

Livingston Board of Education

Township of Livingston
Board of Education
County of Essex
New Jersey

*Comprehensive Annual Financial Report
For the Year Ended
June 30, 2012*

Livingston Board of Education

Livingston Township, New Jersey

Comprehensive Annual Financial Report
For the Year Ended June 30, 2012

Prepared by Livingston Township School District
Business Office
Mr. Steven K. Robinson
Business Administrator, Board Secretary
Ms. Patricia Ramos
Manager of Accounting and Finance

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Introductory Section

LIVINGSTON BOARD OF EDUCATION
11 Foxcroft Drive
Livingston, New Jersey 07039

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Steven K. Robinson
Business Administrator/Board Secretary

November 29, 2012

Honorable President and Members
of the Board of Education
Livingston Township School District
County of Essex
Livingston, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Livingston Board of Education (the "District") as of and for the year ended June 30, 2012, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the administration of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information at June 30, 2012 and the respective changes in financial position and, where applicable, cash flows thereof, of the District for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The introductory section includes this transmittal letter (designed to complement Management's Discussion and Analysis and should be read in conjunction with it), the District's organizational chart, roster of officials and independent auditor and advisors. The financial section includes management's discussion and analysis (immediately following the independent auditors' report), basic financial statements, required supplementary information and supplementary information, as well as the auditors' report thereon. The statistical section, which includes selected financial, demographic and operating information, is unaudited and 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 Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's reports on internal control and compliance with applicable laws and regulations are included in the single audit section of this report.

1. Reporting Entity and Its Services

The Livingston Board of Education is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and the district-wide financial statements of the District are included in this report. The Livingston 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 as well as a Pre-K program for handicapped students. These services are provided for regular, vocational and special education youngsters. The District completed the 2011-2012 fiscal year with an average daily enrollment of 5,732 students, which is an decrease of 8 students from the previous year's average daily enrollment. The following details the changes in the average daily enrollment of the District over the last five years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2011-12	5,732	-0.14%
2010-11	5,740	0.79
2009-10	5,695	0.41
2008-09	5,672	1.52
2007-08	5,587	0.94

2. Economic Condition and Outlook

The Township of Livingston was incorporated in 1813 and is located in west-central Essex County. Livingston operates under the Council-Manager form of government, with the Township Manager as the Chief Executive Officer. The Mayor is elected from among the five members of the Township Council. All legislative power of the Township is exercised by the Township Council.

The Township has felt the effects of the recession. Some businesses that were thriving are struggling while others have closed their doors. Even with the recession, Livingston continues to be a place that attracts home buyers as reflected by increases in the latest census and student enrollment records.

A comprehensive cyclical process of program assessment, development and implementation provides for ongoing program improvement. Every instructional program and support service undergoes an intensive review and, based upon identified need, develops a multi-year program improvement plan and improved accommodations specific to curriculum and services. The assessment results, improvement plans and curriculum changes are approved by the Board and disseminated to administrators, staff, parents and the community, thereby fostering a shared vision and commitment to growth and improvement.

Over the last several years, emphasis has been placed on programmatic and instructional changes that reflect the Common Core State Standards (CCSS) in English and Math and the New Jersey Core Curriculum Content Standards (NJCCCS) in Social Studies, Science, Visual and Performing Arts and Health and Physical Education. The Livingston School District continues to implement the *Understanding by Design* framework which is used as the model for curriculum writing in the District. This approach to curriculum is designed to engage students in the process of inquiry, promote transfer of learning and provide a conceptual framework for helping students make sense of

discrete facts and skills while uncovering the “big ideas” of content. Implementing the *Understanding by Design* framework inherently requires teachers and administrators to examine an array of methods to appropriately assess the degree of student understanding, knowledge and skill.

To support the implementation of standards based curriculum, the focus of district initiatives include how students learn, teaching methodologies that match student needs, strategies for improving instructional curriculum integration and differentiated instruction and assessment. Significant staff development efforts, both generic and subject-specific have been presented through District in-service workshops, after school courses, school based or department meetings and study groups. Within the curriculum, instructional methodologies, strategies and assessment procedures and criteria are included that reflect these initiatives. District, building administrators and program supervisors assist teachers in the implementation of these curriculum initiatives in the monitoring of instructional effectiveness, and reflective analysis of the four domains of teaching: planning, instructional methods and strategies, classroom management and professional activities that support growth.

Several large-scale initiatives are currently under way to support standards based curriculum:

a) Science:

The purpose of science education in Livingston is to prepare our students to be informed decision-makers and life-long learners using problem-solving strategies that engage higher-order thinking skills. Essentially, this involves an awareness of the models of inquiry combined with “hands-on” laboratory experiences, research and concept development in order to promote the comprehension of both content knowledge and science process. Additionally, science provides our students with a frame of reference for observing, asking questions, making hypotheses, interpreting data, analyzing, experimenting, drawing conclusions, and formulating models. Therefore, technology has become an integral part of the science curriculum. The science department has embraced the process of curriculum writing using the *Understanding by Design* (UbD) framework. The middle school curriculum was designed and completed with assessments reflecting the concepts of Earth Science for grade 6, Life Science for grade 7, and Physical Science for grade 8.

Also, the College Prep Biology course was rewritten using the *Understanding by Design* framework. This course was designed to develop an understanding of science processes as well as develop an understanding of the basic tenets of biology. The course was also aligned to the newly revised New Jersey Core Curriculum Science Standards and the New Jersey Biology Competency Test (NJBCT). College Prep Chemistry is another course that was recently rewritten using the *Understanding by Design* format. This course was designed to infuse activities and labs to make the abstract nature of chemistry concepts a more tangible learning experience for students.

b) English Language Arts:

The District continues to implement Words Their Way: Word Study for Phonics, Vocabulary, and Spelling Instruction for grades K-5. Words Their Way is a developmentally driven approach which provides an integrated way to teach phonics, vocabulary, and spelling to improve literacy skills. The program provides a systematic approach to word study which offers a teacher-directed and a child-centered plan for vocabulary growth and spelling

development. Students need hands-on opportunities to manipulate word features in a way that allows them to generalize beyond isolated, individual examples to entire groups of words that are spelled the same way. The best way to develop fast and accurate perception of word features is to engage in meaningful reading and writing, and to have multiple opportunities to examine those same words out of context. Word study teaches students how to look at words so that they can construct an ever-deepening understanding of how spelling works to represent sound and meaning.

As the District continues to move our language arts program forward and develop a more coherent district-wide philosophy of balanced literacy, we have extended our staff development partnership with Columbia University Teachers College to include the Reading Workshop model which began in September 2009. In addition, we sent staff members to the Teachers College Advanced Institute for Reading and Writing Workshop at Columbia University to deepen their knowledge base so they may turn-key this information to fellow colleagues during grade-level and department meetings.

The Livingston School District is committed to providing students with a standards-based curriculum reflecting continual program improvements and current trends in pedagogy, assessment and technology applications in addition to the necessary tools to successfully meet the challenges of their future.

Student Services

The Livingston School District enjoys a reputation of quality across the state, one that is grounded in clear goals, consistent advocacy, diverse services, and multi-dimensional circles of support. Those services, in overview, are as follows: Child Study Teams, Resource Center Programs, Pre-School Disabled Program, Self-contained Classes, In-class Support, Supplemental Aides and Services, Vocational Education/Career Preparation Program, Speech Services, Occupational Therapy Services, Physical Therapy Services, School Counseling Services, social skills groups, and an integrated preschool program.

The Department continues to work closely with the regular education departments to assure annual yearly progress and promote education in the least restrictive environment. Highlighted components of our program are:

- An exemplary pre-school disabled program, including an integrated model.
- An outstanding summer project for both remediation and socialization.
- A quality related services component, complete with OTRs, COTAs, Speech/Language Specialists, Physical Therapists and Behaviorists.
- Teacher Assistants to serve as yet another circle of support, especially at transition junctures.
- A show case program in career development experiences, featuring learning stations in such areas as engraving, printing, culinary, horticulture, and community services, just to name a few.
- Child Study Team personnel and related services personnel.

- Comprehensive and Developmental K-12 School Counseling Program.

Staff Development

Staff development is a priority of the Livingston School District. District administration collects data from a variety of sources in order to create a staff development program. Data sources include content area assessments conducted by supervisors along with members of their departments, standardized student test data and anecdotal information collected from parents, students, teachers and community members. This information determines the content of the two district-wide professional development days as well as the topics for the ongoing monthly in-service workshops provided by content area supervisors. This global district-wide training focuses on the attainment of NJCCCS and CCSS and instructional strategies. The plan created as a result of this process is implemented for a three-year time period.

Additionally, the District offers an array of after school workshops in three primary areas: curriculum and instruction, technology and wellness. These workshops allow teachers to design their own professional development plan. Workshop topics include content, pedagogy, technology applications, reading strategies, brain-based research, among others. Enrollment for professional development course offerings is open to all staff. New teachers are required to attend a New Teacher Orientation, which lasts for three days in the summer and meets periodically throughout the school year. Provisional teachers are also required to attend a mentoring program, which meets throughout the year.

The District continues to provide professional development to staff members on the *Art and Science of Teaching* which will serve as the foundation for creating an instructional model in the near future. Two additional cohorts of approximately 80 staff members each participated in a two-day training during the months of November and December. During the 2011-2012 school year, more than 300 staff members participated in the instructional rounds process. This process provides staff members from all grade levels (PreK-12) with the opportunity to observe the implementation of various strategies, pedagogy, and best practice by their colleagues and reflect on their own practice. The District is committed to providing the instructional rounds opportunity to all staff members on an ongoing basis at both the district and building levels.

3. Internal Control

Management of the District is responsible for establishing and maintaining internal control 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 accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal awards and state financial assistance, the District is also responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and

regulations related to those programs. Internal control is also subject to periodic evaluation by the District management.

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

4. Budgetary Controls

In addition to internal control, 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 required supplementary information-Part II section of this report.

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 reserves of fund balance at June 30, 2012.

5. Accounting System and Reports

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States of America, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic 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 Basic Financial Statements," Note 3. The District utilizes a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7. Risk Management

The Board carries various forms of insurance, including but not limited to hazard and theft insurance on property and contents, general liability, umbrella liability, automobile liability, boiler and machinery, errors and omissions, crime insurance, Board Secretary bond, Treasurer of School Monies bond, volunteer accident, medical, dental, workers' compensation and media liability.

8. Other Information

Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wiss & Company, LLP was selected by the Board. 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 Amendments of 1996 and the related OMB Circular A-133 and New Jersey OMB Circular 04-04, as amended. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

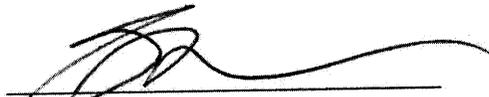
9. Acknowledgments

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

Respectfully submitted,

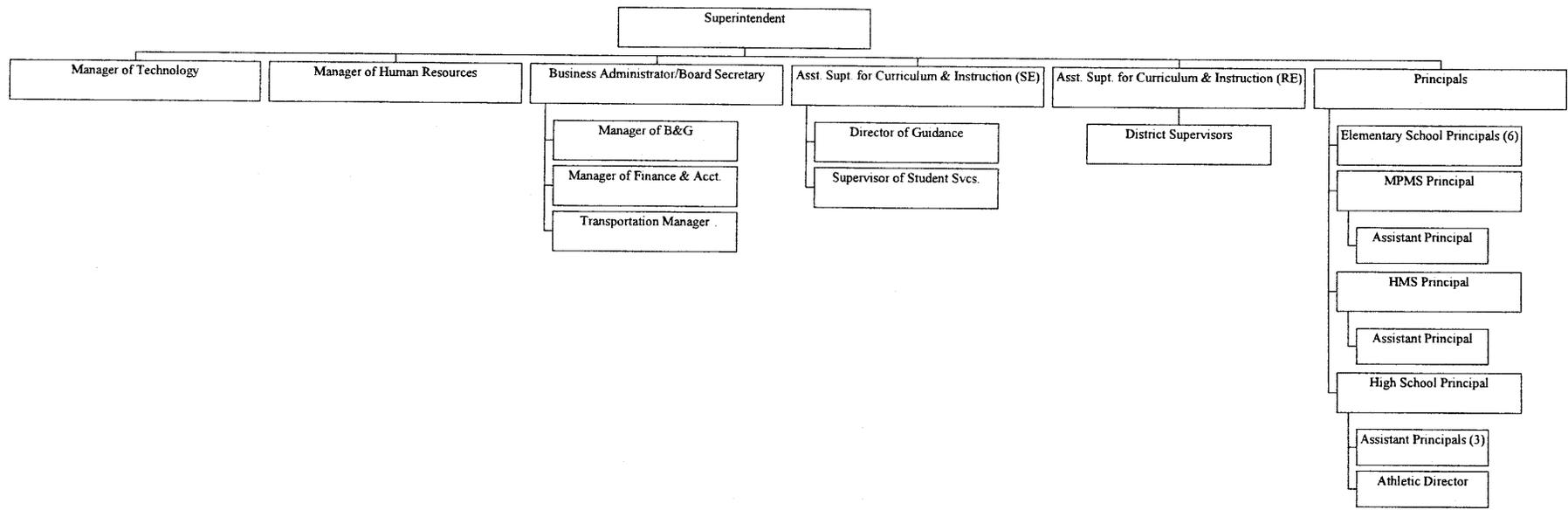


Brad Draeger, Ed.D
Superintendent



Steven K. Robinson
Business Administrator/Board Secretary

Livingston Board of Education
Organizational Chart
June 30, 2012



Livingston Board of Education

Roster of Officials

June 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Mrs. Leslie Winograd, President	2013
Mr. Ronnie Spring, Vice President	2013
Mr. Barry Funt	2014
Mr. Charles Granata	2012
Mrs. Bonnie Granatir	2012

Other Officials

Mr. Brad Draeger, Ed. D, Superintendent
Mr. Steven K. Robinson, School Business Administrator/Board Secretary
Ms. Mary Oates, Assistant Superintendent for Curriculum and Instruction
Mr. Lawrence Russell, Assistant Superintendent for Student Services
Mrs. Patricia Ramos, Manager of Accounting and Finance

Livingston Board of Education
Independent Auditor and Advisors

Architect

DiCara Rubino Architects
30 Galesi Drive
Wayne, New Jersey 07470

Independent Auditor

Wiss & Company, LLP
485 C Route One South
Iselin, New Jersey 08830

Attorney

Fogarty & Hara
16-00 Route 208 South
Fair Lawn, New Jersey 07410

Official Depositories

Bank of America
301 South Livingston Avenue
Livingston, New Jersey 07039

New Jersey Cash Management Fund
Division of Investments
Department of the Treasury
CN 290
Trenton, New Jersey 08625

TD Bank
185 South Livingston Avenue
Livingston, New Jersey 07039

Hudson City Savings Bank
277 Eisenhower Parkway
Livingston, New Jersey 07039

Financial Section



Independent Auditors' Report

Honorable President and Members
of the Board of Education
Livingston Board of Education
Livingston, New Jersey
County of Essex

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 Livingston Board of Education, County of Essex, New Jersey (the "District"), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and requirements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 District as of June 30, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2012, on our consideration of the 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as identified in the accompanying 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, which consists of the combining and individual fund financial statements, long-term debt schedules and schedules of expenditures of federal awards and state financial assistance, as required by 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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.

Scott A. Clelland

Scott A. Clelland

Licensed Public School Accountant

No. 1049

Wiss & Company

WISS & COMPANY, LLP

November 29, 2012
Iselin, New Jersey

Required Supplementary Information - Part I

Management's Discussion and Analysis

Livingston Board of Education
Livingston, New Jersey

Management's Discussion and Analysis (Unaudited)
Year ended June 30, 2012

This management discussion and analysis of the Livingston Board of Education's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements, notes and additional information in the transmittal letter to enhance their understanding of the District's financial performance.

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

Financial Highlights

Key financial highlights for fiscal 2012 are as follows:

- In total, net assets increased \$15,283,745 which represents a 42% increase from 2011.
- At the District-Wide level, general revenues accounted for \$106,925,012 in revenue or 86.9% percent of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for \$16,065,027 or 13.1% of total revenues of \$122,990,039. District-wide expenses were \$107,706,294 for the year ended June 30, 2012.
- At the Fund level, the General Fund expenditures totaled \$99,862,790, including \$7,302,384 in State on-behalf TPAF pension and social security contributions and \$2,923,805 in capital outlay. Grant related expenditures totaled \$2,392,965 in the Special Revenue Fund. Capital Project Fund expenditures totaled \$31,207,298 and debt service expenditures were \$6,537,840.

Using this Comprehensive Annual Financial Report (CAFR)

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

Reporting the School District as a Whole

District-wide Statements

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the entire District, and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the District's net assets and changes in those assets.

In the Statement of Net Assets and Statement of Activities, the District presents governmental activities and business-type activities. All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

The district-wide financial statements can be found on pages 23 and 24 of this report.

Reporting the School District's Funds

Fund Financial Statements

Fund financial reports provide detailed information about the District's funds. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary fund and fiduciary funds.

Governmental Funds

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

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund and special revenue fund and as other supplementary information for the debt service fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 25-27 of this report.

Proprietary funds.

Enterprise funds are used to report the same functions presented as business-type activities in the district-wide financial statements. The District uses an enterprise fund to account for its operations of its food service program.

The basic enterprise fund financial statements can be found on pages 28-30 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs. The District uses a trust fund to account for its unemployment compensation fund.

The District uses agency funds to account for resources held for student activities and groups, and payroll related liabilities. The basic fiduciary fund financial statements can be found on pages 30 and 31 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33 to 60 of this report.

Other information

The combining statements referred to earlier in connection with governmental funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found on pages 61-108 of this report.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the District as a whole. Net assets may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the District's net assets at June 30, 2012 and 2011.

Table 1

Livingston Board of Education

Net Assets

	2012			2011		
	Governmental Activities	Business- type Activities	Total	Governmental Activity	Business- type Activities	Total
Current and other assets	\$ 22,216,863	\$ 226,315	\$ 22,443,178	\$ 29,251,322	\$ 202,584	\$ 29,453,906
Capital assets, net	146,605,858	26,263	146,632,121	116,935,430	53,567	116,988,997
Total assets	168,822,721	252,578	169,075,299	146,186,752	256,151	146,442,903
Current liabilities	17,077,227	134,538	17,211,765	6,472,956	134,298	6,607,254
Long-term liabilities	99,853,004	890	99,853,894	103,089,283	20,471	103,109,754
Total liabilities	116,930,231	135,428	117,065,659	109,562,239	154,769	109,717,008
Net assets:						
Invested in capital assets, net of related debt	51,502,583		51,502,583	37,884,661		37,884,661
Restricted for debt service	10,013		10,013			
Restricted for other purposes	1,787,522		1,787,522	1,529,895		1,529,895
Unrestricted (deficit)	(1,407,628)	117,150	(1,290,478)	(2,790,043)	101,382	(2,688,661)
Total net assets	\$ 51,892,490	\$ 117,150	\$ 52,009,640	\$ 36,624,513	\$ 101,382	\$ 36,725,895

The largest portion of the District's net assets is its invested in capital assets (e.g., land, construction in progress, buildings and improvements, and furniture and equipment), less any related debt (general obligation bonds payable and related unamortized premium and deferred interest costs on the 2011 fiscal year refunding of bonds and obligations under capital leases) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to 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.

The total net assets of the District increased by \$15,283,745 during the current fiscal year. The majority of the increase is attributable to the increase in capital assets net of related debt due to the capitalization of expenditures related to the District's ongoing construction projects. Current and other assets decreased mainly due to the cash utilized to pay for ongoing referendum projects that began in May 2010.

Capital assets, net, increased mainly due to the capitalization of expenditures relating to the District's ongoing high school renovations and other referendum projects. Current liabilities increased due to the issuance \$9,250,000 of grant anticipation notes. Long-term liabilities decreased mainly due to the payment of bonds principal in the 2012 fiscal year. Restricted net assets decreased mainly due to funds available in the capital projects fund being utilized and less funds remain.

Table 2 presents changes in net assets for the years ended June 30, 2012 and 2011:

Table 2
Livingston Board of Education
Changes in Net Assets

	2012			2011		
	Governmental Activities	Business-type Activities	Total	Governmental Activity	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 364,865	\$ 946,322	\$ 1,311,187	\$ 231,253	\$ 955,095	\$ 1,186,348
Operating grants and contributions	2,355,452		2,355,452	2,326,694		2,326,694
Capital grants and contributions	12,398,388		12,398,388	4,427,857		4,427,857
Total program revenues	15,118,705	946,322	16,065,027	6,985,804	955,095	7,940,899
General revenues:						
Property taxes	95,135,065		95,135,065	93,008,740		93,008,740
Federal aid not restricted to specific purposes	147,404		147,404			
State aid not restricted to specific purposes	10,816,707		10,816,707	8,453,252		8,453,252
Interest earnings	96,553	787	97,340	65,852	247	66,099
Rental income	487,216		487,216	418,764		418,764
Miscellaneous	241,280		241,280	40,180		40,180
Total general revenues	106,924,225	787	106,925,012	108,972,592	955,342	109,927,934
Expenses:						
Instructional services	66,272,731		66,272,731	63,878,756		63,878,756
Support services	36,731,067	942,943	37,674,010	34,705,818	899,767	35,605,585
Interest on long-term debt	3,759,553		3,749,553	3,534,830		3,534,830
Total expenses	106,763,351	942,943	107,706,294	102,119,404	899,767	103,019,171
Change in net assets before transfer	15,279,579	4,166	15,283,745	6,853,188	55,575	6,908,763
Transfers	(11,602)	11,602	-	(8,678)	8,678	-
Change in net assets	15,267,977	15,768	15,283,745	6,844,510	64,253	6,908,763
Net assets – beginning of year	36,624,513	101,382	36,725,895	29,780,003	37,129	29,817,132
Net assets – end of year	\$ 51,892,490	\$ 117,150	\$ 52,009,640	\$ 36,624,513	\$ 101,382	\$ 36,725,895

Property taxes made up 77.9% of revenues for governmental activities for the Livingston Board of Education for fiscal year 2012. Federal and state grants accounted for another 8.9% of revenue.

The total cost of all programs and services was \$107,706,294. Instruction comprised 61.5% of District expenses. Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Property taxes increased within allowable caps are permitted by New Jersey regulations.

Capital grants and contributions has increased due to the recognition of state revenue related to the New Jersey Schools Development Authority funding expended during the 2012 fiscal year.

Business-type program expenses increased due to increased participation in the District's food service program.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Financial Analysis of the District's Funds

Governmental Funds

All governmental funds are accounted for using the modified accrual basis of accounting. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements.

General Fund. The general fund is the main operating fund of the District. At the end of the current fiscal year, restricted fund balances were \$1,787,522, assigned fund balances were \$1,618,550 and the unassigned fund balance was \$2,842,943 while the total fund balance was \$6,249,015 (B-1). For the year ended June 30, 2012, the District generate excess surplus in the amount of \$257,627.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the General Fund, Special Revenue Fund and Debt Service Fund for the fiscal year ended June 30, 2012, and the amount and percentage of increases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase from 2011	Percent of Increase
Local sources	\$ 96,208,711	87.8%	\$ 2,452,663	2.6%
State sources	11,320,847	10.3	2,346,043	26.1
Federal sources	1,995,202	1.9	180,754	9.1
Total	\$ 109,524,760	100.0%	\$ 4,979,460	4.8%

The increase in local revenue was due to increases in property taxes needed to fund the additional expenditures associated with higher operating costs.

The increase in state sources is mainly due to an increase of general state aid by the State of New Jersey.

The increase in federal sources is mainly attributable to Education Jobs funds received in the current fiscal year.

The following schedule represents a summary of general fund, special revenue fund and debt service fund expenditures for the year ended June 30, 2012, and the percentage of increases in relation to prior year expenditures.

Expenditures	Amount	Percent of Total	Increase from 2011	Percent of Increase
Current expense:				
Instruction	\$ 50,317,909	46.3%	\$ 802,442	1.6%
Undistributed expenditures	48,976,528	45.0	1,820,048	3.9
Capital outlay	2,961,318	2.7	642,244	27.7
Debt service	6,537,840	6.0	1,632,524	33.3
Total	\$ 108,793,595	100.0%	\$ 4,897,258	4.7%

The increase in instruction and undistributed expenditures was the result of an increase in operating costs, including contractual salary and health benefit increases.

Capital outlay expenditures increased due to a capital lease entered into in the amount of \$750,000.

The debt service fund expenditures increased due to the additional bonds that were issued during the 2011 fiscal year, however, principal and interest was not due until the 2012 fiscal year.

General Fund Budgetary Highlights

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

Over the course of the year, the District revised the annual operating budget through transfers approved by the Board.

Significant budgetary transfers were made between budgetary line items and approved by the Board for various reasons including:

- Learning and/or language disabilities – an increase of \$437,234 is mainly due to an increase in instructional aides for special education students.
- Resource room/ center – an increase of \$264,760 is mainly attributable to an increase of resource room staff to provide for special education students that remained in the District.
- Undistributed instruction – tuition – a decrease of \$403,725 is due to a decrease in special education students being sent out of District to attend other schools.
- Other support services-students-extraordinary services – an increase of \$379,587 is due to the increase of special education service provided to students remaining in District.
- Unallocated benefits – employee benefits – a decrease of \$841,883 is attributable to the anticipated increase in health benefit premiums being less than anticipated when the budget was constructed and an increase in the amount employees must contribute.

Capital Assets

At the end of fiscal year 2012, the District had \$146,632,121 invested in land, land improvements, construction in progress, building and building improvements, machinery, equipment and vehicles, net of accumulated depreciation. The following presents a comparison for 2012 and 2011:

Capital Assets (Net of Depreciation)

	Year Ended June 30,			
	Governmental Activities		Business-type Activities	
	2012	2011	2012	2011
Land	\$ 3,253,263	\$ 3,253,263		
Construction in progress	43,778,926	69,742,507		
Land improvements	848,674	574,754		
Building and building improvements	95,796,027	40,182,614		
Machinery, equipment and vehicles	2,928,968	3,182,292	\$ 26,263	\$ 53,567
Total	\$ 146,605,858	\$ 116,935,430	\$ 26,263	\$ 53,567

For more detailed information, please refer to Note 4 to the basic financial statements.

Debt Administration and Long-term Liabilities

At June 30, 2012, the District had \$104,574,530 of long-term liabilities. Of this amount, \$4,385,419 relates to compensated absences; \$3,410,771 relates to various capital leases payable; \$26,263 of a purchase agreement payable in the enterprise fund; \$96,716,000 of serial bonds for school construction; \$719,794 for the unamortized premium on bonds; and \$683,717 is for the unamortized deferred interest costs on the loss on the refunding of bonds.

At June 30, 2012, the District's overall remaining limitation of indebtedness was \$209,317,754. For more detailed information, please refer to Note 5 to the basic financial statements.

For the Future

The Livingston Board of Education is presently in good financial condition. The District is proud of its community support of the public schools.

In conclusion, the Livingston Board of Education has committed itself to sound financial practices. The District plans to continue to improve its fiscal management to meet the challenges of the future.

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 show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Mr. Steven Robinson, Business Administrator/Board Secretary at Livingston Board of Education, 11 Foxcroft Drive, Livingston, New Jersey 07039.

Basic Financial Statements

District-wide Financial Statements

The district-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2012.

Livingston Board of Education

Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 3,088,428	\$ 211,854	\$ 3,300,282
Investments (SRECs)	141,616		141,616
Accounts receivable	17,248,595	7,371	17,255,966
Inventories		7,090	7,090
Deferred charges	208,329		208,329
Restricted assets:			
Cash and cash equivalents	1,529,895		1,529,895
Capital assets, non depreciable	47,032,189		47,032,189
Capital assets, depreciable, net	99,573,669	26,263	99,599,932
Total assets	<u>168,822,721</u>	<u>252,578</u>	<u>169,075,299</u>
Liabilities			
Accounts and retainage payable	1,176,602	85,239	1,261,841
Notes payable	9,250,000		9,250,000
Accrued interest payable	1,833,647		1,833,647
Intergovernmental payables:			
State	102,951		102,951
Unearned revenue	18,764	23,926	42,690
Current portion of long-term obligations	4,695,263	25,373	4,720,636
Noncurrent portion of long-term obligations	99,853,004	890	99,853,894
Total liabilities	<u>116,930,231</u>	<u>135,428</u>	<u>117,065,659</u>
Net assets			
Invested in capital assets, net of related debt	51,502,583		51,502,583
Restricted for:			
Debt service	10,013		10,013
Other purposes	1,787,522		1,787,522
Unrestricted (deficit)	(1,407,628)	117,150	(1,290,478)
Total net assets	<u>\$ 51,892,490</u>	<u>\$ 117,150</u>	<u>\$ 52,009,640</u>

See independent auditors' report and accompanying notes to the basic financial statements.

Livingston Board of Education

Statement of Activities

Year ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities							
Instruction	\$ 66,272,731	\$ 53,985	\$ 1,228,356		\$ (64,990,390)		\$ (64,990,390)
Support services:							
Attendance/social work	87,045				(87,045)		(87,045)
Health services	1,250,211				(1,250,211)		(1,250,211)
Other support services	8,969,414		1,127,096		(7,842,318)		(7,842,318)
Improvement of instruction	2,474,874				(2,474,874)		(2,474,874)
Other support: instructional staff	602,057				(602,057)		(602,057)
School library	1,534,227				(1,534,227)		(1,534,227)
General administration	1,602,967				(1,602,967)		(1,602,967)
School administration	5,319,153				(5,319,153)		(5,319,153)
Required maintenance of plant services	1,679,427				(1,679,427)		(1,679,427)
Operation of plant	6,743,825			\$ 12,398,388	5,654,563		5,654,563
Student transportation	3,327,734	310,880			(3,016,854)		(3,016,854)
Central services	1,805,295				(1,805,295)		(1,805,295)
Administrative information technology	1,334,838				(1,334,838)		(1,334,838)
Interest on long-term debt	3,759,553				(3,759,553)		(3,759,553)
Total governmental activities	106,763,351	364,865	2,355,452	12,398,388	(91,644,646)		(91,644,646)
Business-type activity							
Food service	942,943	946,322				\$ 3,379	3,379
Total business-type activity	942,943	946,322				3,379	3,379
Total primary government	\$ 107,706,294	\$ 1,311,187	\$ 2,355,452	\$ 12,398,388	(91,644,646)	3,379	(91,641,267)
General revenues:							
Property taxes, levied for general purposes					90,069,759		90,069,759
Property taxes, levied for debt service					5,065,306		5,065,306
Unrestricted federal sources					147,404		147,404
Unrestricted state sources					10,816,707		10,816,707
Investment earnings					96,553	787	97,340
Rental income					487,216		487,216
Miscellaneous income					241,280		241,280
Transfers					(11,602)	11,602	-
Total general revenues and transfers					106,912,623	12,389	106,925,012
Change in net assets					15,267,977	15,768	15,283,745
Net assets—beginning of year					36,624,513	101,382	36,725,895
Net assets—end of year					\$ 51,892,490	\$ 117,150	\$ 52,009,640

See independent auditors' report and accompanying notes to the basic financial statements.

Fund Financial Statements

Governmental Funds

Livingston Board of Education
Governmental Funds

Balance Sheet

June 30, 2012

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Assets					
Cash and cash equivalents	\$ 2,558,536		\$ 519,879	\$ 10,013	\$ 3,088,428
Accounts receivable:					
State	1,197,712		15,404,458		16,602,170
Federal	88,234	\$ 528,453			616,687
Interfund	944,090				944,090
Other	29,738				29,738
Restricted assets:					
Cash and cash equivalents	1,529,895				1,529,895
Total assets	<u>\$ 6,348,205</u>	<u>\$ 528,453</u>	<u>\$ 15,924,337</u>	<u>\$ 10,013</u>	<u>\$ 22,811,008</u>
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ 85,849	\$ 19,079	\$ 410,160		\$ 515,088
Retainage payable			648,173		648,173
Notes payable			9,250,000		9,250,000
Intergovernmental payables:					
State		102,951			102,951
Deferred revenue		18,764			18,764
Interfunds payable	13,341	387,659	556,431		957,431
Total liabilities	<u>99,190</u>	<u>528,453</u>	<u>10,864,764</u>		<u>11,492,407</u>
Fund balances:					
Restricted for:					
Capital reserve account	1,206,560				1,206,560
Emergency reserve account	323,335				323,335
Excess fund balance-current year	257,627				257,627
Capital projects			5,059,573		5,059,573
Debt service				\$ 10,013	10,013
Assigned to:					
Designated for subsequent years'	1,200,000				1,200,000
Other purposes	418,550				418,550
Unassigned	2,842,943				2,842,943
Total fund balances	<u>6,249,015</u>		<u>5,059,573</u>	<u>10,013</u>	<u>11,318,601</u>
Total liabilities and fund balances	<u>\$ 6,348,205</u>	<u>\$ 528,453</u>	<u>\$ 15,924,337</u>	<u>\$ 10,013</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$181,495,895 and the accumulated depreciation is \$34,890,037.	146,605,858
Accrued interest on long-term bonds, notes and capital leases is not due and payable in the current period and therefore is not reported as a liability in the funds.	(1,833,647)
Solar renewable energy certificates were not available in the current period and therefore were not reported as assets in the funds.	141,616
Unamortized portion of debt issuance costs not reported as an asset in the funds.	208,329
Long-term liabilities, including bonds payable, capital leases, compensated absences and unamortized premium on bonds are not due and payable in the current period and therefore are not reported as liabilities in the funds and unamortized deferred interest costs are not reported as an asset in the funds.	(104,548,267)
Net assets of governmental activities	<u>\$ 51,892,490</u>

See independent auditors' report and accompanying notes to the basic financial statements.

Livingston Board of Education
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2012

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Revenues					
Local sources:					
Local tax levy	\$ 90,069,759			\$ 5,065,306	\$ 95,135,065
Tuition	53,985				53,985
Transportation fees from individuals	310,880				310,880
Interest on investments	80,874		\$ 15,679		96,553
Rental income	487,216				487,216
Miscellaneous	89,651	\$ 41,027		10,013	140,691
Total local sources	91,092,365	41,027	15,679	5,075,319	96,224,390
State sources	10,144,173	504,140	12,360,875	672,534	23,681,722
Federal sources	147,404	1,847,798			1,995,202
Total revenues	101,383,942	2,392,965	12,376,554	5,747,853	121,901,314
Expenditures					
Current:					
Instruction	41,957,792	1,228,356			43,186,148
Undistributed-current:					
Instruction	7,131,761				7,131,761
Attendance/social work	62,593				62,593
Health services	901,743				901,743
Support services	5,939,256	1,127,096			7,066,352
Improvement of instruction	1,792,477				1,792,477
School library	1,145,961				1,145,961
Instructional staff training	452,692				452,692
General administration	1,382,282				1,382,282
School administration	3,904,353				3,904,353
Required maintenance of plant services	1,298,926				1,298,926
Operation of plant	5,458,252				5,458,252
Student transportation	2,935,670				2,935,670
Central services	1,387,640				1,387,640
Administrative information technology	1,051,570				1,051,570
Unallocated benefits	12,833,633				12,833,633
On-behalf TPAF social security and pension contributions	7,302,384				7,302,384
Capital outlay	2,923,805	37,513	31,207,298		34,168,616
Debt service:					
Principal				2,385,000	2,385,000
Interest				4,152,840	4,152,840
Total expenditures	99,862,790	2,392,965	31,207,298	6,537,840	140,000,893
Excess (deficiency) of revenues over (under) expenditures	1,521,152	-	(18,830,744)	(789,987)	(18,099,579)
Other financing sources (uses):					
Capital leases (non-budgeted)	750,000				750,000
Transfers in	15,679			800,000	815,679
Transfers out	(811,602)		(15,679)		(827,281)
Total other financing sources (uses)	(45,923)		(15,679)	800,000	738,398
Net change in fund balances	1,475,229	-	(18,846,423)	10,013	(17,361,181)
Fund balances, July 1	4,773,786	-	23,905,996	-	28,679,782
Fund balances, June 30	\$ 6,249,015	\$ -	\$ 5,059,573	\$ 10,013	\$ 11,318,601

The reconciliation of the fund balances of government funds to the net assets of governmental activities in the statement of activities is presented in accompanying schedule (B-3).

See independent auditors' report and accompanying notes to the basic financial statements.

Livingston Board of Education
Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities

Year ended June 30, 2012

Total net change in fund balances - governmental funds (from B-2)		\$ (17,361,181)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, 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 additions exceeded depreciation in the period.		
	Capital additions	\$ 32,962,233
	Depreciation expense	<u>(3,291,805)</u>
		29,670,428
Capital leases provide current financial resources to governmental funds, which has no effect on net assets.		(750,000)
In the statement of activities, interest on debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.		404,928
Repayments of bond and capital lease principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		3,540,548
In the statement of net assets and statement of activities the investment value of solar renewable energy certificates are presented at market value, and not portrayed in the governmental funds. This amount reflects the value at June 30, 2012.		141,616
Governmental funds report the effect of premiums on bonds and deferred interest costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		3,369
Issuance costs - current year amortization		(15,010)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).		(366,721)
Change in net assets of governmental activities (A-2)		<u><u>\$ 15,267,977</u></u>

Enterprise Fund

Livingston Board of Education
Enterprise Fund

Statement of Net Assets

June 30, 2012

	Major Fund
	Food
	Service
Assets	
Current assets:	
Cash and cash equivalents	\$ 211,854
Accounts receivable:	
Other	7,371
Inventories	7,090
Total current assets	226,315
Non-current assets:	
Capital assets:	
Equipment	122,491
Accumulated depreciation	(96,228)
Total capital assets, net	26,263
Total assets	252,578
Liabilities	
Current liabilities:	
Accounts payable	85,239
Unearned revenue	23,926
Purchase agreement payable	25,373
Total current liabilities	134,538
Noncurrent liabilities:	
Purchase agreement payable	890
Total noncurrent liabilities	890
Total liabilities	135,428
Net assets	
Unrestricted	117,150
Total net assets	\$ 117,150

See independent auditors' report and accompanying notes to the basic financial statements.

Livingston Board of Education
Enterprise Fund

Statement of Revenues, Expenses and
Changes in Fund Net Assets

Year ended June 30, 2012

	Major Fund
	Food Service
Operating revenues:	
Local sources:	
Daily food sales-reimbursable programs	\$ 898,256
Special event income	48,066
Total operating revenues	946,322
Operating expenses:	
Salaries	325,462
Employee benefits	50,501
Supplies and materials	52,560
Purchased property services	66,946
Other purchased services	7,019
Depreciation	27,304
Cost of sales	385,075
Management fee	24,910
Miscellaneous	3,166
Total operating expenses	942,943
Operating income	3,379
Nonoperating revenues:	
Interest	787
Total nonoperating revenues	787
Income before transfers	4,166
Transfers in - Board contribution	11,602
Change in net assets	15,768
Total net assets-beginning	101,382
Total net assets-ending	\$ 117,150

Livingston Board of Education
Enterprise Fund

Statement of Cash Flows

Year ended June 30, 2012

	Major Fund
	Food Service
Cash flows from operating activities	
Receipts from customers	\$ 951,885
Payments to employees and for employee benefits	(375,963)
Payments to suppliers	(541,124)
Net cash provided by operating activities	34,798
Cash flows from capital and related financing activities	
Payment of purchase agreement payable	(27,304)
Transfer in - board contribution	11,602
Net cash used in capital and related financing activities	(15,702)
Cash flows from investing activities	
Interest received	787
Net cash provided by investing activities	787
Net increase in cash and cash equivalents	19,883
Cash and cash equivalents, beginning of year	191,971
Cash and cash equivalents, end of year	\$ 211,854
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 3,379
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	27,304
Change in assets and liabilities:	
(Increase) in accounts receivable	(2,853)
(Increase) in inventory	(995)
(Decrease) in accounts payable	(453)
Increase in unearned revenue	8,416
Net cash provided by operating activities	\$ 34,798

Fiduciary Funds

Livingston Board of Education
Fiduciary Funds

Statement of Fiduciary Net Assets

June 30, 2012

	Unemployment Compensation Trust	Agency Fund
	<u>Trust</u>	<u>Agency Fund</u>
Assets		
Cash and cash equivalents	\$ 162,818	\$ 2,020,090
Interfund receivable	13,341	
Total assets	<u>176,159</u>	<u>\$ 2,020,090</u>
Liabilities		
Payroll deductions and withholdings payable		575,098
Summer escrow payable		1,065,622
Accounts payable	106,624	
Due to student groups		379,370
Total liabilities	<u>106,624</u>	<u>\$ 2,020,090</u>
Net assets		
Held in trust for unemployment claims	<u>\$ 69,535</u>	

Livingston Board of Education
Fiduciary Funds

Statement of Changes in Fiduciary Net Assets

Year ended June 30, 2012

	<u>Unemployment Compensation Trust</u>
Additions	
Interest income	\$ 31
Board contributions	315,874
Employee contributions	163,458
Total additions	<u>479,363</u>
Deductions	
Unemployment claims paid	<u>409,828</u>
Total deductions	<u>409,828</u>
Change in net assets	69,535
Net assets-beginning of the year	-
Net assets-end of the year	<u><u>\$ 69,535</u></u>

Livingston Board of Education

Notes to the Basic Financial Statements

Year ended June 30, 2012

1. Summary of Significant Accounting Policies

The financial statements of the Livingston Board of Education (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

A. Reporting Entity

The financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The District, as the primary government for financial reporting entity purposes, has oversight responsibility and control over all activities related to the Livingston Board of Education in the Township of Livingston, New Jersey. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District has no component units that are required to be included within the reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

B. District-Wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported in the basic financial statements and are reported separately from business-type activities, which rely on a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter is excluded from the district-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. The New Jersey Department of Education has deemed every fund to be major for consistency of reporting.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues, except property taxes, to be available if they are collected within six months of the end of the current fiscal year. Property taxes are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and capital leases, are recorded only when payment is due.

Property taxes, interest, and state equalization monies associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year.

The District has reported the following major governmental funds:

General Fund: The general fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment, which are classified in the capital outlay subfund.

Special Revenue Fund: The District maintains one special revenue fund, which includes the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes, other than debt service or capital projects.

Capital Projects Fund: The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to an expenditure for capital outlays, including the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds and state aid that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund: The debt service fund accounts for and reports financial resources that are restricted, committed, or assigned to an expenditure for the principal and interest on long-term general obligation debt of governmental funds.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

The District reports the following major proprietary fund:

Food Service Enterprise Fund: This 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 and services to the students or other entities on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund types:

Fiduciary funds of the District include the unemployment compensation trust fund and agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurements of results of operations. The following is a description of the fiduciary funds of the District.

Trust Funds: The unemployment compensation fund is accounted for in essentially the same manner as governmental funds. The unemployment compensation fund is used to account for contributions from employees and interest earned on the balance as well as payments to the State for reimbursement of unemployment claims.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

In its accounting and financial reporting, the District follows the pronouncements of the GASB and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's business-type activities and enterprise funds have elected not to apply the standards issued by the FASB after November 30, 1989.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

Amounts reported as program revenues include 1) charged to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The enterprise fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a enterprise fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund is charges for sales of food. Operating expenses for the enterprise fund includes the cost of sales, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The District reports deferred/unearned revenue on its balance sheet and statement of net assets. Deferred/unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred/unearned revenue also arises when resources are received by the District before it has legal claim to them, as when federal assistance is received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred/unearned revenue is removed from the balance sheet and revenue is recognized.

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 County Board of Taxation is responsible for the assessment of properties and the Township Tax Collector is responsible for the collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

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 superintendent and approved by the Department of Education. Budgets are prepared using the modified accrual basis of accounting and the special revenue fund uses a non-GAAP budget (budgetary basis). 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 referred in N.J.A.C. 6A:23. All budget amendments must be approved by School Board resolution.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States with the exception of 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.

E. Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less from the date of purchase.

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The District 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 and are stated at cost. All other investments are stated at fair value.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

F. Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed to/from a particular fund in the District and that are due within one year.

G. Inventories

Inventories that benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase. The food service enterprise fund inventories are valued at cost, which approximates market, using first-in, first-out (FIFO) method.

H. Capital Assets

Capital assets, which include land, buildings, property, plant and equipment and construction in progress, are reported in the applicable governmental activities in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are valued at their estimated fair value on the date of donation.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Property, plant and equipment of the District is depreciated using the straight line method (half year convention in first and last year). The following estimated useful lives are used to compute depreciation:

	<u>Years</u>
Machinery and equipment	3-20
Buildings	50-100
Building improvements	20
Solar panels	25
Vehicles	5-10

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

I. Accrued Salaries and Wages

Certain District employees who provided 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 not disbursed amounts be retained in a separate bank account. As of June 30, 2012, the amount earned by these employees and not disbursed as of June 30, 2012 was \$1,065,622.

J. Compensated Absences

A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits. The District uses the "vesting method" for estimating its accrued sick and vacation leave liability.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the District is recorded in the district-wide financial statements and includes salary related payments. As of June 30, 2012, a liability existed for compensated absences in the district-wide financial statements in the amount of \$4,385,419.

K. Deferred Revenue

Deferred revenue in the special revenue fund represents cash, which has been received but not yet earned and outstanding encumbrances.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

L. Long-Term Obligations

In the district-wide financial statements and enterprise fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and unamortized loss on a refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

M. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

- 1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

- 2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 3) Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- 4) Assigned - amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- 5) Unassigned - includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In the other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Of the \$6,249,015 of fund balance in the General Fund, \$1,206,560 has been restricted in the capital reserve account, \$323,335 has been restricted in an emergency reserve account, \$257,627 is restricted for current year excess fund balance, \$418,550 of outstanding encumbrances is assigned to other purposes, \$1,200,000 of fund balance has been assigned to designated for subsequent year's expenditures and \$2,842,943 is unassigned.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

N. Net Assets

Net assets represent the difference between assets and liabilities in the district-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the district-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

O. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

P. On-Behalf Payments

Revenues and expenditures of the general fund include payments made by the State of New Jersey social security and post-retirement pension and medical contributions for certified teachers and other members of the New Jersey Teachers Pension and Annuity Fund. The amounts are not required to be included in the District's annual budget.

Q. Calculation of Excess Surplus

The designation for restricted 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 District generated excess fund balance during the 2012 fiscal year in the amount of \$257,627.

R. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2012 through November 29, 2012, the date that the financial statements were issued, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

On September 28, 2012, the District rolled over its grant anticipation note in the amount of \$9,250,000 to obtain the State's share of the SDA construction projects in advance. Once the State's share is received, the funds will be utilized to pay off the note.

2. Reconciliation of District-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the District-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the district-wide statement of net assets. One element of that reconciliation explains that long-term liabilities, including bonds payable and related unamortized premium, the unamortized deferred loss on refunding, capital leases payable and compensated absences are not due and payable in the current period and therefore are not reported in the funds. The details of this difference are as follows:

Bonds payable	\$ 96,716,000
Deferred interest costs	(683,717)
Premium on bonds	719,794
Capital leases payable	3,410,771
Compensated absences	<u>4,385,419</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 104,548,267</u>

3. Deposits and Investments

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

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

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must

pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Deposits

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey that 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 (NJCMF), New Jersey Asset and Rebate Management Fund (NJARM) and MBIA Class.

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 average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, 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.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2012, the carrying amount of the District's deposits was \$6,870,069 and the bank balance was \$9,933,969. Of the bank balance, \$265,580 was secured by federal depository insurance and the remaining balance of \$9,668,389 was covered by the New Jersey Governmental Unit Deposit Protection Act (GUDPA).

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

The District does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the District's deposits were fully collateralized by funds held by the financial institution, but not in the name of the District. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

Investments

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

- a. Bonds and 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.
- d. New Jersey Cash Management Fund, New Jersey Asset and Rebate Management Fund and MBIA Class.

As of June 30, 2012, the District's investment balance of \$141,616 was in Solar Renewable Energy Certificates.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

In order to maximize liquidity, the District utilizes the New Jersey Cash Management Fund (“NJCMF”). The NJCMF is administered by the State of New Jersey, Department of the Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. The fair value of the District’s portion in the pool is the same as the fair value of the pool shares. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investments rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty.

All investments in the Fund are governed by the regulations of the Investment Council, which prescribes specific standards designed to ensure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment’s existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the “Other-than-State” participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. The District has investments in the New Jersey Cash Management Fund in the amount of \$143,016, which are classified as cash equivalents and are considered uncategorized.

Custodial Credit Risk: Pursuant to GASB 40, the NJCMF which is a pooled investment is exempt from custodial credit risk exposure. The District does not have a policy for custodial credit risk.

Credit Risk: The District does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.

Interest Rate Risk: The District does not have a policy to limit interest rate risk. The average maturity of the District’s sole investment, the NJCMF, is less than one year.

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer. At June 30, 2012, all of the District’s investments were invested in NJCMF.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

4. Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2012:

	Beginning Balance	Increases	Retirements /Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 69,742,507	\$ 31,085,400	\$(57,048,981)	\$43,778,926
Land	3,253,263			3,253,263
Total capital assets, not being depreciated	<u>72,995,770</u>	<u>31,085,400</u>	<u>(57,048,981)</u>	<u>47,032,189</u>
Capital assets, being depreciated:				
Land improvements	2,457,301	316,224		2,773,525
Buildings and building improvements	63,482,370	780,150	57,048,981	121,311,501
Machinery, equipment and vehicles	9,598,221	780,459		10,378,680
Total capital assets being depreciated	<u>75,537,892</u>	<u>1,876,833</u>	<u>57,048,981</u>	<u>134,463,706</u>
Less accumulated depreciation for:				
Land improvements	(1,882,547)	(42,304)		(1,924,851)
Buildings and building improvements	(23,299,756)	(2,215,718)		(25,515,474)
Machinery, equipment and vehicles	(6,415,929)	(1,033,783)		(7,449,712)
Total accumulated depreciation	<u>(31,598,232)</u>	<u>(3,291,805)</u>	<u>-</u>	<u>(34,890,037)</u>
Total capital assets, being depreciated, net	<u>43,939,660</u>	<u>(1,414,972)</u>	<u>57,048,981</u>	<u>99,573,669</u>
Governmental activities capital assets, net	<u>\$116,935,430</u>	<u>\$29,670,428</u>	<u>\$ -</u>	<u>\$146,605,858</u>

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

4. Capital Assets (continued)

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

Current:	
Instruction	\$ 1,795,897
Undistributed – current:	
Instruction	296,574
Attendance/social work	2,603
Health services	37,499
Support services	293,854
Improvement of instruction	74,540
Other support – instruction staff	18,825
School library	47,655
General administration	57,482
School administration	162,363
Required maintenance of plant services	54,016
Operation of plant	226,982
Student transportation	122,080
Central services	57,705
Administrative information technology	43,730
Total depreciation expense – governmental activities	<u>\$ 3,291,805</u>

The following is a summary of business-type activity changes in capital assets for the year ended June 30, 2012.

	Beginning Balance	Increases	Retirements	Ending Balance
Business-type activity:				
Capital assets, being depreciated:				
Equipment	\$ 145,664		\$ (23,173)	\$ 122,491
Less accumulated depreciation for:				
Equipment	(92,097)	\$ (27,304)	23,173	(96,228)
Total accumulated depreciation	(92,097)	(27,304)	23,173	(96,228)
Business-type activity capital assets, net	<u>\$ 53,567</u>	<u>\$ (27,304)</u>	<u>\$ -</u>	<u>\$ 26,263</u>

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

5. Long-Term Liabilities

During the year ended June 30, 2012, the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Compensated absences payable	\$ 4,018,698	\$ 607,539	\$ 240,818	\$ 4,385,419	\$ 372,741
Deferred interest costs	(747,566)		(63,849)	(683,717)	(63,849)
Premium on bonds	787,012		67,218	719,794	67,218
Serial bonds payable	99,101,000		2,385,000	96,716,000	3,160,000
Obligations under capital leases	3,816,319	750,000	1,155,548	3,410,771	1,159,153
Governmental activities Long-term liabilities	<u>\$ 106,975,463</u>	<u>\$ 1,357,539</u>	<u>\$ 3,784,735</u>	<u>\$ 104,548,267</u>	<u>\$ 4,695,263</u>
Business-type activities:					
Purchase agreement payable	\$ 53,567	\$ -	\$ 27,304	\$ 26,263	\$ 25,373
Business-type activities Long-term liabilities	<u>\$ 53,567</u>	<u>\$ -</u>	<u>\$ 27,304</u>	<u>\$ 26,263</u>	<u>\$ 25,373</u>

The debt service fund is utilized to liquidate the serial bonds payable. The general fund liquidates the liabilities associated with compensated absences and obligations under capital leases. The food service enterprise fund liquidates liabilities associated with the purchase agreement payable.

Bonds Payable

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

In December 2009, a referendum was approved by the residents of the Township for facility upgrades, HVAC installation and solar panels for each school at a total cost of \$64,684,477. Bonds were authorized by the referendum for a portion of the projects total cost. In August 2010, the District issued \$9,000,000 of tax-exempt school bonds and \$28,075,000 of Build America bonds. The Build America bonds are on the direct pay method and the District is responsible for the net interest payments which have been reduced by 35% under the Build America Bonds. The issuance of the Build America Bonds resulted in a savings of \$9,384,040 in interest over the life of the bonds, which represents the federal portion of the interest.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

5. Long-Term Liabilities (continued)

At June 30, 2012, there are bonds and notes authorized but not issued in the amount of \$5,210,849.

In March 2010, the District issued \$12,405,000 of refunding bonds to provide resources to refund a portion of the District's outstanding debt. As of June 30, 2012, \$3,964,000 of defeased debt remains outstanding.

Principal and interest due on all bonds outstanding is as follows:

	Principal	Interest	Total
Year ending June 30:			
2013	\$ 3,160,000	\$ 3,574,079	\$ 6,734,079
2014	3,585,000	3,479,318	7,064,318
2015	3,655,000	3,379,598	7,034,598
2016	3,745,000	3,268,797	7,013,797
2017	3,900,000	3,144,891	7,044,891
2018-2022	21,340,000	13,578,101	34,918,101
2023-2027	20,215,000	9,496,585	29,711,585
2028-2032	17,520,000	5,859,057	23,379,057
2033-2037	17,625,000	2,138,265	19,763,265
2038	1,971,000	44,348	2,015,348
	\$ 96,716,000	\$ 47,963,039	\$ 144,679,039

Capital Leases Payable

The District has remaining capital leases totaling \$3,410,771 with interest rates ranging from 1.94% to 5.60%. The terms of the leases are from three to fifteen years. The fifteen-year lease is for heating and electrical improvements in the schools. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2012.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

5. Long-Term Liabilities (continued)

	<u>Amount</u>
Fiscal year:	
2013	\$ 1,254,661
2014	1,075,120
2015	799,662
2016	317,948
2017	<u>158,590</u>
Total minimum lease payments	3,605,981
Less amount representing interest	<u>(195,210)</u>
Present value of net minimum lease payments	<u>\$ 3,410,771</u>

Many of the assets acquired through the capital leases are below the capitalization threshold of the District. Assets capitalized through capital leases at June 30, 2012 are as follows:

Machinery, equipment and vehicles	\$ 5,775,892
Less accumulated depreciation	<u>(3,265,330)</u>
Total	<u>\$ 2,510,562</u>

6. Deferred Charges

In the governmental funds, debt issuance costs are recognized as expenditures in the year the bonds are issued. For the government-wide financial statements, debt issuance costs are amortized using the straight line method, which approximates the effective interest method, over the life of the specific bonds. The costs associated with the issues of the District's bonds amounted to \$241,597. The amortization expense for the year ended June 30, 2012 amounted to \$15,010 and the unamortized balance of the deferred charges at June 30, 2012 is \$208,329.

7. Pension Plans

Description of Systems

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

7. Pension Plans (continued)

cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer plan.

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Early retirement is available for these systems to those employees under age 55 participating in TPAF with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

Public Employee's Retirement System

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available for these systems to those employees under age 55 participating in TPAF or PERS with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

7. Pension Plans (continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the Board is a non-contributing employer of the TPAF.

During the year ended June 30, 2012, the State of New Jersey contributed \$4,133,388 to the TPAF for post-retirement medical contributions on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$3,168,996 during the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the district-wide and fund financial statements.

The District's actuarially calculated contributions to PERS for each of the years ended June 30, 2012, 2011 and 2010 were \$1,172,517, \$1,129,395 and \$944,481, respectively, equal to the required contributions for each year.

8. Post-Retirement Benefits

Plan Description

The School District contributes to the New Jersey State Health Benefits Program (the "SHBP"), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP provide medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

8. Post-Retirement Benefits (continued)

Program Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

Funding Policy

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pension and Annuity Fund (TPAF) and 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, c.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, 2011, there were 93,323 retirees receiving post-retirement medical benefits. 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 premiums 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 free 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 \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2011.

The State will set the contribution rate based on the *annual required contribution of the employers* (ARC), an amount actuarially determined in accordance with parameters of GASB 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2012, 2011 and 2010 were \$2,760,288, \$2,776,194 and \$2,925,445, respectively, which equaled the required contributions for each year. The State's contributions to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

9. Interfund Receivables and Payables

The total interfund accounts receivable and payable for the District at June 30, 2012 is as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 944,090	\$ 13,341
Special Revenue Fund		387,659
Capital Projects Fund		556,431
Fiduciary Fund – Unemployment Trust	13,341	
	\$ 957,431	\$ 957,431

The interfund between the general fund and special revenue fund represents a loan of cash to fund special revenue expenditures due to the reimbursement basis of federal awards. The interfund payable between the capital projects fund and general fund represents loans between the funds and interest earned that is transferred to the general fund. The interfund between the general fund and the unemployment trust fund represents budgeted funds in the general fund that were not turned over at June 30, 2012. All interfunds are expected to be liquidated within one year.

10. Purchase Agreement Payable – Enterprise Fund

During the 2009 fiscal year, the District contracted with Aramark, a third-party food management company, to operate the District’s food service program. As part of the contract, Aramark agreed to expend up to \$150,000 for food service equipment to be used on the District’s premises. After completion of the purchase of the equipment, the District is required to reimburse Aramark for a term of five years.

As of the fiscal year ended June 30, 2012, food service equipment purchased by Aramark totaled \$145,664. The remaining amount of \$26,263 will be paid over the next two fiscal years, in the amounts of \$25,373 and \$890, respectively.

11. Economic Dependency

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District’s programs and activities.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

12. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2012 may be impaired. In addition, the District is receiving funding in the form of grants from the New Jersey Schools Development Authority (NJSDA) in connection with capital projects. The costs associated with the funding received from the NJSDA are subject to a final review of eligible costs and compliance by the New Jersey Department of Education and the NJSDA. To the extent that the District has not complied with the rules and regulations governing the NJSDA funds or has not met the final eligible costs requirements, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2012 may be impaired. In the opinion of the District management, there are no significant contingent liabilities relating to compliance with the rules and regulations or final eligible cost requirements governing the respective grants or funding; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies.

The District is also involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

13. 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. The District has obtained insurance coverage to guard against these events which will provide minimum exposure to the District should they occur.

Property and Liability Insurance

The District maintains commercial insurance coverage for property, liability, student accident and surety bonds and does not retain risk of loss. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverages over the past three years.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

13. Risk Management (continued)

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.

14. Transfers - Reconciliation

	Transfers In	Transfers Out
General Fund	\$ 15,679	\$ 811,602
Capital Projects Fund		15,679
Debt Service Fund	800,000	
Enterprise Fund - Food Service	11,602	
	<u>\$ 827,281</u>	<u>\$ 827,281</u>

The transfer to the general fund from the capital projects fund represents the current year interest earned in the capital projects fund due to the general fund. The transfer from the general fund to the enterprise fund – food service represents the Board contribution to fund certain costs of the enterprise fund. The transfer from the general fund to the debt service fund represents the transfer of capital reserve funds to fund debt service expenditures.

15. Capital Reserve Account

Capital reserve accounts may be established by New Jersey school districts for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by separate proposal at budget time or by a special question at one of the

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

four special elections pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve account for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Beginning balance, July 1, 2011	\$ 1,206,560
Deposits:	
Approved by June Board resolution	800,000
Withdrawals:	
Approved by June Board resolution to transfer to debt service fund	<u>800,000</u>
Ending balance, June 30, 2012	<u>\$ 1,206,560</u>

The June 30, 2012 LRFP balance of local support costs of uncompleted capital projects at June 30, 2012 is \$3,610,745.

16. Restricted Assets

The District has \$1,529,895 of capital reserve and emergency reserve funds that are classified as restricted assets on the statement of net assets because they are restricted by the New Jersey Department of Education codified in Administrative Code to be utilized for future capital projects that have been approved in the District's Long-Range Facility Plan and emergencies.

17. Commitments

The District has ongoing construction projects as of June 30, 2012 relating to the approved referendum projects. At June 30, 2012, the District's outstanding construction commitments amounted to \$2,805,222 and are recorded as a component of fund balance restricted for capital projects on the balance sheet in the capital projects fund.

The District also has \$418,550 of contracts encumbered that are reported in the balance sheet of the general fund as assigned to other purposes.

Livingston Board of Education

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

18. Grant Anticipation Notes Payable

The District issued a note in the amount of \$9,250,000 (Interest rate of 1.50%). The note was for cash flow needs in the Capital Projects Fund and was renewed on September 27, 2012 and will mature on September 26, 2013. The following presents the changes from the prior year:

Beginning Balance	Increases	Decreases	Ending Balance
\$ -	\$9,250,000	\$ -	\$9,250,000

Required Supplementary Information
Part II

Budgetary Comparison Schedules

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Local sources:					
Local tax levy	\$ 90,069,759		\$ 90,069,759	\$ 90,069,759	
Tuition	50,000		50,000	53,985	\$ 3,985
Transportation fees from individuals	200,000		200,000	310,880	110,880
Interest on investments	100,000		100,000	80,874	(19,126)
Rental income	390,000		390,000	487,216	97,216
Miscellaneous	152,500		152,500	89,651	(62,849)
Total revenues - local sources	90,962,259		90,962,259	91,092,365	130,106
State sources:					
Extraordinary aid				1,113,073	1,113,073
On behalf TPAF pension contribution (non-budgeted)				4,133,388	4,133,388
Reimbursed TPAF social security (non-budgeted)				3,168,996	3,168,996
Additional nonpublic transportation aid				27,465	27,465
Categorical Special education aid	917,527		917,527	1,835,054	917,527
Total - state sources	917,527		917,527	10,277,976	9,360,449
Federal Sources:					
Medicaid Reimbursement	19,517		19,517		(19,517)
Education Jobs	142,926	\$ 4,478	147,404	147,404	-
Total: federal sources	162,443	4,478	166,921	147,404	(19,517)
Total revenues	92,042,229	4,478	92,046,707	101,517,745	9,471,038
Expenditures					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Preschool	32,726		32,726	32,582	144
Kindergarten	1,435,801	1,408	1,437,209	1,437,209	-
Grades 1-5	10,181,102	(1,819)	10,179,283	10,171,903	7,380
Grades 6-8	7,201,904	41,333	7,243,237	7,243,235	2
Grades 9-12	11,714,131	(116,965)	11,597,166	11,597,165	1
Home instruction:					
Salaries of teachers	60,000	73,024	133,024	125,917	7,107
Purchased professional-educational services	15,000	4,020	19,020	19,020	-
Undistributed instruction:					
Other salaries for instruction	380,580	(32,558)	348,022	347,349	673
Purchased professional-educational services	17,300	4,052	21,352	21,092	260
Purchased technical services	2,000	-	2,000	2,000	-
Other purchased services	42,111	(1,167)	40,944	38,319	2,625
General supplies	1,731,186	192,120	1,923,306	1,658,209	265,097
Textbooks	237,460	(63,023)	174,437	171,352	3,085
Other objects	17,750	(9,400)	8,350	5,767	2,583
Total instruction - regular programs	33,069,051	91,025	33,160,076	32,871,119	288,957

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Special education:					
Learning and/or language disabilities:					
Salaries of teachers	\$ 322,107	\$ (55,437)	\$ 266,670	\$ 266,670	
Other salaries for instruction	1,137,008	971,279	2,108,287	2,103,349	\$ 4,938
Purchased prof-ed. services	471,655	(471,655)			
General supplies	9,000	(6,953)	2,047	2,047	
Total learning and/or language disabilities	1,939,770	437,234	2,377,004	2,372,066	4,938
Resource room/center:					
Salaries of teachers	3,024,652	271,060	3,295,712	3,295,712	
General supplies	26,000	(6,300)	19,700	14,414	5,286
Total resource room/center	3,050,652	264,760	3,315,412	3,310,126	5,286
Preschool disabilities - full time					
Salaries of teachers	222,740	3,349	226,089	226,089	
Other salaries for instruction	64,050	(1,004)	63,046	60,769	2,277
General supplies	5,000	-	5,000	4,395	605
Total preschool disabilities-full time	291,790	2,345	294,135	291,253	2,882
Total special education	5,282,212	704,339	5,986,551	5,973,445	13,106
Bilingual education:					
Salaries of teachers	362,878	11,154	374,032	374,031	1
Total bilingual education	362,878	11,154	374,032	374,031	1
Basic skills/remedial instruction:					
Salaries of teachers	571,368	(33,176)	538,192	538,192	-
General supplies	4,530	-	4,530	304	4,226
Total basic skills/remedial instruction	575,898	(33,176)	542,722	538,496	4,226
Vocational programs - local instruction:					
Salaries of teachers	99,619	(3,048)	96,571	96,571	-
Other purchased services	2,000	-	2,000	1,931	69
General supplies	8,000	-	8,000	7,852	148
Other objects	500	-	500	460	40
Total vocational programs	110,119	(3,048)	107,071	106,814	257

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
School - sponsored cocurricular activities:					
Salaries	\$ 398,071	\$ 47,539	\$ 445,610	\$ 445,610	
Purchased services	8,150	-	8,150	4,652	\$ 3,498
Supplies and materials	25,500	-	25,500	20,831	4,669
Other objects	13,125	-	13,125	11,732	1,393
Total school - sponsored cocurricular activities	444,846	47,539	492,385	482,825	9,560
School - sponsored athletics - instruction:					
Salaries	699,335	42,810	742,145	742,144	1
Purchased services	161,246	(17,766)	143,480	127,078	16,402
Supplies and materials	70,300	12,248	82,548	79,718	2,830
Other objects	23,082	(16,744)	6,338	6,308	30
Total school - sponsored athletics - instruction	953,963	20,548	974,511	955,248	19,263
Other instructional programs:					
Purchased services	50,000	250	50,250	50,080	170
Total other instructional programs	50,000	250	50,250	50,080	170
Other supplemental/at-risk programs-instruction:					
Salaries of reading specialists	605,200	534	605,734	605,734	-
Total other supplemental/at-risk programs-instruction	605,200	534	605,734	605,734	-
Total instruction	41,454,167	839,165	42,293,332	41,957,792	335,540
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs within the state-special	2,531,513	(260,496)	2,271,017	2,262,171	8,846
Tuition to private school for the disabled - within state	4,636,230	(117,029)	4,519,201	4,508,195	11,006
Tuition to priv sch for the disabled & oth LEAs-Spl, O/S St	387,601	(26,200)	361,401	361,395	6
Total undistributed instruction	7,555,344	(403,725)	7,151,619	7,131,761	19,858
Attendance and social work services:					
Salaries	82,531	(18,869)	63,662	62,593	1,069
Total attendance and social work services	82,531	(18,869)	63,662	62,593	1,069
Health services:					
Salaries	861,103	29,703	890,806	890,805	1
Supplies and materials	14,735	(1,683)	13,052	10,938	2,114
Total health services	875,838	28,020	903,858	901,743	2,115

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Speech, OT, PT & related services:					
Salaries	\$ 778,344	\$ (52,448)	\$ 725,896	\$ 725,896	
Purchased professional - educational services	350,000	66,636	416,636	416,636	
Supplies and materials	4,500	3,800	8,300	7,880	\$ 420
Total speech, OT, PT & related services	1,132,844	17,988	1,150,832	1,150,412	420
Other support services - students - extra services:					
Purchased professional - educational services	330,000	379,587	709,587	709,557	30
Total other support services - students - extra services	330,000	379,587	709,587	709,557	30
Guidance:					
Salaries of other professional staff	1,553,639	11,485	1,565,124	1,565,124	-
Salaries of secretarial and clerical assistants	249,836	(5,317)	244,519	244,518	1
Other purchased professional and tech services	8,500	(4,519)	3,981	3,093	888
Other purchased services	5,600	(3,444)	2,156	1,402	754
Supplies and materials	84,615	(23,073)	61,542	61,539	3
Total guidance	1,902,190	(24,868)	1,877,322	1,875,676	1,646
Child study teams:					
Salaries of other professional staff	1,826,220	24,900	1,851,120	1,851,120	-
Salaries of secretarial and clerical assistants	223,385	-	223,385	223,097	288
Purchased professional - educational services	100,000	4,220	104,220	104,219	1
Other purchased prof. and tech. services	4,000	-	4,000	3,908	92
Miscellaneous purchased serv.	5,000	(3,842)	1,158	1,157	1
Supplies and materials	7,000	5,700	12,700	12,699	1
Other objects	10,000	(2,588)	7,412	7,411	1
Total child study teams	2,175,605	28,390	2,203,995	2,203,611	384
Improvement of instructional services:					
Salaries of supervisors of instruction	1,136,063	(2,148)	1,133,915	1,124,180	9,735
Salaries of other professional staff	259,336	(17,039)	242,297	242,296	1
Salaries of secretaries and clerical assistants	179,306	266	179,572	179,572	-
Salaries of facilitators, math & literacy coaches	186,272	8,952	195,224	195,224	-
Purchased professional - educational services	26,700	(5,085)	21,615	21,615	-
Other purchased services	1,935	(1,105)	830	830	-
Supplies and materials	34,492	(7,234)	27,258	26,382	876
Other objects	7,300	(4,922)	2,378	2,378	-
Total improvement of instructional services	1,831,404	(28,315)	1,803,089	1,792,477	10,612

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Educational media services/school library:					
Salaries	\$ 982,025	\$ (6,308)	\$ 975,717	\$ 975,717	
Other purchased services	19,139	(9,588)	9,551	8,931	\$ 620
Supplies and materials	176,729	(14,341)	162,388	161,004	1,384
Other objects	309	-	309	309	-
Total educational media services/school library	1,178,202	(30,237)	1,147,965	1,145,961	2,004
Instructional staff training services:					
Salaries of supervisors of instruction	368,890	6,379	375,269	373,947	1,322
Purchased professional - educational services	20,000	8,140	28,140	28,140	-
Other purchased services	32,950	(165)	32,785	19,044	13,741
Supplies and materials	20,000	3,961	23,961	22,913	1,048
Other objects	8,000	950	8,950	8,648	302
Total instructional staff training services	449,840	19,265	469,105	452,692	16,413
Support services-general administration:					
Salaries	466,532	982	467,514	467,513	1
Legal Services	190,000	25,370	215,370	215,369	1
Other purchased prof. services	74,500	(9,150)	65,350	65,330	20
Purchased technical services	7,000	-	7,000	6,531	469
Communications/telephone	300,000	6,214	306,214	306,212	2
BOE other purchased services	1,000	(750)	250	250	-
Other purchased services	263,500	(40,249)	223,251	216,682	6,569
General supplies	27,500	(4,673)	22,827	22,543	284
BOE In-house training	8,000	(8,000)			
Miscellaneous expenditures	103,000	(17,959)	85,041	81,852	3,189
Total support services-general administration	1,441,032	(48,215)	1,392,817	1,382,282	10,535
Support services-school administration:					
Salaries of principals/ assistant principals	1,733,882	-	1,733,882	1,733,880	2
Salaries of other professional staff	445,093	-	445,093	445,092	1
Salaries of secretarial and clerical assistants	1,386,081	22,693	1,408,774	1,408,773	1
Purchased professional and technical services	30,500	(1,353)	29,147	28,716	431
Other purchased services	45,600	(19,229)	26,371	24,594	1,777
Supplies and materials	307,299	(38,930)	268,369	263,298	5,071
Total support services-school administration	3,948,455	(36,819)	3,911,636	3,904,353	7,283
Required maintenance for school facilities:					
Salaries	890,309	10,824	901,133	900,925	208
Cleaning, repair and maintenance services	241,050	2,441	243,491	241,389	2,102
General supplies	130,500	27,086	157,586	156,612	974
Total required maintenance for school facilities	1,261,859	40,351	1,302,210	1,298,926	3,284

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Operation and maintenance of plant services-					
Custodial services:					
Salaries	\$ 2,525,956	\$ 192,261	\$ 2,718,217	\$ 2,694,571	\$ 23,646
Purchased professional and technical services	35,000	14,000	49,000	48,508	492
Cleaning, repair and maintenance services	100,000	-	100,000	99,088	912
Rental of Land	16,601	-	16,601	16,600	1
Other purchased property services	49,000	20,765	69,765	69,598	167
Insurance	310,000	3,855	313,855	313,573	282
General supplies	280,000	105,821	385,821	374,455	11,366
Energy (electricity)	1,900,000	(251,836)	1,648,164	1,615,276	32,888
Total custodial services	5,216,557	84,866	5,301,423	5,231,669	69,754
Operation and maintenance of plant services-					
care and upkeep of grounds:					
Salaries	59,633		59,633	59,370	263
Total care and upkeep of grounds	59,633		59,633	59,370	263
Operation and maintenance of plant services-security:					
Salaries	164,734	2,479	167,213	167,213	
Total security	164,734	2,479	167,213	167,213	
Total operation and maintenance of plant services	6,702,783	127,696	6,830,479	6,757,178	73,301
Student transportation services:					
Salaries for pupil transportation:					
Between home and school - regular	789,021	(15,620)	773,401	773,400	1
Other than bet. home & sch - regular	269,023	-	269,023	236,958	32,065
Contracted services:					
Bet. home & sch. - vendors	6,000	1,136	7,136	7,126	10
Other than bet. home & sch - vendors	162,575	(42,381)	120,194	120,193	1
Special ed stds - vendors	1,300,000	146,852	1,446,852	1,440,070	6,782
Aid in lieu of payments	150,000	(27,950)	122,050	122,041	9
General supplies	190,000	39,298	229,298	229,292	6
Other objects	10,000	(3,000)	7,000	6,590	410
Total student transportation services	2,876,619	98,335	2,974,954	2,935,670	39,284
Undistributed expenditures - central services					
Salaries	1,033,599	(2,483)	1,031,116	1,031,116	
Purchased professional services	114,200	61,109	175,309	138,980	36,329
Misc purch serv	17,100	81	17,181	16,324	857
Supplies and materials	91,000	(15,596)	75,404	75,356	48
Interest for lease purchase agreements	122,742	-	122,742	119,612	3,130
Miscellaneous expenditures	7,000	-	7,000	6,252	748
Total central services	1,385,641	43,111	1,428,752	1,387,640	41,112
Admin. info. tech.					
Salaries	705,313	(19,133)	686,180	686,180	-
Purchased professional services	10,000	-	10,000	9,922	78
Other purchased services	314,000	15,195	329,195	328,750	445
Supplies and materials	10,000	16,720	26,720	26,718	2
Total admin. info. tech.	1,039,313	12,782	1,052,095	1,051,570	525

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Unallocated benefits - empl benefits:					
Social security contributions	\$ 1,220,000	\$ 21,932	\$ 1,241,932	\$ 1,241,932	
Other retirement contributions - PERS	1,200,000	(9,418)	1,190,582	1,190,582	
Other retirement contributions - Regular	-	64,326	64,326	64,324	\$ 2
Worker's compensation	560,000	-	560,000	558,649	1,351
Health benefits	10,474,258	(1,137,367)	9,336,891	9,318,212	18,679
Unemployment compensation	100,000	216,273	316,273	315,874	399
Tuition reimbursement	141,690	2,371	144,061	144,060	1
Total unallocated benefits	13,695,948	(841,883)	12,854,065	12,833,633	20,432
Food service					
On-behalf TPAF pension contribution (non-budgeted)				4,133,388	(4,133,388)
Reimbursed TPAF social security contributions (non-budgeted)				3,168,996	(3,168,996)
Total on-behalf payments				7,302,384	(7,302,384)
Total undistributed expenditures	48,603,589	(677,757)	47,925,832	54,981,193	(7,055,361)
Total expenditures - current	90,057,756	161,408	90,219,164	96,938,985	(6,719,821)
Capital outlay:					
Equipment:					
Regular programs - instruction:					
Instruction	23,460	-	23,460	22,203	1,257
Grades 9-12	7,240	(4,000)	3,240	2,722	518
Non Instructional Services					
Noninstructional services	-	24,200	24,200	12,100	12,100
Total equipment	30,700	20,200	50,900	37,025	13,875
Facilities acquisition and construction services:					
Lease purchase agreements-principal	1,153,228	2,320	1,155,548	1,155,548	
Construction services	1,300,000	12,670	1,312,670	944,742	367,928
Other objects-assessment of debt service	36,490	-	36,490	36,490	-
Total facilities acquisition and construction services	2,489,718	35,190	2,504,708	2,136,780	367,928
Assets acquired under capital leases (non-budgeted)				750,000	(750,000)
Total expenditures - capital outlay	2,520,418		2,555,608	2,923,805	(368,197)
Total expenditures	92,578,174	196,598	92,774,772	99,862,790	(7,088,018)
(Deficiency) excess of revenues (under) over expenditures	(535,945)	(192,120)	(728,065)	1,654,955	2,383,020
Other financing sources (uses):					
Assets acquired under capital leases (non-budgeted)				750,000	750,000
Transfer in - Capital projects fund				15,679	15,679
Transfer out-Enterprise fund	(20,000)		(20,000)	(11,602)	8,398
Transfer out-Debt service fund		(800,000)	(800,000)	(800,000)	-
Total other financing sources (uses)	(20,000)	(800,000)	(820,000)	(45,923)	774,077
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	(555,945)	(992,120)	(1,548,065)	1,609,032	3,157,097
Fund balances, July 1	4,773,786		4,773,786	4,773,786	
Fund balances, June 30	\$ 4,217,841	\$ (992,120)	\$ 3,225,721	\$ 6,382,818	\$ 3,157,097

Livingston Board of Education
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources (uses)					
Budgeted fund balance	\$ (555,945)		\$ (555,945)	\$ 2,599,066	\$ 3,155,011
Deposits to capital reserve				2,086	2,086
Capital reserve transfers		\$ (800,000)	(800,000)	(800,000)	
Adjustment for prior year encumbrances		(192,120)	(192,120)	(192,120)	
Total	\$ (555,945)	\$ (992,120)	\$ (1,548,065)	\$ 1,609,032	\$ 3,157,097
Recapitulation of fund balance:					
Year end encumbrances - assigned				\$ 418,550	
Emergency reserve account - restricted				323,335	
Excess fund balance-current year-restricted				257,627	
Capital reserve account - restricted				1,206,560	
Designated for subsequent years' expenditures - assigned				1,200,000	
Unassigned				2,976,746	
Total fund balance (budgetary basis)				6,382,818	
Reconciliation to Government Funds Statements GAAP:					
Last state aid payments not recognized on GAAP basis				(133,803)	
Fund balance per Government Funds (GAAP)				\$ 6,249,015	

Livingston Board of Education
General Fund

Education Jobs Fund
Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Federal sources:					
Education Jobs Funds	\$ 142,926	\$ 4,478	\$ 147,404	\$ 147,404	
Total - federal sources	<u>142,926</u>	<u>4,478</u>	<u>147,404</u>	<u>147,404</u>	
Total revenues	142,926	4,478	147,404	147,404	
Expenditures:					
Current expenditures:					
Instruction - regular programs:					
Other instructional programs:					
Salaries	142,926	4,478	147,404	147,404	
Total other instructional programs	<u>142,926</u>	<u>4,478</u>	<u>147,404</u>	<u>147,404</u>	
Total expenditures	142,926	4,478	147,404	147,404	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Livingston Board of Education
Special Revenue Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State sources	\$ 607,214		\$ 607,214	\$ 504,263	\$ (102,951)
Federal sources	1,967,788		1,967,788	1,765,935	(201,853)
Other sources	59,512		59,512	47,432	(12,080)
Total revenues	<u>2,634,514</u>		<u>2,634,514</u>	<u>2,317,630</u>	<u>(316,884)</u>
Expenditures:					
Current expenditures:					
Instruction:					
Salaries	249,029		249,029	249,029	
Other purchased services	800,000		800,000	800,000	
Supplies and materials	21,744		21,744	21,736	8
Textbooks	41,158		41,158	40,805	353
Other objects	97,608		97,608	97,608	
Total instruction	<u>1,209,539</u>		<u>1,209,539</u>	<u>1,209,178</u>	<u>361</u>
Support services:					
Benefits	20,047		20,047	20,047	
Purchased professional and educational / technical services	776,315		776,315	574,470	201,845
Other purchased services	5,000		5,000	5,000	
General supplies	150,067		150,067	137,987	12,080
Supplies and materials	468,448		468,448	365,850	102,598
Total support services	<u>1,419,877</u>		<u>1,419,877</u>	<u>1,103,354</u>	<u>316,523</u>
Capital outlay:					
Instructional equipment	5,098		5,098	5,098	-
Total capital outlay	<u>5,098</u>		<u>5,098</u>	<u>5,098</u>	<u>-</u>
Total expenditures	<u>2,634,514</u>		<u>2,634,514</u>	<u>2,317,630</u>	<u>316,884</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Livingston Board of Education
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2012

	General Fund	Special Revenue Fund
	<hr/>	<hr/>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the Budgetary Comparison Schedule (C-1, C-2)	\$ 101,517,745	\$ 2,317,630
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior year		82,099
Current year		(6,764)
State aid payments are recognized for budgetary purposes, not recognized for GAAP statements.		
Current year	(133,803)	
	<hr/>	<hr/>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 101,383,942</u>	<u>\$ 2,392,965</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 99,862,790	\$ 2,317,630
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Net		75,335
	<hr/>	<hr/>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 99,862,790</u>	<u>\$ 2,392,965</u>

Special Revenue Fund

Livingston Board of Education
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2012

	Nonpublic Aid				Title I A	Title II A	Title III
	Text- books	Nursing	Auxiliary	Handicapped	Current	Current	Current
Revenues:							
State sources	\$ 40,805	\$ 97,608	\$ 15,147	\$ 350,703			
Federal sources					\$ 122,638	\$ 77,358	\$ 19,694
Local sources							
Total revenues	<u>\$ 40,805</u>	<u>\$ 97,608</u>	<u>\$ 15,147</u>	<u>\$ 350,703</u>	<u>\$ 122,638</u>	<u>\$ 77,358</u>	<u>\$ 19,694</u>
Expenditures:							
Instruction:							
Salaries					\$ 100,237		
Other purchased services							
Supplies and materials					2,354		
Textbooks	\$ 40,805						
Other objects		\$ 97,608					
Total instruction	<u>40,805</u>	<u>97,608</u>			<u>102,591</u>		
Undistributed:							
Support services:							
Benefits					20,047		
Purchased professional and educational/ technical services						\$ 77,358	\$ 19,694
Other purchased services							
General supplies							
Supplies and materials			\$ 15,147	\$ 350,703			
Total support services			<u>15,147</u>	<u>350,703</u>	<u>20,047</u>	<u>77,358</u>	<u>19,694</u>
Capital outlay:							
Instructional and non instructional equip.							
Total capital outlay							
Total expenditures	<u>\$ 40,805</u>	<u>\$ 97,608</u>	<u>\$ 15,147</u>	<u>\$ 350,703</u>	<u>\$ 122,638</u>	<u>\$ 77,358</u>	<u>\$ 19,694</u>

Livingston Board of Education
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2012

	I.D.E.I.A			I.D.E.I.A. ARRA		Montclair	NJSBAIG	Totals
	Part B Basic CO	Part B Basic	Preschool Current	Part B Basic	Preschool Current	FLAP Grant Current	Safety Grant Current	
Revenues:								
State sources								\$ 504,263
Federal sources	\$ 214,666	\$ 1,028,265	\$ 54,883	\$ 244,445	\$ 3,986			1,765,935
Local sources						\$ 24,920	\$ 22,512	47,432
Total revenues	<u>\$ 214,666</u>	<u>\$ 1,028,265</u>	<u>\$ 54,883</u>	<u>\$ 244,445</u>	<u>\$ 3,986</u>	<u>\$ 24,920</u>	<u>\$ 22,512</u>	<u>\$ 2,317,630</u>
Expenditures:								
Instruction:								
Salaries				\$ 148,792				\$ 249,029
Other purchased services		\$ 800,000						800,000
Supplies and materials		13,396	\$ 2,000		\$ 3,986			21,736
Textbooks								40,805
Other objects								97,608
Total instruction		<u>813,396</u>	<u>2,000</u>	<u>148,792</u>	<u>3,986</u>			<u>1,209,178</u>
Undistributed:								
Support services:								
Benefits								20,047
Purchased professional and educational/ technical services	\$ 214,666	209,869	52,883					574,470
Other purchased services		5,000						5,000
General supplies				90,555		\$ 24,920	\$ 22,512	137,987
Supplies and materials								365,850
Total support services	<u>214,666</u>	<u>214,869</u>	<u>52,883</u>	<u>90,555</u>		<u>24,920</u>	<u>22,512</u>	<u>1,103,354</u>
Capital outlay:								
Instructional and non instructional equip.				5,098				5,098
Total capital outlay				<u>5,098</u>				<u>5,098</u>
Total expenditures	<u>\$ 214,666</u>	<u>\$ 1,028,265</u>	<u>\$ 54,883</u>	<u>\$ 244,445</u>	<u>\$ 3,986</u>	<u>\$ 24,920</u>	<u>\$ 22,512</u>	<u>\$ 2,317,630</u>

Capital Projects Fund

Livingston Board of Education
 Capital Projects Fund
 Summary Schedule of Project Revenues, Expenditures,
 Project Balance and Project Status
 (Budgetary Basis)
 Year ended June 30, 2012

	Current Year
Revenues and other financing sources	
Interest on investments	\$ 15,679
Total revenues	15,679
Expenditures and other financing uses	
Purchased professional and technical services	767,993
Construction services	30,439,305
Bond issuance costs	-
Total expenditures and other financing uses	31,207,298
Excess of revenues over expenditures	(31,191,619)
Other financing uses:	
Transfers out	(15,679)
Total other financing uses:	(15,679)
Fund Balance, July 1	41,086,706
Fund Balance, June 30	\$ 9,879,408
 <u>Reconciliation of budgetary basis to GAAP basis:</u>	
Fund balance, budgetary basis, June 30, 2012	\$ 9,879,408
Less: Revenue not recognized on a GAAP basis	4,819,835
Fund balance, GAAP basis, June 30, 2012	\$ 5,059,573

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 22,398,628		\$ 22,398,628	\$ 22,398,628
Bond proceeds and transfers	88,596,000		88,596,000	93,806,849
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	110,994,628		110,994,628	\$ 116,205,477
Expenditures and other financing uses				
Purchased professional and technical services	6,469,616	\$ 767,993	7,237,609	
Land and improvements				
Construction services	63,272,893	30,439,305	93,712,198	
Equipment				
Transfers out				
Bond issuance costs	165,413	-	165,413	
Total expenditures and other financing uses	69,907,922	31,207,298	101,115,220	
Excess (deficiency) of revenues over (under) expenditures	\$ 41,086,706	\$ (31,207,298)	\$ 9,879,408	
Referendum				
Bonds Authorized	\$ 93,806,849			
Bonds Issued	88,596,000			
Original Authorized Cost	\$ 116,205,477			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 116,205,477			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	87.01%			

Livingston Board of Education
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)
High School Renovation
From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers	\$ 51,521,000		\$ 51,521,000	\$ 51,521,000
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>51,521,000</u>	<u>-</u>	<u>51,521,000</u>	<u><u>\$ 51,521,000</u></u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	3,161,463	\$ 1,536	3,162,999	
Land and improvements				
Construction services	47,686,892	23,863	47,710,755	
Equipment				
Transfers out				
Bond issuance costs	68,613		68,613	
Total expenditures and other financing uses	<u>50,916,968</u>	<u>25,399</u>	<u>50,942,367</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 604,032</u>	<u>\$ (25,399)</u>	<u>\$ 578,633</u>	
Additional project information				
Project number		None		
Grant date		None		
Bond authorization date		June 2005		
Bonds Authorized	\$ 51,521,000			
Bonds Issued	51,521,000			
Original Authorized Cost	\$ 51,521,000			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 51,521,000			
Percentage Increase over Original				
Authorized Cost		0.00%		
Percentage completion		98.88%		
Original target completion date		1/1/2009		
Revised target completion date		Complete		

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Burnet Hill Facility Upgrades

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 1,675,906		\$ 1,675,906	\$ 1,675,906
Bond proceeds and transfers	2,212,146	\$ (14,269)	2,197,877	2,507,792
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>1,675,906</u>	<u>(14,269)</u>	<u>3,873,783</u>	<u>\$ 4,183,698</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	233,619	143,850	377,469	
Land and improvements				
Construction services	798,806	2,341,890	3,140,696	
Equipment				
Transfers out				
Bond issuance costs	10,744		10,744	
Total expenditures and other financing uses	<u>1,043,169</u>	<u>2,485,740</u>	<u>3,528,909</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 632,737</u>	<u>\$ (2,500,009)</u>	<u>\$ 344,874</u>	
Additional project information				
Project number	2730-070-09-1001			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 2,507,792			
Bonds Issued	2,197,877			
Original Authorized Cost	\$ 4,189,766			
Additional Authorized Cost	(6,068)			
Revised Authorized Cost	\$ 4,183,698			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	91.10%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Burnet Hill Air Conditioning Installation

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 42,630		\$ 42,630	\$ 42,630
Bond proceeds and transfers	55,745	\$ 14,269	70,014	70,014
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>98,375</u>	<u>14,269</u>	<u>112,644</u>	<u>\$ 112,644</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	4,446	108,198	112,644	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	<u>4,446</u>	<u>108,198</u>	<u>112,644</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 93,929</u>	<u>\$ (93,929)</u>	<u>\$ -</u>	
Additional project information				
Project number	2730-070-09-1010			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 70,014			
Bonds Issued	70,014			
Original Authorized Cost	\$ 106,576			
Additional Authorized Cost	6,068			
Revised Authorized Cost	\$ 112,644			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	99.00%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Burnet Hill Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers	\$ 805,856		\$ 805,856	\$ 932,250
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>805,856</u>	<u>-</u>	<u>805,856</u>	<u><u>\$ 932,250</u></u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	51,263	\$ 1,659	52,922	
Land and improvements				
Construction services	413,160	26,941	440,101	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	<u>464,423</u>	<u>28,600</u>	<u>493,023</u>	
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$ 341,433</u></u>	<u><u>\$ (28,600)</u></u>	<u><u>\$ 312,833</u></u>	
Additional project information				
Project number	2730-070-10-1000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 932,250			
Bonds Issued	805,856			
Original Authorized Cost	\$ 932,250			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 932,250			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Collins Facility Upgrades

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 2,218,910		\$ 2,218,910	\$ 2,218,910
Bond proceeds and transfers	2,928,895		2,928,895	3,328,364
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>5,147,805</u>	<u>-</u>	<u>5,147,805</u>	<u>\$ 5,547,274</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	295,477	\$ 57,503	352,980	
Land and improvements				
Construction services	869,426	3,300,290	4,169,716	
Equipment				
Transfers out				
Bond issuance costs	10,744		10,744	
Total expenditures and other financing uses	<u>1,175,647</u>	<u>3,357,793</u>	<u>4,533,440</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,972,158</u>	<u>\$ (3,357,793)</u>	<u>\$ 614,365</u>	
Additional project information				
Project number	2730-080-09-1002			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 3,328,364			
Bonds Issued	2,928,895			
Original Authorized Cost	\$ 5,547,274			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 5,547,274			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	88.07%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Collins Air Conditioning Installation

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 85,781		\$ 85,781	\$ 85,781
Bond proceeds and transfers	113,230		113,230	128,672
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>199,011</u>	<u>-</u>	<u>199,011</u>	<u>\$ 214,453</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	2,208	\$ 165,660	167,868	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	<u>2,208</u>	<u>165,660</u>	<u>167,868</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 196,803</u>	<u>\$ (165,660)</u>	<u>\$ 31,143</u>	
Additional project information				
Project number	2730-080-09-1011			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 128,672			
Bonds Issued	113,230			
Original Authorized Cost	\$ 214,453			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 214,453			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	84.35%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Collins Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers	\$ 860,098		\$ 860,098	\$ 995,000
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u> </u>	<u> </u>	<u>860,098</u>	<u>\$ 995,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	52,507	\$ 1,731	54,238	
Land and improvements				
Construction services	610,454	20,630	631,084	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	<u>662,961</u>	<u>22,361</u>	<u>685,322</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (662,961)</u>	<u>\$ (22,361)</u>	<u>\$ 174,776</u>	
Additional project information				
Project number	2730-080-10-1000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 995,000			
Bonds Issued	860,098			
Original Authorized Cost	\$ 995,000			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 995,000			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Harrison Facility Upgrades

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 4,037,727		\$ 4,037,727	\$ 4,037,727
Bond proceeds and transfers	5,329,680		5,329,680	6,056,591
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>9,367,407</u>	<u>-</u>	<u>9,367,407</u>	<u>\$ 10,094,318</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	500,500	\$ 106,903	607,403	
Land and improvements				
Construction services	939,371	5,106,862	6,046,233	
Equipment				
Transfers out				
Bond issuance costs	10,844		10,844	
Total expenditures and other financing uses	<u>1,450,715</u>	<u>5,213,765</u>	<u>6,664,480</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 7,916,692</u>	<u>\$ (5,213,765)</u>	<u>\$ 2,702,927</u>	
Additional project information				
Project number	2730-090-09-1003			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 6,056,591			
Bonds Issued	5,329,680			
Original Authorized Cost	\$ 10,094,318			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 10,094,318			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	71.15%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Harrison Air Conditioning Installation

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 151,938		\$ 151,938	\$ 151,938
Bond proceeds and transfers	200,555		200,555	227,908
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	352,493	-	352,493	\$ 379,846
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	22,690	\$ 318,803	341,493	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	22,690	318,803	341,493	
Excess (deficiency) of revenues over (under) expenditures	\$ 329,803	\$ (318,803)	\$ 11,000	
Additional project information				
Project number	2730-090-09-1012			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 227,908			
Bonds Issued	200,555			
Original Authorized Cost	\$ 379,846			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 379,846			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	96.88%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Harrison Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers	\$ 301,985	\$ 4,682	\$ 306,667	\$ 354,032
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>301,985</u>	<u>4,682</u>	<u>306,667</u>	<u>\$ 354,032</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	19,549	681	20,230	
Land and improvements				
Construction services	282,193	4,244	286,437	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	<u>301,742</u>	<u>4,925</u>	<u>306,667</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 243</u>	<u>\$ (243)</u>	<u>\$ -</u>	
Additional project information				
Project number	2730-090-10-1000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 354,032			
Bonds Issued	306,667			
Original Authorized Cost	\$ 349,350			
Additional Authorized Cost	4,682			
Revised Authorized Cost	\$ 354,032			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Hillside Facility Upgrades

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 1,986,748		\$ 1,986,748	\$ 1,986,748
Bond proceeds and transfers	2,622,448	\$ (26,361)	2,596,087	2,953,761
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>4,609,196</u>	<u>(26,361)</u>	<u>4,582,835</u>	<u>\$ 4,940,509</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	273,057	50,523	323,580	
Land and improvements				
Construction services	816,911	2,905,673	3,722,584	
Equipment				
Transfers out				
Bond issuance costs	10,844		10,844	
Total expenditures and other financing uses	<u>1,100,812</u>	<u>2,956,196</u>	<u>4,057,008</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,508,384</u>	<u>\$ (2,982,557)</u>	<u>\$ 525,827</u>	
Additional project information				
Project number	2730-100-09-1004			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 2,953,761			
Bonds Issued	2,596,087			
Original Authorized Cost	\$ 4,967,140			
Additional Authorized Cost	(26,631)			
Revised Authorized Cost	\$ 4,940,509			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	88.53%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Hillside Air Conditioning Installation

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 67,983		\$ 67,983	\$ 67,983
Bond proceeds and transfers	89,735	\$ 5,001	94,736	106,975
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	157,718	5,001	162,719	\$ 174,958
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	18,427	144,292	162,719	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	18,427	144,292	162,719	
Excess (deficiency) of revenues over (under) expenditures	\$ 139,291	\$ (139,291)	\$ -	
Additional project information				
Project number	2730-100-09-1015			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 106,975			
Bonds Issued	94,736			
Original Authorized Cost	\$ 169,957			
Additional Authorized Cost	5,001			
Revised Authorized Cost	\$ 174,958			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	99.00%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Hillside Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers	\$ 654,850	\$ 16,678	\$ 671,528	\$ 774,238
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>654,850</u>	<u>16,678</u>	<u>671,528</u>	<u>\$ 774,238</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	40,459	1,302	41,761	
Land and improvements				
Construction services	590,977	38,790	629,767	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	<u>631,436</u>	<u>40,092</u>	<u>671,528</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 23,414</u>	<u>\$ (23,414)</u>	<u>\$ -</u>	
Additional project information				
Project number	2730-100-10-1000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 774,238			
Bonds Issued	671,528			
Original Authorized Cost	\$ 757,560			
Additional Authorized Cost	16,678			
Revised Authorized Cost	\$ 774,238			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Mt. Pleasant Elementary Facility Upgrades

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 1,529,482		\$ 1,529,482	\$ 1,529,482
Bond proceeds and transfers	2,018,871		2,018,871	2,294,224
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>3,548,353</u>	<u>-</u>	<u>3,548,353</u>	<u>\$ 3,823,706</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	214,757	\$ 31,106	245,863	
Land and improvements				
Construction services	1,031,453	1,553,505	2,584,958	
Equipment				
Transfers out				
Bond issuance costs	10,744		10,744	
Total expenditures and other financing uses	<u>1,256,954</u>	<u>1,584,611</u>	<u>2,841,565</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,291,399</u>	<u>\$ (1,584,611)</u>	<u>\$ 706,788</u>	
Additional project information				
Project number	2730-110-09-1005			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 2,294,224			
Bonds Issued	2,018,871			
Original Authorized Cost	\$ 3,823,706			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 3,823,706			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	80.08%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Mt. Pleasant Elementary Air Conditioning Installation

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 56,495		\$ 56,495	\$ 56,495
Bond proceeds and transfers	74,572		74,572	84,742
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>131,067</u>	<u>-</u>	<u>131,067</u>	<u>\$ 141,237</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	12,113	\$ 116,149	128,262	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	<u>12,113</u>	<u>116,149</u>	<u>128,262</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 118,954</u>	<u>\$ (116,149)</u>	<u>\$ 2,805</u>	
Additional project information				
Project number	2730-110-09-1016			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 84,742			
Bonds Issued	74,572			
Original Authorized Cost	\$ 141,237			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 141,237			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	97.86%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Mt. Pleasant Elementary Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers	\$ 913,692		\$ 913,692	\$ 1,057,000
Contribution from private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	913,692	-	913,692	\$ 1,057,000
Expenditures and Other Financing Uses				
Purchased professional and technical services	57,015	\$ 2,320	59,335	
Land and improvements				
Construction services	612,248	5,547	617,795	
Equipment				
Transfers out				
Bond issuance costs				
Total expenditures and other financing uses	669,263	7,867	677,130	
Excess (deficiency) of revenues over (under) expenditures	\$ 244,429	\$ (7,867)	\$ 236,562	
Additional project information				
Project number	2730-110-10-2000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 1,057,000			
Bonds Issued	913,692			
Original Authorized Cost	\$ 1,057,000			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 1,057,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Mt. Pleasant Middle Facility Upgrades

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 2,389,912		\$ 2,389,912	\$ 2,389,912
Bond Proceeds and transfers	3,154,612		3,154,612	3,584,867
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>5,544,524</u>	<u>-</u>	<u>5,544,524</u>	<u>\$ 5,974,779</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	325,992	\$ 73,998	399,990	
Land and improvements				
Construction services	1,687,359	2,853,154	4,540,513	
Equipment				
Transfers Out				
Bond issuance costs	10,844		10,844	
Total expenditures and other financing uses	<u>2,024,195</u>	<u>2,927,152</u>	<u>4,951,347</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,520,329</u>	<u>\$ (2,927,152)</u>	<u>\$ 593,177</u>	
Additional project information				
Project number	2730-060-09-2007			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 3,584,867			
Bonds Issued	3,154,612			
Original Authorized Cost	\$ 5,974,779			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 5,974,779			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	89.30%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Mt. Pleasant Middle HVAC

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 102,247		\$ 102,247	\$ 102,247
Bond Proceeds and transfers	134,964		134,964	153,371
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>237,211</u>	<u>-</u>	<u>237,211</u>	<u>\$ 255,618</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	15,256	\$ 213,226	228,482	
Equipment				
Transfers Out				
Bond issuance costs				
Total expenditures and other financing uses	<u>15,256</u>	<u>213,226</u>	<u>228,482</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 221,955</u>	<u>\$ (213,226)</u>	<u>\$ 8,729</u>	
Additional project information				
Project number	2730-060-09-2014			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 153,371			
Bonds Issued	134,964			
Original Authorized Cost	\$ 255,618			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 255,618			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	96.32%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Mt. Pleasant Middle Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond Proceeds and transfers	\$ 750,317		\$ 750,317	\$ 868,000
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>750,317</u>	<u>-</u>	<u>750,317</u>	<u>\$ 868,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	46,517	\$ 1,516	48,033	
Land and improvements				
Construction services	492,796	63,202	555,998	
Equipment				
Transfers Out				
Bond issuance costs				
Total expenditures and other financing uses	<u>539,313</u>	<u>64,718</u>	<u>604,031</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 211,004</u>	<u>\$ (64,718)</u>	<u>\$ 146,286</u>	
Additional project information				
Project number	2730-060-10-2000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 868,000			
Bonds Issued	750,317			
Original Authorized Cost	\$ 868,000			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 868,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	80.50%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Riker Hill Facility Upgrades

From Inception and for the year ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources				
State Sources - SDA Grant	\$ 2,510,834		\$ 2,510,834	\$ 2,510,834
Bond Proceeds and transfers	3,314,226	\$ (9,849)	3,304,377	3,756,403
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>5,825,060</u>	<u>(9,849)</u>	<u>5,815,211</u>	<u>\$ 6,267,237</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	331,913	82,900	414,813	
Land and improvements				
Construction services	1,386,998	3,132,431	4,519,429	
Equipment				
Transfers Out				
Bond issuance costs	10,744		10,744	
Total expenditures and other financing uses	<u>1,729,655</u>	<u>3,215,331</u>	<u>4,944,986</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 4,095,405</u>	<u>\$ (3,225,180)</u>	<u>\$ 870,225</u>	
Additional project information				
Project number	2730-118-09-2008			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 3,756,403			
Bonds Issued	3,304,377			
Original Authorized Cost	\$ 6,277,086			
Additional Authorized Cost	(9,849)			
Revised Authorized Cost	\$ 6,267,237			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	85.04%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Riker Hill HVAC

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 56,495		\$ 56,495	\$ 56,495
Bond Proceeds and transfers	74,572	\$ 9,849	84,421	94,591
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>131,067</u>	<u>9,849</u>	<u>140,916</u>	<u>\$ 151,086</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	1,916	139,000	140,916	
Equipment				
Transfers Out				
Bond issuance costs				
Total expenditures and other financing uses	<u>1,916</u>	<u>139,000</u>	<u>140,916</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 129,151</u>	<u>\$ (129,151)</u>	<u>\$ -</u>	
Additional project information				
Project number	2730-118-09-2017			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 94,591			
Bonds Issued	84,421			
Original Authorized Cost	\$ 141,237			
Additional Authorized Cost	9,849			
Revised Authorized Cost	\$ 151,086			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	99.00%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Riker Hill Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond Proceeds and transfers	\$ 1,140,170		\$ 1,140,170	\$ 1,319,000
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>1,140,170</u>	<u>-</u>	<u>1,140,170</u>	<u><u>\$ 1,319,000</u></u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	69,922	\$ 2,238	72,160	
Land and improvements				
Construction services	1,029,616	37,526	1,067,142	
Equipment				
Transfers Out				
Bond issuance costs				
Total expenditures and other financing uses	<u>1,099,538</u>	<u>39,764</u>	<u>1,139,302</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 40,632</u>	<u>\$ (39,764)</u>	<u>\$ 868</u>	
Additional project information				
Project number	2730-118-10-1000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 1,319,000			
Bonds Issued	1,140,170			
Original Authorized Cost	\$ 1,319,000			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 1,319,000			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Heritage Middle Facility Upgrades

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 5,209,127		\$ 5,209,127	\$ 5,209,127
Bond Proceeds and transfers	6,875,892		6,875,892	7,813,690
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>12,085,019</u>	<u>-</u>	<u>12,085,019</u>	<u><u>\$ 13,022,817</u></u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	661,672	\$ 166,418	828,090	
Land and improvements				
Construction services	2,585,393	7,142,534	9,727,927	
Equipment				
Transfers Out				
Bond issuance costs	10,744		10,744	
Total expenditures and other financing uses	<u>3,257,809</u>	<u>7,308,952</u>	<u>10,566,761</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 8,827,210</u>	<u>\$ (7,308,952)</u>	<u>\$ 1,518,258</u>	
Additional project information				
Project number	2730-055-09-2006			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 7,813,690			
Bonds Issued	6,875,892			
Original Authorized Cost	\$ 13,022,817			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 13,022,817			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	87.44%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Heritage Middle HVAC

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 276,413		\$ 276,413	\$ 276,413
Bond Proceeds and transfers	364,857		364,857	414,619
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>641,270</u>	<u>-</u>	<u>641,270</u>	<u>\$ 691,032</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Land and improvements				
Construction services	15,034	\$ 601,163	616,197	
Equipment				
Transfers Out				
Bond issuance costs				
Total expenditures and other financing uses	<u>15,034</u>	<u>601,163</u>	<u>616,197</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 626,236</u>	<u>\$ (601,163)</u>	<u>\$ 25,073</u>	
Additional project information				
Project number	2730-055-09-2013			
Grant date	1/29/2010			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 414,619			
Bonds Issued	364,857			
Original Authorized Cost	\$ 691,032			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 691,032			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	96.09%			
Original target completion date	10/15/2012			
Revised target completion date	10/15/2012			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Heritage Middle Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond Proceeds and transfers	\$ 777,978		\$ 777,978	\$ 900,000
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>777,978</u>	<u>-</u>	<u>777,978</u>	<u>\$ 900,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	47,644	\$ 1,541	49,185	
Land and improvements				
Construction services	660,966	28,241	689,207	
Equipment				
Transfers Out				
Bond issuance costs				
Total expenditures and other financing uses	<u>708,610</u>	<u>29,782</u>	<u>738,392</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 69,368</u>	<u>\$ (29,782)</u>	<u>\$ 39,586</u>	
Additional project information				
Project number	2730-055-10-2000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 900,000			
Bonds Issued	777,978			
Original Authorized Cost	\$ 900,000			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 900,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Livingston High School Solar Panels

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond Proceeds and transfers	\$ 1,305,054		\$ 1,305,054	\$ 1,509,745
Contribution from Private sources				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>1,305,054</u>	<u>-</u>	<u>1,305,054</u>	<u>\$ 1,509,745</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	86,290	\$ 40,268	126,558	
Land and improvements				
Construction services	685,784	47,491	733,275	
Equipment				
Transfers Out				
Bond issuance costs	10,548		10,548	
Total expenditures and other financing uses	<u>782,622</u>	<u>87,759</u>	<u>870,381</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 522,432</u>	<u>\$ (87,759)</u>	<u>\$ 434,673</u>	
Additional project information				
Project number	2730-050-10-1000			
Grant date	None			
Bond authorization date	12/14/2009			
Bonds Authorized	\$ 1,509,745			
Bonds Issued	1,305,054			
Original Authorized Cost	\$ 1,509,745			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 1,509,745			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	2/17/2011			
Revised target completion date	Complete			

Livingston Board of Education
Capital Projects Fund

Summary Schedule of Project Expenditures
(Budgetary Basis)

Year ended June 30, 2012

Issue/Project Title	Appropriations	Expenditures to Date		Unexpended Balance
		Prior Years	Current Year	
High school renovation-referendum	\$ 51,521,000	\$ 50,916,968	\$ 25,399	\$ 578,633
Facility upgrades and HVAC	55,996,572	13,131,046	30,856,031	12,009,495
Solar Panels	8,687,905	5,859,908	325,868	2,502,129
	<u>\$ 116,205,477</u>	<u>\$ 69,907,922</u>	<u>\$ 31,207,298</u>	15,090,257
Bonds and notes authorized and not issued				(5,210,849)
			F-1	<u>\$ 9,879,408</u>

Components of appropriations for referendum questions - high school renovations

Bonds authorized 6/15/06	\$ 8,000,000
Bonds authorized 10/9/07	43,521,000
	<u>\$ 51,521,000</u>

Components of appropriations - Facility upgrades and HVAC

NJ Schools Development Authority	\$ 22,398,628
Bonds authorized 12/14/09	33,597,944
	<u>\$ 55,996,572</u>

Components of appropriations - Solar panels

Bonds authorized 12/14/09	\$ 8,687,905
	<u>\$ 8,687,905</u>

Fiduciary Funds

Livingston Board of Education
Trust and Agency Funds

Combining Statement of Fiduciary Net Assets

June 30, 2012

	<u>Trust</u>	<u>Agency</u>		<u>Total</u> <u>Agency</u>
	<u>Unemployment</u> <u>Compensation</u>	<u>Student</u> <u>Activity</u>	<u>Payroll</u>	
Assets				
Cash and cash equivalents	\$ 162,818	\$ 379,370	\$ 1,640,720	\$ 2,020,090
Interfund receivable	13,341			
Total assets	<u>176,159</u>	<u>\$ 379,370</u>	<u>\$ 1,640,720</u>	<u>\$ 2,020,090</u>
Liabilities				
Payroll deductions and withholdings payable			\$ 575,098	\$ 575,098
Summer escrow payable			1,065,622	
Accounts payable	106,624			
Due to student groups		\$ 379,370		379,370
Total liabilities	<u>106,624</u>	<u>\$ 379,370</u>	<u>\$ 1,640,720</u>	<u>\$ 954,468</u>
Net assets				
Held in trust for unemployment claims	69,535			
Total net assets	<u>\$ 69,535</u>			

Livingston Board of Education
Student Activity Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2012

	Balance			Balance
	July	Cash	Cash	June
	1, 2011	Receipts	Disbursements	30, 2012
Elementary schools:				
Burnet Hill	\$ 7,467	\$ 16,956	\$ 16,983	\$ 7,440
Riker Hill	4,016	15,602	15,394	4,224
Collins	5,109	18,192	17,599	5,702
Harrison	6,295	26,308	26,190	6,413
Hillside	14,475	30,518	33,687	11,306
Mount Pleasant	24,158	29,696	47,918	5,936
	<u>61,520</u>	<u>137,272</u>	<u>157,771</u>	<u>41,021</u>
Middle schools:				
Heritage	35,565	103,520	83,556	55,529
Mount Pleasant	22,859	38,278	37,055	24,082
	<u>58,424</u>	<u>141,798</u>	<u>120,611</u>	<u>79,611</u>
High school:				
Senior High School	248,601	796,281	793,244	251,638
Athletic account	1,368	119,991	116,154	5,205
Scholarships	11,737	1,251	11,093	1,895
	<u>261,706</u>	<u>917,523</u>	<u>920,491</u>	<u>258,738</u>
Total all schools	<u>\$ 381,650</u>	<u>\$ 1,196,593</u>	<u>\$ 1,198,873</u>	<u>\$ 379,370</u>

Livingston Board of Education
Payroll Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2012

	Balance July 1, 2011	Cash Receipts	Cash Disbursements	Balance June 30, 2012
Assets				
Cash and cash equivalents	\$ 1,405,490	\$ 73,704,251	\$ 73,469,021	\$ 1,640,720
Total assets	<u>\$ 1,405,490</u>	<u>\$ 73,704,251</u>	<u>\$ 73,469,021</u>	<u>\$ 1,640,720</u>
Liabilities				
Interfund payable	\$ 22,340		\$ 22,340	
Payroll deductions and withholdings	395,381	\$ 72,638,629	72,458,912	\$ 575,098
Summer escrow payable	987,769	1,065,622	987,769	1,065,622
Total liabilities	<u>\$ 1,405,490</u>	<u>\$ 73,704,251</u>	<u>\$ 73,469,021</u>	<u>\$ 1,640,720</u>

Long-Term Debt

Livingston Board of Education
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2012

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2011	Retired	Balance June 30, 2012
			Date	Amount				
Renovations to Schools	8/15/01	\$ 12,000,000				\$ 640,000	\$ 640,000	
Renovations to Schools	11/1/02	6,529,000	7/15/12	\$ 315,000	3.750%	615,000	300,000	\$ 315,000
High School Renovations	6/15/06	8,000,000	1/15/13	355,000	4.100			
			1/15/14	370,000	4.100			
			1/15/15	390,000	4.100			
			1/15/16	405,000	4.100			
			1/15/17	420,000	4.100			
			1/15/18	440,000	4.100			
			1/15/19	455,000	4.100			
			1/15/20	475,000	4.100			
			1/15/21	495,000	4.100			
			1/15/22	515,000	4.100			
			1/15/23	535,000	4.100			
			1/15/24	560,000	4.125			
			1/15/25	580,000	4.125			
			1/15/26	605,000	4.125	6,945,000	345,000	6,600,000
High School Renovations	10/9/07	43,521,000	7/15/12-7/15/14	1,100,000	4.250			
			7/15/15	1,150,000	4.250			
			7/15/16	1,250,000	4.250			
			7/15/17-7/15/21	1,250,000	4.500			
			7/15/22	1,500,000	4.500			
			7/15/23	1,600,000	4.500			
			7/15/24	1,500,000	4.500			
			7/15/25	1,600,000	4.500			
			7/15/26	1,700,000	4.500			
			7/15/27-7/15/30	1,750,000	4.500			
			7/15/31-7/15/32	1,800,000	4.500			
			7/15/33	1,900,000	4.500			
			7/15/34-7/15/36	2,000,000	4.500			
			7/15/37	1,971,000	4.500	41,421,000	1,100,000	40,321,000
School Refunding Bonds	3/11/10	12,405,000	7/15/12	390,000	2.000			
			7/15/13	1,115,000	2.000			
			7/15/14	1,165,000	2.000			
			7/15/15	1,190,000	3.000			
			7/15/16	1,230,000	3.000			
			7/15/17	1,275,000	3.000			
			7/15/18	1,315,000	4.000			
			7/15/19	1,370,000	4.000			
			7/15/20	1,405,000	4.000			
			7/15/21	1,475,000	4.000			
			7/15/22	475,000	4.000	12,405,000		12,405,000
Renovations to schools BAB	8/3/10	28,075,000	7/15/21	1,870,000	4.450			
			7/15/22	1,960,000	4.630			
			7/15/23	2,000,000	4.750			
			7/15/24	2,000,000	4.880			
			7/15/25	2,000,000	4.950			
			7/15/26	1,600,000	5.150			
			7/15/27	1,650,000	5.300			
			7/15/28	1,700,000	5.450			
			7/15/29	1,750,000	5.450			
			7/15/30	1,770,000	5.450			
			7/15/31	1,850,000	5.600			
			7/15/32	1,925,000	5.600			
			7/15/33-7/15/35	2,000,000	5.600	28,075,000		28,075,000
Renovations to schools	8/3/10	9,000,000	7/15/12	1,000,000	1.000			
			7/15/13	1,000,000	1.500			
			7/15/14	1,000,000	1.500			
			7/15/15	1,000,000	2.000			
			7/15/16	1,000,000	2.000			
			7/15/17	1,000,000	2.000			
			7/15/18	1,000,000	2.125			
			7/15/19	1,000,000	2.350			
			7/15/20	1,000,000	2.500			
						9,000,000		9,000,000
						<u>\$ 99,101,000</u>	<u>\$ 2,385,000</u>	<u>\$ 96,716,000</u>

Livinston Board of Education
Long-Term Debt

Schedule of Obligations Under Capital Leases

Year ended June 30, 2012

	Interest Rate	Amount of Original Issue	Balance July 1, 2011	Issued	Retired	Balance June 30, 2012
Carlyle	5.60%	\$ 2,228,031	\$ 767,765		\$ 179,701	\$ 588,064
Bank of America	3.95%	799,464	172,241		172,241	-
TD Bank	4.02%	799,920	338,194		165,765	172,429
TD Bank	3.31%	1,250,000	774,002		249,646	524,356
TD Bank	4.25%	1,250,000	1,014,117		242,490	771,627
Suntrust Leasing	2.17%	750,000	750,000		145,705	604,295
TD Bank	1.94%	750,000		\$ 750,000		750,000
			<u>\$ 3,816,319</u>	<u>\$ 750,000</u>	<u>\$ 1,155,548</u>	<u>\$ 3,410,771</u>

Livingston Board of Education
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local sources:					
Local tax levy	\$ 5,065,306		\$ 5,065,306	\$ 5,065,306	
Miscellaneous				10,013	\$ 10,013
State sources:					
Debt service aid type II	672,534		672,534	672,534	
Total revenues	<u>5,737,840</u>		<u>5,737,840</u>	<u>5,747,853</u>	<u>10,013</u>
Expenditures:					
Principal on bonds	2,385,000		2,385,000	2,385,000	
Interest on bonds	4,152,840		4,152,840	4,152,840	
Total expenditures	<u>6,537,840</u>		<u>6,537,840</u>	<u>6,537,840</u>	
(Deficiency) Excess of revenues (under) over	(800,000)		(800,000)	(789,987)	10,013
Other financing sources:					
Transfer in	800,000		800,000	800,000	
Total other financing sources	<u>800,000</u>		<u>800,000</u>	<u>800,000</u>	
Net change in fund balances	-		-	10,013	10,013
Fund balance, July 1	-		-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,013</u>	<u>\$ 10,013</u>

Statistical Section

**Statistical Section
Unaudited**

Contents

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ended June 30, 2003; schedules presenting district-wide information include information beginning in that year. Ten years of information has been provided where available.*

Livingston Board of Education
 Net Assets by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)
 Unaudited

	Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities at District-wide level										
Invested in capital assets, net of related debt	\$ 24,422,595	\$ 23,987,776	\$ 24,855,458	\$ 25,535,969	\$ 26,021,955	\$ 27,138,634	\$ 28,226,511	\$ 32,361,810	\$ 29,780,271	\$ 51,502,583
Restricted	342,813	577,226	320,675	468,379	1,639,337	3,266,572	2,081,718	2,083,754	9,634,285	1,797,535
Unrestricted (deficit)	<u>(1,759,720)</u>	<u>(2,561,082)</u>	<u>(1,260,327)</u>	<u>(730,280)</u>	<u>(1,600,399)</u>	<u>(3,539,435)</u>	<u>(2,858,594)</u>	<u>(4,665,561)</u>	<u>(2,790,043)</u>	<u>(1,407,628)</u>
Total governmental activities net assets	<u>\$ 23,005,688</u>	<u>\$ 22,003,920</u>	<u>\$ 23,915,806</u>	<u>\$ 25,274,068</u>	<u>\$ 26,060,893</u>	<u>\$ 26,865,771</u>	<u>\$ 27,449,635</u>	<u>\$ 29,780,003</u>	<u>\$ 36,624,513</u>	<u>\$ 51,892,490</u>
Business-type activities at District-wide level										
Unrestricted							\$ -	\$ 37,129	\$ 101,382	\$ 117,150
Total business-type activities net assets							<u>\$ -</u>	<u>\$ 37,129</u>	<u>\$ 101,382</u>	<u>\$ 117,150</u>
Governmental activities at District-wide level										
Invested in capital assets, net of related debt	\$ 24,422,595	\$ 23,987,776	\$ 24,855,458	\$ 25,535,969	\$ 26,021,955	\$ 27,138,634	\$ 28,226,511	\$ 32,361,810	\$ 29,780,271	\$ 51,502,583
Restricted	342,813	577,226	320,675	468,379	1,639,337	3,266,572	2,081,718	2,083,754	9,634,285	1,797,535
Unrestricted (deficit)	<u>(1,759,720)</u>	<u>(2,561,082)</u>	<u>(1,260,327)</u>	<u>(730,280)</u>	<u>(1,600,399)</u>	<u>(3,539,435)</u>	<u>(2,858,594)</u>	<u>(4,628,432)</u>	<u>(2,688,661)</u>	<u>(1,290,478)</u>
Total governmental activities net assets	<u>\$ 23,005,688</u>	<u>\$ 22,003,920</u>	<u>\$ 23,915,806</u>	<u>\$ 25,274,068</u>	<u>\$ 26,060,893</u>	<u>\$ 26,865,771</u>	<u>\$ 27,449,635</u>	<u>\$ 29,817,132</u>	<u>\$ 36,725,895</u>	<u>\$ 52,009,640</u>

Source: CAFR Schedule A-1 and District records.

The District commenced operations of its food service enterprise fund during the 2009 fiscal year.

Livingston Board of Education
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities										
Instruction	\$ 44,693,419	\$ 47,370,196	\$ 49,879,180	\$ 53,064,508	\$ 58,747,266	\$ 61,513,696	\$ 60,605,930	\$ 64,714,624	\$ 63,878,756	\$ 66,272,731
Support Services:										
Attendance and social work	217,659	248,888	278,244	290,034	338,011	349,537	336,610	101,614	111,223	87,045
Health services	954,003	941,123	1,029,433	1,100,148	1,204,217	1,276,774	1,276,809	1,315,293	1,155,226	1,250,211
Other support services	5,773,060	6,505,108	7,563,349	7,640,319	7,722,403	7,568,944	8,027,094	8,749,413	8,527,200	8,969,414
Improvement of instruction	1,467,340	1,689,781	1,639,006	1,849,209	1,893,851	1,630,791	1,672,833	2,239,925	2,287,581	2,474,874
Other support instructional staff	442,856	449,498	649,209	529,806	578,156	541,990	519,445	430,135	618,138	602,057
School library	1,144,396	1,144,116	1,246,127	1,303,401	1,418,986	1,489,935	1,496,265	1,420,543	1,402,614	1,534,227
General administration	1,443,636	1,642,161	1,649,936	1,700,653	1,782,990	1,983,217	1,664,847	1,614,441	1,501,121	1,602,967
School administration	3,952,619	4,150,571	4,393,419	4,758,884	5,144,824	5,301,362	5,275,513	5,490,678	5,330,008	5,319,153
Required maintenance of plant	1,439,101	1,580,611	1,400,597	2,493,301	1,629,792	1,728,144	1,672,944	1,806,197	1,548,439	1,679,427
Operation of plant	3,797,545	4,306,844	4,353,298	4,726,966	5,156,209	5,678,215	6,114,877	6,361,609	6,452,481	6,743,825
Student transportation	2,381,759	3,052,672	2,869,360	3,000,060	3,519,539	3,594,490	3,623,878	3,517,749	2,859,259	3,327,734
Central services							1,812,960	1,877,854	1,813,338	1,805,295
Administrative information technology							1,030,394	1,001,413	1,099,190	1,334,838
Business and other support services and benefits	1,803,835	3,223,524	2,549,481	2,668,306	2,627,678	3,422,862				
Capital outlay	335,559	2,311,001	789,907							
Interest on long-term debt	1,051,851	1,014,627	934,133	822,413	1,045,333	2,185,319	3,283,557	2,731,585	3,534,830	3,759,553
Total governmental activities expenses	<u>70,898,638</u>	<u>79,630,721</u>	<u>81,224,679</u>	<u>85,948,008</u>	<u>92,809,255</u>	<u>98,265,276</u>	<u>98,413,956</u>	<u>103,373,073</u>	<u>102,119,404</u>	<u>106,763,351</u>
Business-type activities										
Food service							835,526	785,620	899,767	942,943
Total business-type activities							835,526	785,620	899,767	942,943
Total district expenses	<u>\$ 70,898,638</u>	<u>\$ 79,630,721</u>	<u>\$ 81,224,679</u>	<u>\$ 85,948,008</u>	<u>\$ 92,809,255</u>	<u>\$ 98,265,276</u>	<u>\$ 99,249,482</u>	<u>\$ 104,158,693</u>	<u>\$ 103,019,171</u>	<u>\$ 107,706,294</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 173,938	\$ 90,127	\$ 57,618	\$ 69,697	\$ 33,559	\$ 33,185	\$ 104,008	\$ 72,370	\$ 116,574	\$ 53,985
Pupil transportation		78,167	82,695	95,135	60,000	88,270	158,875	158,408	114,679	310,880
Operating grants and contributions	1,620,075	1,534,270	1,686,936	1,785,033	1,921,902	1,845,781	1,848,856	2,835,726	2,326,694	2,355,452
Capital grants and contributions			167,580	52,457		57,804	74,938	978,472	4,427,857	12,398,388
Total governmental activities program revenues	<u>1,794,013</u>	<u>1,702,564</u>	<u>1,994,829</u>	<u>2,002,322</u>	<u>2,015,461</u>	<u>2,025,040</u>	<u>2,186,677</u>	<u>4,044,976</u>	<u>6,985,804</u>	<u>15,118,705</u>
Business-type activities										
Charges for services							803,166	822,498	955,095	946,322
Food service							803,166	822,498	955,095	946,322
Total business-type activities							803,166	822,498	955,095	946,322
Total district program revenues	<u>\$ 1,794,013</u>	<u>\$ 1,702,564</u>	<u>\$ 1,994,829</u>	<u>\$ 2,002,322</u>	<u>\$ 2,015,461</u>	<u>\$ 2,025,040</u>	<u>\$ 2,989,843</u>	<u>\$ 4,867,474</u>	<u>\$ 7,940,899</u>	<u>\$ 16,065,027</u>
Net (Expense)/Revenue										
Governmental activities	\$ (69,104,625)	\$ (77,928,157)	\$ (79,229,850)	\$ (83,945,686)	\$ (90,793,794)	\$ (96,240,236)	\$ (96,227,279)	\$ (99,328,097)	\$ (95,133,600)	\$ (91,644,646)
Business-type activities							(32,360)	36,878	55,328	3,379
Total district-wide net expense	<u>\$ (69,104,625)</u>	<u>\$ (77,928,157)</u>	<u>\$ (79,229,850)</u>	<u>\$ (83,945,686)</u>	<u>\$ (90,793,794)</u>	<u>\$ (96,240,236)</u>	<u>\$ (96,259,639)</u>	<u>\$ (99,291,219)</u>	<u>\$ (95,078,272)</u>	<u>\$ (91,641,267)</u>

Livingston Board of Education
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 59,224,464	\$ 64,709,120	\$ 68,456,936	\$ 71,786,923	\$ 74,542,669	\$ 79,251,361	\$ 82,421,415	\$ 85,302,647	\$ 88,714,753	\$ 90,069,759
Property taxes levied for debt service	1,480,817	1,886,572	1,895,262	1,800,724	1,820,867	1,841,682	2,065,063	4,352,410	4,293,987	5,065,306
Unrestricted grants and contributions	13,466,402	9,776,665	9,921,862	10,794,790	13,765,449	14,038,844	11,265,409	11,386,017	8,453,252	10,964,111
Investment earnings	97,033	90,380	207,414	372,177	851,502	1,438,113	485,083	34,904	65,852	96,553
Rental income	339,111	377,350	346,373	415,373	348,760	396,499	411,991	464,417	418,764	487,216
Miscellaneous income	142,798	86,302	313,889	133,959	251,372	78,615	194,190	118,070	40,180	241,280
Transfers							(32,008)		(8,678)	(11,602)
Total governmental activities	74,750,625	76,926,389	81,141,736	85,303,946	91,580,619	97,045,114	96,811,143	101,658,465	101,978,110	106,912,623
Business-type activities:										
Interest earnings							352	251	247	787
Transfers							32,008		8,678	11,602
Total business-type activities							32,360	251	8,925	12,389
Total district-wide	\$ 74,750,625	\$ 76,926,389	\$ 81,141,736	\$ 85,303,946	\$ 91,580,619	\$ 97,045,114	\$ 96,843,503	\$ 101,658,716	\$ 101,987,035	\$ 106,925,012
Change in Net Assets										
Governmental activities	\$ 5,646,000	\$ (1,001,768)	\$ 1,911,886	\$ 1,358,260	\$ 786,825	\$ 804,878	\$ 583,864	\$ 2,330,368	\$ 6,844,510	\$ 15,267,977
Business-type activities								37,129	64,253	15,768
Total district	\$ 5,646,000	\$ (1,001,768)	\$ 1,911,886	\$ 1,358,260	\$ 786,825	\$ 804,878	\$ 583,864	\$ 2,367,497	\$ 6,908,763	\$ 15,283,745

Source: CAFR Schedule A-2 and District records.

The District commenced operations of its food service enterprise fund during the 2009 fiscal year.

Livingston Board of Education
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ 159,776	\$ 479,667	\$ 557,980	\$ 1,134,807	\$ 1,537,326	\$ 1,334,053	\$ 2,507,498	\$ 2,104,121		
Unreserved	778,441	1,558,825	2,405,425	2,619,285	2,116,018	2,482,800	2,177,784	1,225,531		
Restricted									\$ 1,529,895	\$ 1,787,522
Assigned									748,065	1,618,550
Unassigned									2,495,826	2,842,943
Total general fund	<u>\$ 938,217</u>	<u>\$ 2,038,492</u>	<u>\$ 2,963,405</u>	<u>\$ 3,754,092</u>	<u>\$ 3,653,344</u>	<u>\$ 3,816,853</u>	<u>\$ 4,685,282</u>	<u>\$ 3,329,652</u>	<u>\$ 4,773,786</u>	<u>\$ 6,249,015</u>
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund (deficit)	\$ (10,999)									
Capital projects fund (deficit)	167,274	\$ 60,782	\$ 200,947	\$ 7,514,999	\$ 3,197,968	\$ 28,528,904	\$ 2,888,407	\$ (596,959)		
Debt service fund	15,763	50,986	35,223		377,498	1,179,227				\$ 10,013
Restricted for capital projects									\$ 23,905,996	\$ 5,059,573
Total all other governmental funds	<u>\$ 172,038</u>	<u>\$ 111,768</u>	<u>\$ 236,170</u>	<u>\$ 7,514,999</u>	<u>\$ 3,575,466</u>	<u>\$ 29,708,131</u>	<u>\$ 2,888,407</u>	<u>\$ (596,959)</u>	<u>\$ 23,905,996</u>	<u>\$ 5,069,586</u>

Source: CAFR Schedule B-1 and District records.

Note 1: GASB #54 was implemented in the 2011 fiscal year, which required the presentation of governmental fund balances to be reported in different classifications from those presented in prior years (See footnote 1 in the basic financial statements). Prior years have not been restated, nor are they required to be.

Livingston Board of Education
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
Unaudited

	Year ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Tax levy	\$ 60,705,281	\$ 66,595,692	\$ 70,352,198	\$ 73,587,647	\$ 76,363,536	\$ 81,093,043	\$ 84,486,478	\$ 89,655,057	\$ 93,008,740	\$ 95,135,065
Tuition charges	121,859	90,127	57,618	69,697	33,559	33,185	104,008	72,370	116,574	53,985
Interest earnings	97,033	90,380	207,414	372,177	851,502	1,438,113	485,083	34,904	65,852	96,553
Rental income								464,417	418,764	487,216
Miscellaneous	580,898	541,819	744,186	644,467	660,132	563,384	765,056	276,478	154,859	410,544
State sources	14,188,361	10,371,446	10,692,007	11,525,008	14,394,143	14,701,036	11,905,239	12,852,852	13,348,247	23,681,722
Local sources	2,400	1,271		4,196	1,500	1,000	996	13,664	45,108	41,027
Federal sources	895,716	938,218	1,083,142	1,103,076	1,291,708	1,240,393	1,282,968	2,333,699	1,814,448	1,995,202
Total revenue	76,591,548	78,628,953	83,136,565	87,306,268	93,596,080	99,070,154	99,029,828	105,703,441	108,972,592	121,901,314
Expenditures										
Instruction										
Regular and Special Education Instruction	32,489,221	33,883,079	34,941,874	36,492,617	38,437,600	40,383,224	40,681,357	42,786,848	42,024,591	43,186,148
Undistributed:										
Instruction	3,358,953	3,198,767	3,986,907	4,692,136	5,153,028	5,377,117	5,866,152	6,810,121	7,490,876	7,131,761
Attendance and social work	168,447	186,837	208,606	215,156	237,866	246,212	246,405	73,647	81,403	62,593
Health services	742,109	708,958	774,669	818,692	850,440	902,524	937,304	956,004	849,055	901,743
Other support services	4,626,154	5,117,018	5,995,458	5,975,259	5,783,889	5,677,472	6,205,864	6,777,277	6,766,390	7,066,352
Improvement of instruction	1,147,517	1,285,392	1,251,274	1,386,702	1,348,685	1,175,439	1,239,693	1,637,143	1,687,413	1,792,477
School library	911,208	897,872	972,945	1,005,743	1,046,354	1,101,165	407,170	1,077,288	1,069,818	1,145,961
Instructional staff training	356,806	355,691	518,340	414,712	436,156	423,426	1,142,884	337,040	480,072	452,692
General administration	1,281,451	1,469,397	1,475,860	1,487,120	1,568,711	1,769,385	1,467,993	1,422,440	1,312,701	1,382,282
School administration	3,106,270	3,176,422	3,356,166	3,602,282	3,701,824	3,818,881	3,931,292	4,067,474	3,986,684	3,904,353
Required maintenance of plant	1,163,885	1,263,484	1,121,576	1,180,371	1,242,931	1,317,379	1,314,523	1,372,954	1,208,903	1,298,926
Operation of plant	3,232,117	3,645,632	3,694,782	4,009,678	4,250,394	4,703,725	5,146,113	5,153,046	5,349,562	5,458,252
Student transportation	2,140,035	2,722,422	2,538,452	2,634,017	3,066,686	3,091,127	3,176,225	3,061,159	2,549,481	2,935,670
Business and oth supp. svcs & benefits	9,334,160	10,835,928	11,943,051	12,834,004	13,715,734	14,962,320	15,487,304	16,656,328	15,709,449	15,272,843
On Behalf TPAF social security & pension/medical contributions	4,314,923	5,190,301	5,519,849	6,245,873	9,091,174	9,230,834	5,846,472	6,290,285	6,105,549	7,302,384
Cost of issuance								144,797	96,800	
Capital outlay	5,330,535	3,845,867	2,626,416	3,156,443	6,683,486	20,704,375	28,507,302	8,255,244	19,167,762	34,168,616
Debt service:										
Principal	590,000	890,000	975,000	1,015,000	1,055,000	900,000	1,130,000	2,180,000	2,340,000	2,385,000
Interest and other charges	1,075,054	996,572	936,025	820,947	765,867	1,310,295	3,465,062	2,880,139	2,565,316	4,152,840
Food service	17,460									
Total expenditures	75,386,305	79,669,639	82,837,250	87,986,752	98,435,825	117,094,900	126,199,115	111,939,234	120,841,825	140,000,893
Excess (Deficiency) of revenues over (under) expenditures	1,205,243	(1,040,686)	299,315	(680,484)	(4,839,745)	(18,024,746)	(27,169,287)	(6,235,793)	(11,869,233)	(18,099,579)
Other Financing sources (uses)										
Capital leases (non-budgeted)		2,080,691	750,000	750,000	799,464	799,920	1,250,000	1,250,000	750,000	750,000
Bond proceeds	6,529,000			8,000,000		43,521,000			37,075,000	
Refunding bonds issued								12,405,000		
Premium on bonds issued								873,835		
Payment to refunding bond escrow agent								(13,134,038)		
Other	(46,910)									
Transfers in	41,004	30,137	333,053	2,749	377,498	1,101,729	610,052	15,290	53,849	815,679
Transfers out	(41,004)	(30,137)	(333,053)	(2,749)	(377,498)	(1,101,729)	(642,060)	(15,290)	(62,527)	(827,281)
Total other financing sources (uses)	6,482,090	2,080,691	750,000	8,750,000	799,464	44,320,920	1,217,992	1,394,797	37,816,322	738,398
Net change in fund balances	\$ 7,687,333	\$ 1,040,005	\$ 1,049,315	\$ 8,069,516	\$ (4,040,281)	\$ 26,296,174	\$ (25,951,295)	\$ (4,840,996)	\$ 25,947,089	\$ (17,361,181)
Debt service as a percentage of noncapital expenditures	2.4%	2.5%	2.4%	2.2%	2.0%	2.3%	4.7%	4.9%	4.8%	6.2%

Source: CAFR Schedule B-2

Livingston Board of Education
 General Fund Other Local Revenue by Source
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Tuition	Interest	Rentals	Transportation	Misc.	Total
2003	\$ 121,859	\$ 56,029	\$ 339,111		\$ 241,787	\$ 758,786
2004	90,127	60,243	377,350	\$ 78,167	129,246	735,133
2005	57,618	204,416	346,373	82,695	237,389	928,491
2006	69,697	369,428	415,373	95,135	91,546	1,041,179
2007	33,559	474,004	348,760	60,000	251,372	1,167,695
2008	33,185	336,384	396,499	88,270	78,615	932,953
2009	104,008	80,877	411,991	158,875	194,190	949,941
2010	72,370	19,614	464,417	158,408	118,070	832,879
2011	116,574	12,003	418,764	114,679	40,180	702,200
2012	53,985	80,874	487,216	310,880	89,651	1,022,606

Source: District Records

Livingston Board of Education
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Nine Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartments	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b
2004	\$ 16,558,300	\$ 735,399,100	\$ 136,800	\$ 172,783,200	\$ 18,677,200		\$ 943,554,600	\$ 1,922,800	\$ 945,477,400	\$ 7.44
2005	18,081,000	744,319,000	136,800	171,727,800	16,140,200		950,404,800	1,715,400	952,120,200	7.73
2006	17,319,300	761,416,000	98,400	156,654,600	16,022,800		951,511,100	1,421,900	952,933,000	8.01
2007	18,823,400	777,972,000	92,400	152,816,100	16,022,800		965,732,700	1,232,000	966,964,000	8.39
2008	17,553,700	785,266,900	82,400	141,261,400	15,766,000		959,946,400	1,363,000	961,309,400	8.79
* 2009	202,453,000	5,983,723,300	740,300	1,285,906,400	121,672,600	\$ 2,658,800	7,597,154,400	12,139,900	7,609,294,300	1.18
2010	169,485,100	5,967,646,796	740,300	1,256,161,078	121,318,500	2,658,800	7,518,010,574	12,139,900	7,530,150,474	1.24
2011	163,904,500	5,947,204,496	740,300	1,206,463,078	115,804,400	2,658,800	7,436,775,574	12,139,900	7,448,915,474	1.28
2012	155,825,800	5,925,469,396	740,300	1,084,979,478	112,693,200	2,658,800	7,282,366,974	12,139,900	7,294,506,874	1.32

Source: District records, Tax list summary & Municipal Tax Assessor and Collector, abstract of ratables, County Board of Taxation

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

* Reassessment occurs when ordered by the County Board of Taxation. A reassessment took place during the 2009 fiscal year.

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

b Tax rates are per \$100

Information in this detail was not available prior to the 2004 fiscal year and therefore ten years are not presented. Information will be added in future years until ten years are presented.

Livingston Board of Education
 Direct and Overlapping Governments - Property Tax Rates
 Last Ten Fiscal Years
 (rate per \$100 of assessed value)
 Unaudited

Fiscal Year Ended June 30,	Livingston Township School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Livingston Township	Essex County	
2003	\$ 6.95	\$ 0.17	\$ 7.12	\$ 1.89	\$ 2.97	\$ 11.98
2004	7.23	0.21	7.44	1.88	2.96	12.28
2005	7.52	0.21	7.73	1.95	2.95	12.63
2006	7.80	0.21	8.01	2.03	2.90	12.94
2007	8.18	0.21	8.39	2.57	3.11	14.07
2008	8.58	0.21	8.79	2.79	3.19	14.77
2009 *	1.12	0.06	1.18	0.38	0.42	1.98
2010	1.18	0.06	1.24	0.39	0.41	2.04
2011	1.22	0.06	1.28	0.40	0.44	2.12
2012	1.26	0.06	1.32	0.41	0.47	2.20

Source: District Records and Municipal Tax Collector.

* A reassessment was performed in the 2009 fiscal year.

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

b Rates for debt service are based on each year's requirements.

Livingston Board of Education
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Livingston Mall	\$ 140,000,000	1	1.88%	\$ 46,311,100	1	4.95%
Livingston Circle Associates	60,602,600	2	0.81%	11,380,000	2	1.22%
CIT Group Inc.	45,938,500	3	0.62%	9,885,800	3	1.06%
Formosa Plastics, Corp., USA	32,969,800	4	0.44%	4,480,000	6	0.48%
Livingston Retirement Care Assoc.	30,250,300	5	0.41%			
Esplanade Livingston, LLC	30,195,000	6	0.41%	1,980,000	10	0.0021
Eastgreen, Inc.	30,175,000	7	0.41%	7,046,300	4	0.75%
Trustee Sears Facilities	29,469,900	8	0.40%			
Daven Ave. LLC	25,714,100	9				
G&S Livingston Realty			0.00%	5,734,700	5	0.61%
Care Two, LLC	22,440,000	10	0.30%			
Allwood Associates	21,500,000	11	0.29%	3,960,300	8	0.42%
Marsag, L.P.	20,000,000	12	0.27%	4,200,000	7	0.45%
Northern LLC	19,786,600	13	0.27%			
Singer Enterprises LLC	17,055,300	14	0.23%			
Prince Development	16,275,900	15	0.22%			
N.J. Bell Telephone Co.				2,186,200	9	0.23%
Total	<u>\$ 542,373,000</u>		<u>6.73%</u>	<u>\$ 97,164,400</u>		<u>10.15%</u>

Source: Municipal Tax Assessor and Treasurer.

Livingston Board of Education
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	\$ 60,705,281	\$ 60,705,281	100.00%	-
2004	66,595,692	66,595,692	100.00%	-
2005	70,352,198	70,352,198	100.00%	-
2006	73,587,647	73,587,647	100.00%	-
2007	76,363,536	76,363,536	100.00%	-
2008	81,093,043	81,093,043	100.00%	-
2009	84,486,478	84,486,478	100.00%	-
2010	89,655,057	89,655,057	100.00%	-
2011	93,008,740	93,008,740	100.00%	-
2012	95,135,065	95,135,065	100.00%	-

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

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, prior to the end of the school year.

Livingston Board of Education
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Governmental Activities				Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds*	Capital Leases	Bond Anticipation Notes	Grant Anticipation Notes			
2003	\$ 20,889,000	\$ 3,960,990	\$ 5,621,000		\$ 30,470,990	0.13%	\$ 38,607
2004	19,999,000	4,886,718	5,621,000		30,506,718	0.13%	40,634
2005	19,024,000	4,564,446	560,000		24,148,446	0.17%	40,634
2006	26,009,000	4,063,484	560,000		30,632,484	0.13%	40,634
2007	24,954,000	3,747,287	None		28,701,287	0.15%	43,951
2008	67,575,000	3,667,898	None		71,242,898	0.07%	46,895
2009	66,445,000	3,974,873	None		70,419,873	0.07%	50,156
2010	64,366,000	4,200,183	9,000,000		77,566,183	0.07%	51,617
2011	99,101,000	3,816,319	None		102,917,319	0.05%	51,617
2012	96,716,000	3,410,771	None	\$ 9,250,000	109,376,771	0.05%	59,342

Source: District CAFR Schedules I-1, I-2 and District records.

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

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

* Does not include bond and notes authorized and not issued of \$5,210,849.

Livingston Board of Education
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds and Notes	Deductions	Net General Bonded Debt Outstanding		
2003	\$ 20,889,000		\$ 20,889,000	0.73%	\$ 38,607
2004	19,999,000		19,999,000	0.68%	40,634
2005	19,024,000		19,024,000	0.63%	40,634
2006	26,009,000		26,009,000	0.84%	40,634
2007	24,954,000		24,954,000	0.81%	43,951
2008	67,575,000		67,575,000	2.19%	46,895
2009	66,445,000		66,445,000	0.87%	50,156
2010	73,366,000		73,366,000	0.97%	51,617
2011	99,101,000		99,101,000	1.33%	51,617
2012	105,966,000		105,966,000	1.45%	59,342

Source:

a See J-6 for property tax data.

b Population data can be found in J-14.

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

Livingston Board of Education
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2012
Unaudited

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Share of Overlapping Debt</u>
Debt repaid with property taxes			
Livingston Township	\$ 92,189,858	100.00%	\$ 92,189,858
County of Essex**	1,087,304,236	8.28%	90,028,791
Other debt			
Municipal Utilities Authority	9,101,936	100.00%	<u>9,101,936</u>
Subtotal, overlapping debt			191,320,585
Livingston Township School District Direct Debt*			<u>111,176,849</u>
Total direct and overlapping debt			<u><u>\$ 302,497,434</u></u>

Sources: Livingston Township Finance Officer, Essex County Finance Office and Utility Authorities

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Livingston. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

* Includes bonds and notes authorized but not issued in the amount of \$5,210,849.

** 2011 information.

Livingston Board of Education
 Legal Debt Margin Information,
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2012

	Equalized valuation basis
	2011 \$ 7,808,690,155
	2010 7,860,738,785
	2009 7,976,852,583
	<u>\$ 23,646,281,523</u>
	Average equalized valuation of taxable property \$ 7,882,093,841
	Debt limit (4 % of average equalization value) 315,283,754
	Net bonded school debt 111,176,849
	<u>\$ 204,106,905</u>

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 170,171,937	\$ 189,775,511	\$ 210,338,918	\$ 264,619,805	\$ 287,774,824	\$ 307,352,168	\$ 313,780,288	\$ 319,449,317	\$ 318,454,434	\$ 315,283,754
Total net debt applicable to limit	<u>20,889,000</u>	<u>19,999,000</u>	<u>19,024,000</u>	<u>70,090,069</u>	<u>68,475,069</u>	<u>67,575,000</u>	<u>66,445,000</u>	<u>106,651,849</u>	<u>104,311,849</u>	<u>111,176,849</u>
Legal debt margin	<u>\$ 149,282,937</u>	<u>\$ 169,776,511</u>	<u>\$ 191,314,918</u>	<u>\$ 194,529,736</u>	<u>\$ 219,299,755</u>	<u>\$ 239,777,168</u>	<u>\$ 247,335,288</u>	<u>\$ 212,797,468</u>	<u>\$ 214,142,585</u>	<u>\$ 204,106,905</u>
Total net debt applicable to the limit as a percentage of debt limit	12.28%	10.54%	9.04%	26.49%	23.79%	21.99%	21.18%	33.39%	32.76%	35.26%

Source: Abstract of Ratables, Annual Report of the State of New Jersey, Department of the Treasury, Division of Taxation and District Records.

Livingston Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2003	28,034	N/A	\$ 38,607	2.1%
2004	27,801	N/A	40,634	1.7%
2005	27,743	N/A	40,634	2.6%
2006	28,413	N/A	40,634	3.0%
2007	28,119	N/A	43,951	2.8%
2008	27,990	N/A	46,895	2.5%
2009	27,961	N/A	50,156	3.3%
2010	27,584	N/A	51,617	6.4%
2011	27,584	N/A	51,617	6.5%
2012	29,366	N/A	59,342	6.1%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development.

^b Personal income data is not available.

^c Per Capita Personal Income information provided by NJ Dept of Labor and Workforce Development.

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A - Not available.

Livingston Board of Education
Principal Employers
Current Year and Nine Years Ago
Unaudited

Information was not available.

Livingston Board of Education
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
 Unaudited

<u>Function/Program</u>	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Instruction										
Regular	363	370	376	368	377	390	388	388	392	394
Special education	36	49	49	49	50	47	49	50	53	55
Support services										
Student & instruction related services	89	89	90	89	89	94	94	94	95	99
General administrative services	20	20	20	20	20	12	12	12	12	13
School administrative services	46	45	47	46	42	43	43	43	43	42
Business administrative services	10	10	10	10	10	13	13	13	13	12
Plant operations and maintenance	53	53	56	55	54	55	55	55	56	55
Pupil transportation	22	24	26	27	27	28	28	28	27	27
Total	639	660	674	664	669	682	682	683	691	697

Source: District Personnel Records

Livingston Board of Education
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2003	4,934	\$ 68,390,716	\$ 13,861	7.71%	399	1:13	1:11	1:11	5,029	4,843	2.84%	96.30%
2004	5,084	73,937,200	14,543	4.92%	419	1:13	1:11	1:11	5,148	4,964	2.37%	96.43%
2005	5,200	78,299,809	15,058	3.54%	369	1:13	1:11	1:11	5,250	5,062	1.98%	96.42%
2006	5,333	82,994,362	15,562	3.35%	385	1:14	1:11	1:11	5,396	5,210	2.78%	96.55%
2007	5,540	89,931,472	16,233	4.31%	427	1:13	1:11	1:11	5,535	5,341	2.58%	96.50%
2008	5,650	94,180,230	16,669	2.69%	437	1:13	1:11	1:11	5,587	5,387	0.94%	96.42%
2009	5,672	93,096,751	16,413	-1.53%	437	1:13	1:11	1:11	5,672	5,438	1.52%	95.87%
2010	5,706	98,479,054	17,259	5.15%	437	1:13	1:11	1:11	5,695	5,485	0.41%	96.31%
2011	5,746	96,671,947	16,824	-2.52%	445	1:13	1:11	1:11	5,740	5,553	0.79%	96.74%
2012	5,734	99,294,437	17,317	2.93%	449	1:13	1:11	1:11	5,732	5,551	-0.14%	96.84%

Sources: District records and ASSA.

Note: Enrollment based on annual October district count.

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

Livingston Board of Education
 School Building Information
 Last Ten Fiscal Years
 Unaudited

<u>District Building</u>	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<u>Elementary</u>										
Burnet Hill Elementary										
Square Feet	51,521	51,521	51,521	51,521	51,521	51,521	51,521	51,521	51,521	51,521
Capacity (students)	412	412	412	412	412	412	412	412	412	412
Enrollment	369	372	419	427	437	416	435	452	432	413
Riker Hill Elementary										
Square Feet	48,279	48,279	48,279	48,279	48,279	48,279	48,279	48,279	48,279	48,279
Capacity (students)	386	386	386	386	386	386	386	386	386	386
Enrollment a	398	437	440	451	452	427	428	403	423	417
Collins Elementary										
Square Feet	48,589	48,589	48,589	48,589	48,589	48,589	48,589	48,589	48,589	48,589
Capacity (students)	389	389	389	389	389	389	389	389	389	389
Enrollment	411	396	418	431	426	419	415	413	427	424
Harrison Elementary										
Square Feet	64,555	64,555	64,555	64,555	64,555	64,555	64,555	64,555	64,555	64,555
Capacity (students)	516	516	516	516	516	516	516	516	516	516
Enrollment	469	467	487	529	525	531	536	549	535	528
Hillside Elementary										
Square Feet	45,168	45,168	45,168	45,168	45,168	45,168	45,168	45,168	45,168	45,168
Capacity (students)	361	361	361	361	361	361	361	361	361	361
Enrollment a	384	422	439	435	434	439	440	413	401	398
Mount Pleasant Elementary										
Square Feet	48,086	48,086	48,086	48,086	48,086	48,086	48,086	48,086	48,086	48,086
Capacity (students)	385	385	385	385	385	385	385	385	385	385
Enrollment	414	385	385	389	389	412	412	414	428	423
<u>Middle Schools</u>										
Heritage										
Square Feet	150,861	150,861	150,861	150,861	150,861	150,861	150,861	150,861	150,861	150,861
Capacity (students)	1,152	1,152	1,152	1,152	1,152	1,152	1,152	1,152	1,152	1,152
Enrollment	762	773	825	816	813	897	898	929	921	893
Mount Pleasant										
Square Feet	87,421	87,421	87,421	87,421	87,421	87,421	87,421	87,421	87,421	87,421
Capacity (students)	667	667	667	667	667	667	687	687	687	687
Enrollment	386	422	364	421	421	452	451	451	435	477
<u>High School</u>										
Livingston High School										
Square Feet	213,351	213,351	213,351	213,351	213,351	213,351	302,127	302,127	302,127	302,127
Capacity (students)	1,413	1,413	1,413	1,413	1,413	1,413	1,736	1,736	1,736	1,736
Enrollment	1,538	1,566	1,589	1,644	1,643	1,657	1,657	1,682	1,744	1,761

Number of Schools at June 30, 2012
 High School = 1
 Elementary = 6
 Middle Schools = 2

Source: District records, ASSA

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

Livingston Board of Education
 General Fund
 Schedule of Required Maintenance for School Facilities
 Last Ten Fiscal Years
 Unaudited

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

School Facilities	Project # (s)	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Livingston High School	50	\$ 363,700	\$ 338,494	\$ 384,428	\$ 368,067	\$ 377,606	\$ 349,446	\$ 327,799	\$ 327,047	\$ 349,479	\$ 321,939
Heritage Middle School	55	246,796	229,692	260,860	249,759	247,135	237,309	226,555	214,184	244,105	224,865
Mt. Pleasant Middle School	60	168,860	157,157	178,484	170,888	168,668	160,925	155,053	143,970	164,379	151,382
Burnet Hill	70	90,925	84,623	96,108	92,018	91,852	86,391	81,157	77,629	85,664	78,918
Collins	80	77,936	77,936	82,377	78,871	78,576	77,337	71,782	63,639	73,662	67,846
Harrison	90	116,903	108,801	123,566	118,307	117,814	111,318	107,742	104,581	110,934	102,141
Hillside	100	77,936	77,936	82,377	78,871	78,576	72,744	71,481	59,866	75,051	69,186
Mt. Pleasant	110	77,936	77,936	82,377	78,871	78,576	74,457	70,892	60,530	79,978	73,656
Riker Hill	118	77,936	77,936	82,377	78,871	78,576	73,004	67,910	70,130	80,232	73,952
Total School Facilities		<u>\$ 1,298,926</u>	<u>\$ 1,208,903</u>	<u>\$ 1,372,954</u>	<u>\$ 1,314,523</u>	<u>\$ 1,317,379</u>	<u>\$ 1,242,931</u>	<u>\$ 1,180,371</u>	<u>\$ 1,121,576</u>	<u>\$ 1,263,484</u>	<u>\$ 1,163,885</u>

Source: District records of required maintenance.

Livingston Board of Education
Insurance Schedule
Year ended June 30, 2012
Unaudited

Type of Coverage	Coverage	Deductible
School Package Policy - General Security Property & Casualty Company:		
Blanket building and contents	\$ 250,000,000	\$ 1,000
Contractors equipment	25,000,000	1,000
Flood/earthquake	10,000,000	1,000
Comprehensive general liability	5,000,000	N/D
Employee benefit liability	5,000,000	1,000
Business Income	500,000	1,000
Auto policy-General Security Property and Casualty Company:		
Liability	5,000,000	N/D
Hired/non-owned	5,000,000	N/D
Uninsured motorist	5,000,000	N/D
Excess Liability	10,000,000	N/D
Boiler and machinery-Hartford Steam Boiler:		
Property damage	100,000,000	1,000
Crime Policy-General Security Property and Casualty Company:		
Public employee dishonesty	500,000	15,000
Forgery or alteration	50,000	1,000
Theft, disappearance and destruction	50,000	1,000
Public Officials Bonds-Universal Bonding/Western Surety:		
Business Administrator	500,000	N/D
Manager of Accounting and Finance	10,000	N/D

Source: District Records

N/D - No deductible

Single Audit Section



Independent Auditors' Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of the Financial Statements Performed in
Accordance with *Government Auditing Standards*

Honorable President and
Members of the Board
Livingston Board of Education
Livingston, New Jersey
County of Essex

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 Livingston Board of Education, County of Essex, State of New Jersey (the "District") as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 29, 2012. 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.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

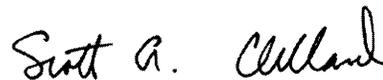
We noted certain matters that we have reported to management of the District in a separate *Auditors' Management Report on Administrative Findings – Financial, Compliance and Performance* dated November 29, 2012.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

We noted certain matters that we reported to management of the District in a separate *Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance* dated November 29, 2012.

This report is intended solely for the information and use of the District's management and Board, others within the entity, the New Jersey Department of Education, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Scott A. Clelland

Licensed Public School Accountant

No. 1049



WISS & COMPANY, LLP

November 29, 2012
Iselin, New Jersey

Independent Auditors' Report on Compliance with Requirements
That Could Have a Direct and Material Effect on
Each Major Program and on
Internal Control Over Compliance in Accordance with
OMB Circular A-133 and New Jersey OMB Circular 04-04

Honorable President and
Members of the Board
Livingston Board of Education
Livingston, New Jersey
County of Essex

Compliance

We have audited the compliance of the Livingston Board of Education, County of Essex, New Jersey (the "District") 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 Grant Compliance Supplement*, that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2012. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Those standards, OMB Circular A-133 and New Jersey OMB Circular 04-04 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. An audit includes examining, on a test basis, evidence about the 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. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal and state program to determine our auditing procedures for the purpose of expressing our opinion on compliance 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 the District'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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the District's management and Board, others within the entity, the New Jersey State Department of Education, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Scott A. Clelland

Scott A. Clelland
Licensed Public School Accountant
No. 1049

Wiss & Company

WISS & COMPANY, LLP

November 29, 2012
Iselin, New Jersey

Livingston Board of Education
Schedule of Expenditures of Federal Awards
Year ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	June 30, 2011			Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of PY Balances	June 30, 2012		
				Deferred Revenue	(Accounts Receivable)	Due to Grantor					Accounts Receivable	Deferred Revenue	Due to Grantor
General Fund													
U.S. Department of Education—Passed-Through State Passed Through the State Department of Education													
Education Jobs	84.410	7/1/11-8/30/12	\$ 147,404					\$ 59,170	\$ 147,404		\$ (88,234)		
Total General Fund and U.S. Department of Education Passed-through the State Department of Education								59,170	147,404		(88,234)		
Special Revenue Fund:													
Title IV	84.186A	9/1/05-8/31/06	14,637			\$ 156				\$ (156)			
Title IV	84.186A	9/1/09-8/31/10	11,301	\$ (11,301)			11,301						
Title I, Part A	84.010A	9/1/10-8/31/11	119,980		(93,264)			93,264					
Title I, Part A	84.010A	9/1/09-8/31/11	122,658		(122,658)			122,658					
Title I, Part A	84.010A	9/1/11-8/31/12	122,646				81,364	122,638			(41,274)		
Title II-A	84.367A	9/1/10-8/31/11	86,858		(71,199)			71,199					
Title II-A	84.367A	9/1/11-8/31/12	77,358				22,721	77,358			(54,637)		
Title II-D	84.318	9/1/10-8/31/11	1,230		(1,230)			1,230					
Title III	84.365	9/1/05-8/31/06	17,011			115				(115)			
Title III	84.365	9/1/11-8/31/12	19,694				15,922	19,694			(3,772)		
ARRA I.D.E.I.A. Part B, Basic	84.391	9/1/09-8/31/11	1,448,297		(55,249)		299,694	244,445					
ARRA I.D.E.I.A. Part B, Preschool	84.392	9/1/09-8/31/11	52,425		(40,874)		44,860	3,986					
I.D.E.I.A. Part B, Basic	84.027A	9/1/05-8/31/06	932,217			85				(85)			
I.D.E.I.A. Part B, Preschool	84.173A	9/1/05-8/31/06	41,922			2				(2)			
I.D.E.I.A. Part B, Basic	84.027A	9/1/09-8/31/11	1,174,665		(163,706)		163,706						
I.D.E.I.A. Part B, Basic	84.027A	9/1/10-8/31/11	1,193,522		(3,572)		183,445	214,666			(34,793)		
I.D.E.I.A. Part B, Basic	84.027A	9/1/11-8/31/12	1,230,110				671,788	1,028,265			(356,477)		
I.D.E.I.A. Part B, Preschool	84.173A	9/1/11-8/31/12	54,883				17,383	54,883			(37,500)		
Title V	84.298A	9/1/05-8/31/06	14,402			158				(158)		-	
Total Special Revenue Fund and U.S. Department of Education Passed-through the State				(563,053)		516	1,800,535	1,765,935	(516)	(528,453)		-	
Total Federal Awards				\$ -	\$ (563,053)	\$ 516	\$ -	\$ 1,859,705	\$ 1,913,339	\$ (516)	\$ (616,687)	\$ -	\$ -

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

Livingston Board of Education
Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2012

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	June 30, 2011			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Adjustments	June 30, 2012			Memo	
				Deferred Revenue	(Accounts Receivable)	Due to Grantor					Deferred Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
Special Education Aid	495-034-5120-089	7/1/11-6/30/12	\$ 1,835,054				\$ 1,701,251	\$ 1,835,054						\$ (133,803)	\$ 1,835,054
Extraordinary Aid	100-034-5120-473	7/1/10-6/30/11	1,359,104	\$ (1,359,104)			1,359,104								
Extraordinary Aid	100-034-5120-473	7/1/11-6/30/12	1,113,073					1,113,073			\$ (1,113,073)				1,113,073
Additional NonPublic Transportation Aid	Not available	7/1/10-6/30/11	26,855		(26,855)		26,855								
Additional NonPublic Transportation Aid	Not available	7/1/11-6/30/12	27,465					27,465			(27,465)				27,465
Other State Aid-TPAF Wage Freeze	495-034-5095-002	7/1/10-6/30/11	2,142		(1,071)		1,071								
Reimbursed TPAF - Social Security	495-034-5095-002	7/1/11-6/30/12	3,168,996				3,111,822	3,168,996				(57,174)			3,168,996
Reimbursed TPAF - Social Security	495-034-5095-002	7/1/10-6/30/11	3,198,649		(286)					\$ 286					
Total General Fund				(1,387,316)			6,200,103	6,144,588		286		(1,197,712)		(133,803)	6,144,588
Special Revenue Fund:															
New Jersey Non-Public Aid:															
Textbook Aid	100-034-5120-064	7/1/11-6/30/12	41,158				41,158	40,805					\$ 353		40,805
Textbook Aid	100-034-5120-064	7/1/10-6/30/11	51,440			\$ 47			\$ 47						
Non Public Auxiliary Services (Ch. 192):															
English as a Second Language	100-034-5120-067	7/1/10-6/30/11	4,269			4,013			4,013						
English as a Second Language		7/1/11-6/30/12	1,724				1,724	776					948		776
Compensatory Education		7/1/11-6/30/12	54,101				54,101	14,371					39,730		14,371
Compensatory Education		7/1/10/6/30/11	57,772			35,584			35,584						
Non Public Handicapped Services (Ch. 193):															
Supplemental Instruction	100-034-5120-066	7/1/10-6/30/11	94,845			4,656			4,656						
Supplemental Instruction		7/1/11-6/30/12	94,004				94,004	82,078					11,926		82,078
Examination and Classification		7/1/10-6/30/11	160,125			15,117			15,117						
Examination and Classification		7/1/11-6/30/12	193,033				193,033	171,474					21,559		171,474
Corrective Speech		7/1/10-6/30/11	116,878			3,129			3,129						
Corrective Speech		7/1/11-6/30/12	125,586				125,586	97,151					28,435		97,151
Non Public Nursing Services	100-034-5120-070	7/1/11-6/30/12	97,608				97,608	97,608							97,608
Total Special Revenue Fund						62,546	607,214	504,263	62,546				102,951		504,263
Capital Projects Fund:															
New Jersey School Development Authority Grants	Various	7/1/09-completion	22,398,629		(5,217,918)		2,155,872	12,342,412				(15,404,458)			17,560,330
New Jersey School Development Authority Grant	Various	7/1/02-6/30/08	5,840,106		(53,114)		53,114								5,671,567
Total Capital Projects Fund					(5,271,032)		2,208,986	12,342,412				(15,404,458)			23,231,897
Debt Service Fund:															
Debt Service Aid	495-034-5120-017	7/1/11-6/30/12	672,534				672,534	672,534							672,534
Total Debt Service Fund							672,534	672,534							672,534
Total State Financial Assistance				\$ -	\$ (6,658,348)	\$ 62,546	\$ 9,688,837	\$ 19,663,797	\$ 62,546	\$ 286	\$ -	\$ (16,602,170)	\$ 102,951	\$ (133,803)	\$ 30,553,282

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

Livingston Board of Education

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2012

1. General

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

2. Basis of Accounting

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the special revenue fund, which are presented using the budgetary basis of accounting, and capital projects fund, which is presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some of the amounts presented in this schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A-22:44.2. For GAAP purposes, these payments are not recognized until the subsequent budget year due to the

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Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2012

3. Relationship to Basic Financial Statements (continued)

state deferral and recording of the last 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 budgetary basis to the GAAP basis is \$133,803 for the general fund and \$75,335 for the special revenue fund. See Note to Required Supplementary Information for a reconciliation for the budgetary basis to GAAP of accounting for the general and special revenue funds (C-3). Financial award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund	\$ 147,404	\$ 10,144,173	\$ 10,291,577
Special Revenue Fund	1,847,798	504,140	2,351,938
Capital Projects Fund		12,360,875	12,360,875
Debt Service Fund		672,534	672,534
Total financial award revenues	<u>\$ 1,995,202</u>	<u>\$ 23,681,722</u>	<u>\$ 25,676,924</u>

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.

5. Other

TPAF Social Security Contributions represent the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2012. The post retirement medical benefits received on-behalf of the District for the year ended June 30, 2012 amounted to \$4,133,388. Since on-behalf post retirement pension and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 04-04 and are not reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

Livingston Board of Education

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Part I - Summary of Auditors' Results

Financial Statement Section

Type of auditors' report issued:	<u>Unqualified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	<u> </u> Yes	<u> ✓ </u> No	
Significant deficiency(ies) identified?	<u> </u> Yes	<u> ✓ </u> None Reported	
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> ✓ </u> No	

Federal Awards Section

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$300,000</u>		
Auditee qualified as low-risk auditee?	<u> ✓ </u> Yes	<u> </u> No	
Type of auditors' report issued on compliance for major programs:	<u>Unqualified</u>		
Internal control over major programs:			
Material weakness(es) identified?	<u> </u> Yes	<u> ✓ </u> No	
Significant deficiency(ies) identified?	<u> </u> Yes	<u> ✓ </u> None Reported	
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	<u> </u> Yes	<u> ✓ </u> No	

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027A	IDEIA Part B, Basic
84.173A	IDEIA Part B, Preschool
84.391	ARRA IDEIA Part B Basic
84.392	ARRA IDEIA Part B Preschool
84.010A	Title I, Part A

Livingston Board of Education

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Part I - Summary of Auditors' Results (continued)

State Awards Section

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

\$589,914

Auditee qualified as low-risk auditee?

✓ Yes No

Type of auditors' report issued on compliance for major programs:

Unqualified

Internal control over major programs:

Material weakness(es) identified?

 Yes ✓ No

Significant deficiency(ies) identified?

 Yes ✓ None Reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 04-04?

 Yes ✓ No

Identification of major state programs:

State Grant Number	Name of State Program or Cluster
495-034-5120-089	Special Education Categorical Aid
495-034-5120-017	Debt Service Aid – Type II
100-034-5120-066	Non-Public Handicapped Services (Chapter 193)
Various	NJSDA - School Construction Grant

Livingston Board of Education
Schedule of Findings and Questioned Costs
Year ended June 30, 2012

Part II - Schedule of Financial Statement Findings

No financial statement findings noted that are required to be reported under *Government Auditing Standards*.

Livingston Board of Education
Schedule of Findings and Questioned Costs
Year ended June 30, 2012

**Part III - Schedule of Federal and State Award
Findings and Questioned Costs**

No compliance or internal control findings noted that are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB Circular 04-04.

Livingston Board of Education
Summary Schedule of Prior Year Audit Findings
Year ended June 30, 2012

Not applicable.