preschool	23,803	09/01/13	08/31/14	-	-	-	23,803	(23,650)	-	-	-	153	-
English Language Acquisition Grants	84.365	Title III	10,989	09/01/12	08/31/13	(7,750)	3,401	-	7,750	(3,401)	-	-	-	-	-
Special Education - Grants to States	84.027	I.D.E.A. Part B - Basic	610,339	09/01/12	08/31/13	(2,748)	-	-	2,748	-	-	-	-	-	-
Special Education - Grants to States	84.027	I.D.E.A. Part B - Preschool	24,992	09/01/12	08/31/13	(2,975)	-	-	2,975	-	-	-	-	-	-
		Total Special Revenue Fund	\$	(13,473)	\$	3,401	\$	-	\$ 924,100	\$ (914,768)	\$	-	\$ (8,119)	\$ 7,379	\$ -
<b>Enterprise Fund</b>															
School Breakfast Program	10.553	School Breakfast Program	\$ 18,134	09/01/13	06/30/14	\$ -	\$ -	\$ -	\$ 14,271	\$ (18,134)	\$ -	\$ -	\$ (3,863)	\$ -	\$ -
School Breakfast Program	10.553	School Breakfast Program	9,238	09/01/12	06/30/13	(921)	-	-	921	-	-	-	-	-	-
National School Lunch Program	10.555	National School Lunch Program	240,712	09/01/13	06/30/14	-	-	-	192,928	(240,712)	-	-	(47,784)	-	-
National School Lunch Program	10.555	National School Lunch Program	212,795	09/01/12	06/30/13	(16,366)	-	-	16,366	-	-	-	-	-	-
		Total Enterprise Fund	\$	(17,287)	\$	-	\$	-	\$ 224,486	\$ (258,846)	\$	-	\$ (51,647)	\$ -	\$ -
		Total Federal Financial Awards	\$	(30,760)	\$	3,401	\$	-	\$ 1,189,778	\$ (1,214,806)	\$	-	\$ (59,766)	\$ 7,379	\$ -



LYNDHURST SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

K-4  
 Schedule B

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		(Accounts Receivable) June 30, 2013	Due to Grantor at June 30, 2013	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) June 30, 2014	Deferred Revenue June 30, 2014	Due to Grantor at June 30, 2014
			From	To										
<b>General Fund</b>														
Equalization Aid	14-495-034-5120-078	\$ 419,196	09/01/13	06/30/14	\$ -	\$ -	\$ -	\$ 419,196	\$ (419,196)	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Aid	14-495-034-5120-014	53,694	09/01/13	06/30/14	-	-	-	53,694	(53,694)	-	-	-	-	-
Special Education Categorical Aid	14-495-034-5120-089	1,426,063	09/01/13	06/30/14	-	-	-	1,426,063	(1,426,063)	-	-	-	-	-
Security Aid	14-495-034-5120-084	65,826	09/01/13	06/30/14	-	-	-	65,826	(65,826)	-	-	-	-	-
Extraordinary Special Education Costs Aid	14-100-034-5120-473	187,601	09/01/13	06/30/14	-	-	-	-	(187,601)	-	-	(187,601)	-	-
Extraordinary Special Education Costs Aid	13-100-034-5120-473	234,902	09/01/12	06/30/13	(234,902)	-	-	234,902	-	-	-	-	-	-
TPAF (Post Retirement Medical)	14-495-034-5095-001	1,150,993	09/01/13	06/30/14	-	-	-	1,150,993	(1,150,993)	-	-	-	-	-
TPAF	14-495-034-5095-005	645,049	09/01/13	06/30/14	-	-	-	645,049	(645,049)	-	-	-	-	-
TPAF (NCGI Premiums)	14-495-034-5095-007	56,936	09/01/13	06/30/14	-	-	-	56,936	(56,936)	-	-	-	-	-
Social Security Tax	14-495-034-5095-002	1,188,687	09/01/13	06/30/14	-	-	-	1,188,687	(1,188,687)	-	-	-	-	-
Social Security Tax	13-495-034-5095-002	1,141,939	09/01/12	06/30/13	(56,091)	-	-	56,091	-	-	-	-	-	-
Total General Fund					\$ (290,993)	\$ -	\$ -	\$ 5,297,437	\$ (5,194,045)	\$ -	\$ -	\$ (187,601)	\$ -	\$ -
<b>Special Revenue Fund</b>														
N.J. Non-Public Textbook Aid	14-100-034-5120 -064	\$ 16,016	09/01/13	06/30/14	\$ -	\$ -	\$ -	\$ 16,016	\$ (16,016)	\$ -	\$ -	\$ -	\$ -	\$ -
N.J. Non-Public Nursing Aid	14-100-034-5120 -070	22,542	09/01/13	06/30/14	-	-	-	22,542	(22,542)	-	-	-	-	-
N.J. Non-Public Technology Aid	14-100-034-5120 -373	5,840	09/01/13	06/30/14	-	-	-	5,840	(5,840)	-	-	-	-	-
N.J. Non-Public Handicapped Services Aid:														
Examination & Classification	14-100-034-5120 -066	20,228	09/01/13	06/30/14	-	-	-	20,228	(19,270)	-	-	-	-	958
Corrective Speech	14-100-034-5120 -066	28,123	09/01/13	06/30/14	-	-	-	28,123	(14,687)	-	-	-	-	13,436
Supplementary Instruction	14-100-034-5120 -066	16,444	09/01/13	06/30/14	-	-	-	16,444	(14,640)	-	-	-	-	1,804
N.J. Non-Public Auxiliary Services Aid:														
Compensatory Education	14-100-034-5120 -067	82,174	09/01/13	06/30/14	-	-	-	82,174	(68,307)	-	-	-	-	13,867
ESL	14-100-034-5120 -067	5,238	09/01/13	06/30/14	-	-	-	5,238	(2,968)	-	-	-	-	2,270
Home Instruction	14-100-034-5120 -067	2,385	09/01/13	06/30/14	-	-	-	-	(2,385)	-	-	(2,385)	-	-
N.J. Non-Public Textbook Aid	13-100-034-5120 -064	14,531	09/01/12	06/30/13	-	4	-	-	-	-	(4)	-	-	-
N.J. Non-Public Handicapped Services Aid:														
Examination & Classification	13-100-034-5120 -066	22,293	09/01/12	06/30/13	-	3,186	-	-	-	-	(3,186)	-	-	-
Corrective Speech	13-100-034-5120 -066	32,029	09/01/12	06/30/13	-	8,827	-	-	-	-	(8,827)	-	-	-
Supplementary Instruction	13-100-034-5120 -066	12,905	09/01/12	06/30/13	-	2,845	-	-	-	-	(2,845)	-	-	-
N.J. Non-Public Auxiliary Services Aid:														
Compensatory Education	13-100-034-5120 -067	72,822	09/01/12	06/30/13	-	1,929	-	-	-	-	(1,929)	-	-	-
ESL	13-100-034-5120 -067	8,525	09/01/12	06/30/13	-	3,836	-	-	-	-	(3,836)	-	-	-
N.J. Non-Public Technology Aid	13-100-034-5120 -373	5,363	09/01/12	06/30/13	-	3	-	-	-	-	(3)	-	-	-
Total Special Revenue Fund					\$ -	\$ 20,630	\$ -	\$ 196,605	\$ (166,655)	\$ -	\$ (20,630)	\$ (2,385)	\$ -	\$ 32,335
<b>Enterprise Fund</b>														
State School Lunch Program	14-100-010-3350 -023	\$ 6,143	09/01/13	06/30/14	\$ -	\$ -	\$ -	\$ 4,741	\$ (6,143)	\$ -	\$ -	\$ (1,402)	\$ -	\$ -
State School Lunch Program	13-100-010-3350 -023	5,042	09/01/12	06/30/13	(394)	-	-	394	-	-	-	-	-	-
Total Enterprise Fund					\$ (394)	\$ -	\$ -	\$ 5,135	\$ (6,143)	\$ -	\$ -	\$ (1,402)	\$ -	\$ -
Total State Financial Assistance					\$ (291,387)	\$ 20,630	\$ -	\$ 5,499,177	\$ (5,366,843)	\$ -	\$ (20,630)	\$ (191,388)	\$ -	\$ 32,335

**LYNDHURST SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 1 - General**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Lyndhurst School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2 - Basis of Accounting**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements.

**Note 3 - Relationship to General-Purpose Financial Statements**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June 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, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(29,904) for the general fund and \$0 for the special revenue fund. See Note 1 (C-3) [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 basic financial statements on a GAAP basis as presented on the following page:

**LYNDHURST SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 3 - Relationship to General-Purpose Financial Statements (Continued)**

	Federal	State	Total
General Fund	\$ (41,192)	\$ (5,194,045)	\$ (5,235,237)
Special Revenue Fund	(914,768)	(166,655)	(1,081,423)
Debt Service Fund	-	-	-
Enterprise Fund	(258,846)	(6,143)	(264,989)
Total Awards and Financial Assistance	<u>\$ (1,214,806)</u>	<u>\$ (5,366,843)</u>	<u>\$ (6,581,649)</u>

**Note 4 - Relationship to Federal and State Financial Reports**

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

**Note 5 - Federal and State Loans Outstanding**

The District did not have any federal and state loans outstanding at of June 30, 2014.

**Note 6 - Other**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2014. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2014.

**LYNDHURST SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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**Section I -- Summary of Auditors' Results**

Financial Statements

A) Type of auditors' report issued:	Unmodified		
B) Internal control over financial reporting:			
1. Material weakness(es) identified?	_____ yes	___X___ no	
2. Were significant deficiencies identified?	_____ yes	___X___ none reported	
C) Noncompliance material to general-purpose financial statements noted?	_____ yes	___X___ no	



**LYNDHURST SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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**Section I -- Summary of Auditors' Results (Continued)**

State Awards

A) Internal control over compliance:

1. Material weakness(es) identified? \_\_\_\_\_ yes       X  no
2. Were significant deficiencies identified that were not considered to be material weakness(es)? \_\_\_\_\_ yes       X  no

B) Type of auditors' report on compliance for major programs:      Unmodified

C) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? \_\_\_\_\_ yes       X  no

D) Identification of major programs:

<u>Name of State Program</u>	<u>GMIS Number</u>
Special Education Categorical Aid	14-495-034-5120-089
Equalization Aid	14-495-034-5120-078
TPAF (Post Retirement Medical)	14-495-034-5095-001
TPAF	14-495-034-5095-005
Social Security Tax	14-495-034-5095-002

E) Dollar threshold used to distinguish between type A and type B programs:      \$ 300,000

F) Auditee qualified as low-risk auditee?       X  yes      \_\_\_\_\_ no

**LYNDHURST SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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**Section II -- Financial Statement Findings**

There were no matters identified.

LYNDHURST SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

Current Year

Federal Awards:

There were no matters identified.

State Awards:

There were no matters identified.



**LYNDHURST SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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Not Applicable - No Prior Audit Findings