

LAKWOOD BOARD OF EDUCATION

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

LAKWOOD, NEW JERSEY

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Lakewood Board of Education

Lakewood, New Jersey

For The Fiscal Year Ended June 30, 2017

Prepared by

Business Office

**LAKESIDE BOARD OF EDUCATION
TABLE OF CONTENTS**

INTRODUCTORY SECTION

Letter of Transmittal	i-xi
Organizational Chart	xii
Roster of Officials	xiii
Consultants and Advisors	xiv

FINANCIAL SECTION

Independent Auditor's Report	1-3
------------------------------	-----

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis	4-16
--------------------------------------	------

Basic Financial Statements

A. District-wide Financial Statements

A-1 Statement of Net Position	17
A-2 Statement of Activities	18

B. Fund Financial Statements

Governmental Funds

B-1 Balance Sheet	19-20
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	21
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22

Proprietary Funds

B-4 Statement of Net Position	23
B-5 Statement of Revenues, Expenses, and Changes in Net Position	24
B-6 Statement of Cash Flows	25

Fiduciary Funds

B-7 Statement of Fiduciary Net Position	26
B-8 Statement of Changes in Fiduciary Net Position	27

Notes to the Financial Statements	28-62
--	-------

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

C-1 Budgetary Comparison Schedule – General Fund	63-67
C-1a Combining Budgetary Comparison Schedule – General Fund	68-73
C-2 Budgetary Comparison Schedule – Special Revenue Fund	74

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II

C-3 Budgetary Comparison Schedule – Note to Required Supplementary Information	75
--	----

**LAKESIDE BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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

OTHER SUPPLEMENTARY INFORMATION

D. School Level Schedules

D-1	Combining Balance Sheet – General Fund	80
D-2-	Schedule of Expenditures Allocated By Resource Type -	
D-2g	Actual	81-88
D-3-		
D-3g	Schedule of Blended Expenditures – Budget and Actual	89-106

E. Special Revenue Fund

E-1	Combining Schedule of Revenues and Expenditures - Special Revenue Fund – Budgetary Basis	107-109
E-2	Preschool Education Aid Schedule of Expenditures – Budgetary Basis	110

F. Capital Projects Fund

F-1	Summary Schedule of Project Expenditures	111
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance	112
F-2a	Schedule of Project Revenues, Expenditures, 2014 – Lease Purchase – Various Capital Improvements	113
F-2b	Schedule of Project Revenues, Expenditures, Project Balance and Project Status- 2015 Referendum – Various Capital Improvements	114

G. Proprietary Funds

Enterprise Fund

G-1	Combining Statement of Net Position – Not Applicable	115
G-2	Combining Statements of Revenues, Expenses and Changes in Net Position – Not Applicable	115
G-3	Combining Statements of Cash Flows – Not Applicable	115

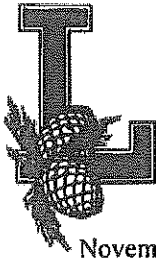
H. Fiduciary Funds

H-1	Combining Statement of Agency Assets and Liabilities	116
H-2	Schedule of Changes in Fiduciary Net Position - Not Applicable	117
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	118
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	119

**LAKWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

		<u>Page</u>
I.	Long-Term Debt	
I-1	Statement of Serial Bonds Payable	120
I-2	Schedule of Obligations under Capital Lease Agreements	121
I-3	Debt Service Fund Budgetary Comparison Schedule	122
J.	STATISTICAL SECTION (Unaudited)	
J-1	Net Position by Component	123
J-2	Changes in Net Position	124-125
J-3	Fund Balances – Governmental Funds	126
J-4	Changes in Fund Balances - Governmental Funds	127
J-5	General Fund Other Local Revenue by Source	128
J-6	Assessed Value and Actual Value of Taxable Property	129
J-7	District and Overlapping Property Tax Rates	130
J-8	Principal Property Taxpayers	131
J-9	Property Tax Levies and Collections	132
J-10	Ratios of Outstanding Debt by Type	133
J-11	Ratios of Net General Bonded Debt Outstanding	134
J-12	Direct and Overlapping Governmental Activities Debt	135
J-13	Legal Debt Margin Information	136
J-14	Demographic and Economic Statistics	137
J-15	Principal Employers	138
J-16	Full-Time Equivalent District Employees by Function/Program	139
J-17	Operating Statistics	140
J-18	School Building Information	141
J-19	Schedule of Required Maintenance for School Facilities	142
J-20	Schedule of Insurance	143
K.	SINGLE AUDIT SECTION	
K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	144-145
K-2	Report on Compliance for each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08 – Independent Auditor’s Report	146-148
K-3	Schedule of Expenditures of Federal Awards	149
K-4	Schedule of Expenditures of State Financial Assistance	150-151
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	152-153
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	154-155
K-7	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	156-158
K-7	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	159-162
K-8	Summary Schedule of Prior Year Findings	163-164

INTRODUCTORY SECTION



Lakewood Board of Education

200 Ramsey Avenue, Lakewood, NJ 08701

Main Office: (732) 364-2400 Fax: (732) 905-3687

Laura A. Winters, Superintendent of Schools Kevin Campbell, CPA, PSA, SBA, Interim Business Administrator

November 29, 2017

Honorable President and Members of the Board of Education
Lakewood Township Public Schools
200 Ramsey Ave.
Lakewood, New Jersey 08701

Dear Members of the Board of Education:

The Comprehensive Annual Financial Report (CAFR) of the Lakewood Township School District ("District") for the fiscal year ending June 30, 2017, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Lakewood Township Board of Education ("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 and results of operation of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The CAFR is presented in four sections: Introductory, Financial, Statistical and Single Audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of principal officials and a list of consultants and advisors. The financial section includes the basic financial statements, required supplementary information, and other supplementary information, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996, of the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the State Treasury OMB Circular Letter 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by the National Council on Governmental Accounting (NCGA) Statement 3. All funds of the District are included in this report. The District and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to general, vocational, as well as special education for handicapped adolescents in Pre-school through Grade 12.

The following details the changes in the student enrollment of the District over the last several years:

Fiscal Year	Student Enrollment	Percent Change
2016-17	5,919.50	-2.96%
2015-16	6,100.00	1.33%
2014-15	6,020.00	4.40%
2013-14	5,766.50	5.29%
2012-13	5,477.00	3.00%
2011-12	5,317.50	0.79%
2010-11	5,276.00	0.07%
2009-10	5,272.50	

2. ECONOMIC CONDITION AND OUTLOOK

Lakewood Township is located about 60 miles from New York and Philadelphia, and only 10 miles from the Jersey Shore. As of July 1, 2016, the Township had a population of approximately 100,758 residents according to the United States Census Bureau and represents individuals of all ethnic and national origins and socio-economic levels. Industrial development in the Township is centered by two large industrial parks. One is located around a municipality-owned airport in the southeast section of the Township, and the second has the advantage of railroad access in the southwest portion of the Township. Lakewood, among the area communities, is the only one with an Urban Enterprise Zone.

Lakewood is also home to Monmouth Medical Center Southern Campus, an accredited acute care hospital which is part of the Saint Barnabas Health Care System; Georgian Court University, accredited by The Middle States Commission on Higher Education and licensed by the New Jersey Commission on Higher Education; Beth Medrash Govoha, licensed by the New Jersey Commission on Higher Education and accredited by the Association of Advanced Rabbinical and Talmudic Schools; The Strand Theater, designed by world-renowned theater architect Thomas Lamb which opened in 1922; and The Lakewood BlueClaws, a South Atlantic League affiliate of the Philadelphia Phillies.

The Township of Lakewood provides a variety of municipal services including excellent recreation facilities through a system of township-owned parks and playgrounds, as well as, a branch of the Ocean County Library and Ocean County Park. Development and expansion show no signs of stopping which suggests the Township of Lakewood will continue to grow.

The Lakewood Township School District has a Superintendent of Schools who is the Chief Administrative Officer. The Business Administrator oversees the Board's business functions and reports through the Superintendent to the Board.

The Lakewood School District includes five elementary buildings, two comprising Pre-school through Grade 1 and three comprising Grade 2 through Grade 5, a Middle School comprising Grade 6 through Grade 8, a High School comprising Grade 9 through Grade 12, and a large Pre-school campus. Lakewood High School is known for the harmonious way the various segments of its population work together, as well as its fine academic programs. High School students may elect to participate in Career Academies with over twelve different pathways, Vocational, or Tech Prep Education programs, JROTC, or attend the Achievement Academy. Our 2016 graduates were accepted to such prestigious colleges and universities as Central Connecticut State, Concordia College, Gannon University, Georgian Court University, Johnson C. Smith University, NC, Johnson and Wales University, Kean University, Montclair, NJIT, NYIT, Neumann University, Nova Southeastern University, Richard Stockton College, Seton Hall, South Plains College, TCNJ, University of the Sciences and Virginia State among others.

Academic Programs

A broad range of academic programs from Advance Placement and Honors to basic skills are designed to meet the diverse needs of students in the Lakewood schools. Basic skills in reading, writing, and mathematics are stressed at the elementary level, with continuing emphasis throughout all grades. Art and music classes, physical education, computer, and library skills are part of every student's schedule at the elementary level. Chorus, band, and orchestra (including free lessons) are offered to start at Grade 4 as part of the curriculum.

To provide students with assistance and opportunities for success, the Lakewood School District has many services, such as district-wide guidance and career services, bilingual/ESL education, a special education program and a sports program.

Academically Gifted Program

The Academically Gifted Program consists of two self-contained classes housed at Clifton Avenue Grade School. One class combines third and fourth-grade students, and the other combines students in grades four and five. Criteria for selection include achievement tests and teacher recommendation. Students in Kindergarten through Grade 2 who are identified as academically-gifted receive enrichment from their classroom teacher.

Honors Courses

Advanced Placement and Honors-level courses are available at the High School in English, Social Studies, Science, Math, World Language, and the like.

Sports Program

Students in Middle School and High School have an opportunity to participate in sports. This year, 21 teams will represent Lakewood High School in varsity sports competitions, and 8 teams will compete at the Middle School level.

Preschool Program

Research has shown that it is important to focus on the education of our children as early as possible. As a result, the Lakewood School District has instituted a Full-day Lakewood Pre-School Program for three and four-year-old students, who are randomly selected. The district added 9 preschool general education classrooms in the 2015-2016 school year and another 3 in the 2016-2017 school year. Children must be three years old by December 31st to enroll in the Program. A teacher and aide are assigned to every fifteen children for instruction each day. Students learn various skills, like understanding a calendar and paying attention to details. They also are prepared for the language, reading and math lessons they will have in future grades. Bus transportation is provided for all students.

All-Day Kindergarten

As of July 2001, the District offered all-day Kindergarten classes in every school.

Family Life Education

Parents may have their child(ren) excused from any part of instruction in Family Life Education which is in conflict with his or her conscience or sincerely-held moral or religious beliefs.

Guidance Services

Guidance services are available to students at all levels. Periodically, guidance counselors meet with students to offer social, emotional and academic support.

At the Elementary level, counselors organize group discussions on common problems, such as making friends and dealing with emotions. Counselors also serve to strengthen communications between parents and teachers and are always available to discuss problems students may be having at home. Counselors are able to direct students and parents to readily-available support services in the community.

At the Middle and High Schools, counselors work closely with parents and students to plan course selections which would best meet their academic and career goals.

Extensive help is available through the High School Guidance Office for colleges and/or vocational planning. The LHS Career Center contains a wealth of information about jobs and careers both in

written form and on computer databases. Special evening workshops are held to inform parents and students about college preparation and procedures for obtaining financial aid.

When appropriate, counselors can arrange for individual tutoring services or home tutoring in cases of extended illness. Students and parents are encouraged to contact their guidance counselors at any time.

Vocational Education

The Ocean County Vocational-Technical School System offers programs that are designed to prepare students for entrance into a career field upon graduation. High School students who wish to choose a vocational career path may sign up in the LHS Career Center.

Career Services

In accordance with the New Jersey School-to-Career Initiative, the Lakewood School District offers a comprehensive career development program in addition to school and work-based learning services. Students in Grades 9-12 develop individual portfolios of work, education, and career-related experiences to guide them in selecting the career and post-secondary education that best suits their interests and abilities.

Testing and Assessment

In 1875, the State constitution guaranteed that students in New Jersey would receive an education in free public schools. Since that time, much of education law has centered on providing that education for all students and paying for it. Content standards in many disciplines were recently designed to determine what students throughout New Jersey should know and be able to do as part of that education.

Administrators and teachers in the Lakewood School District have been changing and modifying curricula to incorporate Student Learning Standards across the curricula. The seven academic areas are the Visual and Performing Arts, Comprehensive Health and Physical Education, Language Arts Literacy, Mathematics, Science, Social Studies and World Languages.

In addition, there are five standards that are associated with career education and apply to all areas of instruction: 1) All students will develop career-planning workplace readiness skills; 2) All students will use technology information, and other tools; 3) All students will use critical-thinking, decision-making, and problem-solving skills; 4) All students will demonstrate self-management skills; 5) All students will apply safety principles.

PARCC assessments will be given in the spring of 2017 to measure student growth.

Basic Skills

Students in grades K-2 who need assistance achieving proficiency in English Language Arts receive assistance through a data-driven Response-to-Intervention program.

Bilingual/ESL Program

The Bilingual Education Act ensures that students with Limited English Proficiency ("LEP") are provided with instructions which will allow them to continue to develop academic skills while acquiring English language skills.

An English Language Proficiency Test is administered to students before entering the program to determine whether they need the Bilingual/ESL Program.

The Bilingual Program in the Lakewood School District is a full-time program of instruction in all subjects (which a student is required to receive) given in the native language of the student and/or in English. All students in the Bilingual Program also receive daily English as a Second Language ("ESL") instruction in order to develop and improve their communication skills, such as aural comprehension, speaking, reading, and writing skills in English. Students leave the Bilingual Program based on English Language Proficiency Test results, standardized test results in English, reading and teachers' recommendations.

Special Services Department

The Department of Special Services provides specialized programs for handicapped and non-handicapped students. Occupational therapy, physical therapy, speech therapy and nursing services are furnished to students, as appropriate. In addition, an outstanding adaptive physical education program is available for students with identified needs. Social Service intervention is provided for non-handicapped students.

Special education programs follow a New Jersey State Department of Education Three Year Plan of service and are guided by State and Federal code. All professionals serving handicapped students are appropriately certified by the State of New Jersey. Annually, the New Jersey State Department of Education provides a program review of Special Education services, certifying appropriate compliance while approving programs that have been introduced.

Special Education Services

The Lakewood School District employs medical specialists, psychologists, learning consultants and social workers as Child Study Team members. Thus, a full continuum of services along with innovative programs and techniques are provided, allowing for each student to participate in the least restrictive environment to the maximum extent possible.

Direct classroom service is provided by teachers of the handicapped, adaptive physical education instructors, occupational therapists, speech therapists and physical therapists. Many students receiving special education assistance remain in the classroom and are provided with supplemental aids and services. Handicapped students who have remained within the standard educational program have demonstrated extensive educational improvement.

Many programs have been developed for students experiencing significant educational handicaps. Programs that serve the significantly educationally-handicapped alleviate the need for out-of-district placement locations, which require extensive travel time.

Health Services

Students in the Lakewood Public Schools are served by school physicians and full-time, fully-certified school nurses. The School Nurse is a member of the professional staff who carries out health services in accordance with the regulations of the State of New Jersey and the Board of Education. The School Nurse provides health screenings, monitors immunization requirements and completes health records.

Preschool Program Enrollment

The Lakewood School District provides preschool programming for handicapped students between the ages of 3 and 5 who are identified as having handicaps in one or more of the following areas: motor, communication-language, cognitive, physical, social-emotional and medical. Evaluation to determine eligibility for the program may begin 90 days prior to the child's third birthday. Child Study Team assessment and recommendation are required for enrollment. An Individual Education Plan ("IEP") outlining services to be provided based on the child's individual needs is written for each child entering the preschool program.

Home Instruction

When a pupil is unable to attend school for an extended time, as documented by the attending physician or Child Study Team, he/she may receive Home Instruction.

Senior Citizen Volunteer Program

Since 1991, many senior citizens have been faithfully reporting to the public schools to assist teachers and work with children, either individually or in small groups, from Kindergarten through 5th Grade, including Special Education and the Library/Media Center. Senior Citizen Volunteers, under the direction of a classroom teacher, may focus on readiness skills, reading, mathematics, writing or a host of other educational needs that children have.

Grants Management

Competitive and non-competitive grants are funds that are awarded for specific educational purposes. Grant money, which can come from the Federal government, the State of New Jersey, or even private foundations, provide the funds for programs, equipment, training or services that benefit our children and teachers without adding additional costs to the school budget.

Even though applying for grants takes hours and hours of work filling out detailed application forms, creating a working budget and justifying needs, the Lakewood administration and staff aggressively sought and received more than one million dollars for such competitive grants as Even Start Family Literacy Program; Family and Childhood Early Education Services and School-to-Careers Opportunities Initiatives.

The Lakewood School District is committed to seeking additional funding, but grants alone are not sufficient to give our children the education they need. Helping our children become successful, productive citizens takes a strong commitment from everyone in our community.

School-Based Program

Lakewood Middle and High School students, ages 13-19, including their families, graduates and those who have dropped out of school, can take advantage of the School Based Youth Services Program. The School-Based Program, a collaboration among Preferred Children's Services, the Lakewood School District, and the New Jersey Department of Human Services, was implemented in 1988 to provide "one-stop shopping" for students and their families in the areas of counseling, health, recreation, and employment.

Students who are referred by community agencies, family members and self, or Lakewood School administrators and faculty, receive such services as individual, parent-child, family and group therapy; monitoring of high risk students; home visits; pregnancy testing options and family planning counseling; self-esteem workshops; life skills; peer pressure management; overnight camping and job/college readiness, etc.

3. MAJOR EDUCATIONAL INITIATIVES

Our staff is aggressively working to help students raise their scores on standardized tests. The Library at the High School is open three (3) days a week until 5:00 p.m. for student use. Students are also receiving extra help through remedial instruction. At the Middle School, a Homework Club is being held three (3) days per week staffed by different area teachers to assist students in the various disciplines.

Since the summer of 2009, a Bridge Program was instituted at the Middle School to assist eighth graders in their transition to High School. A Summer Scholars Program was operated at the High School funded in part with federal and state grants.

4. INTERNAL ACCOUNTING CONTROLS

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

A detailed Manual of Standard Operating Procedures and Internal Controls was developed during the 2008-09 school year and updated as needed during the 2009-2010 and 2010-2011, and 2014-2015 and 2015-2016 school years in accordance with the requirements of the School Accountability.

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

The 2016-2017 budget was prepared, utilizing the Budget Projection capabilities of the district's accounting system (Systems 3000). Use of this system reduced the amount of time needed by administrators to prepare their budget and enabled the business office to efficiently review budget submissions and make changes in accordance with district priorities and goals.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated in the subsequent school year are reported as reservations of fund balance at June 30, 2017.

6. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

7. CASH MANAGEMENT

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

8. RISK MANAGEMENT

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

9. MAJOR FINANCIAL INITIATIVES AND ACCOMPLISHMENTS

The district passed a thirty-four million dollar bond referendum in 2014-2015 to upgrade the school facilities and prior lease purchase defeasance. The upgrades included roofing and heating ventilation air conditioning systems throughout the district. Some of these projects have been ongoing for the 2016-2017 school year. The newer and more efficient technology installed is anticipated to lower energy costs in the future. A significant reduction in the annual repair and maintenance costs are also expected due to the enhancements.

10. OTHER INFORMATION

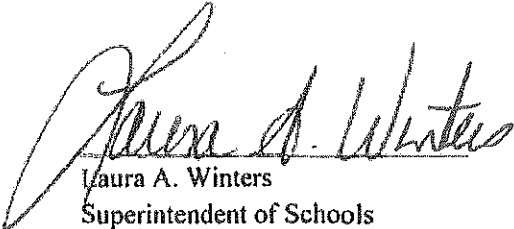
Independent Audit – New Jersey State statutes require an annual audit by independent certified public accountants. The accounting firm of Lerch, Vinci & Higgins, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the OMB Circular A-133, Audits of States, Local Governments, and Non-Profit


Organization, and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Requirements of Federal Grants, State Grants and State Aid. The Auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS

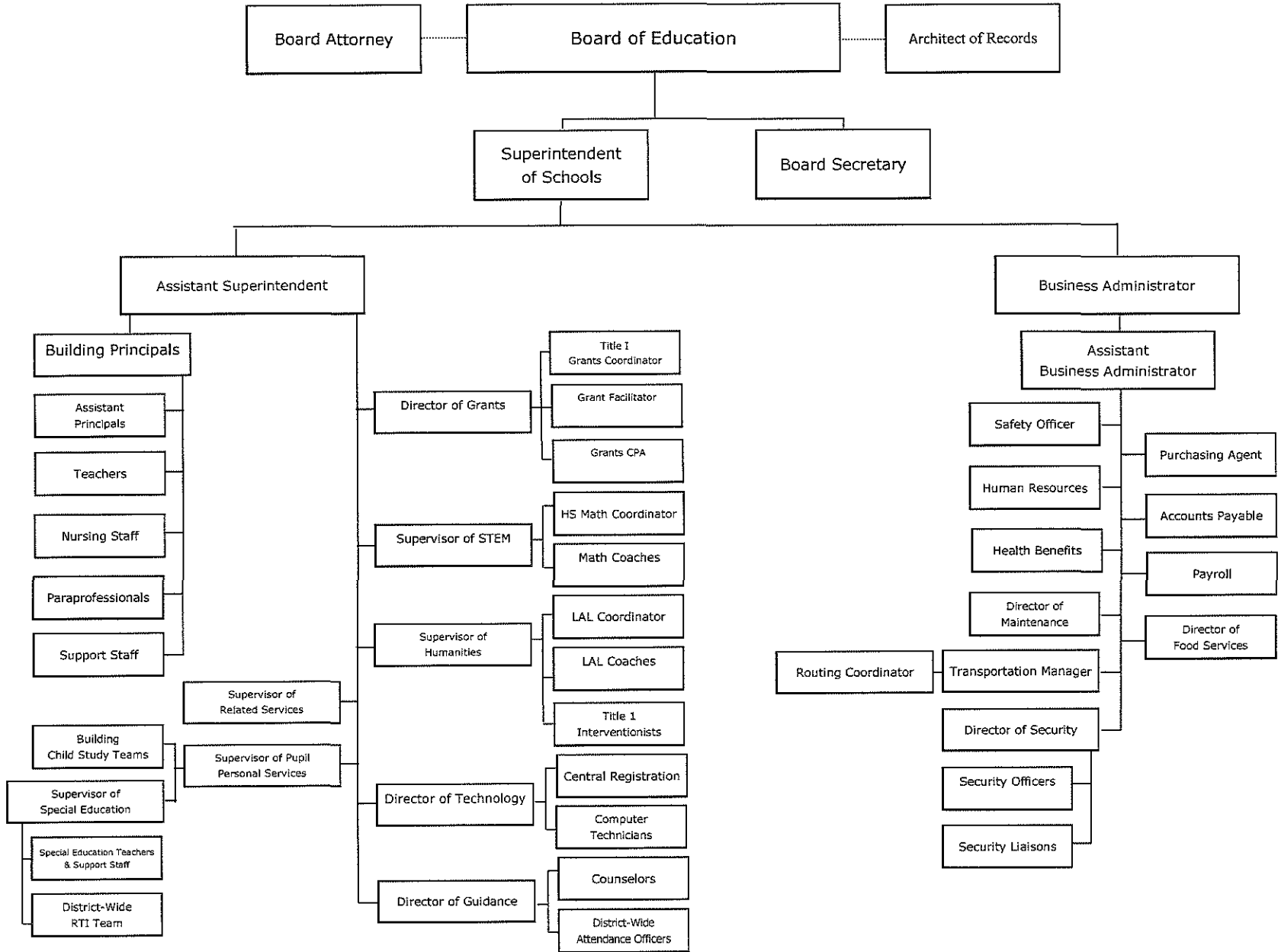
We would like to express our appreciation to the members of the Lakewood Township Board of Education for their unwavering support in providing fiscal accountability to the citizens and taxpayers of the District and to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient, effective and dedicated services of our financial and business office staff.

Respectfully,


Laura A. Winters
Superintendent of Schools


Kevin Campbell, CPA
Interim Business Administrator/Board Secretary

Lakewood Board of Education Organizational Chart



T.T.X.

LAKESWOOD BOARD OF EDUCATION

LAKESWOOD, New Jersey

June 30, 2017

Members of the Board of Education

Term Expires

Barry Iann, President	2019
Ada Gonzalez, Vice President	2017
Moshe Bender	2018
Thea Jackson	2017
Moshe Newhouse	2019
Moshe Raitzik	2017
Heriberto Rodriguez	2018
Bentzion Treisser	2017
Isaac Zlatkin	2019

Other Officials

Laura A. Winters, Superintendent of Schools
Regina Robinson, Business Administrator
Kevin Campbell, Assistant Business Administrator
Michael Azzara, State Monitor
David Schafter, State Monitor
Timothy Adams, Director of Facilities
James Trischitta, IT Director
Mark H. Zitomer, Esq., Board Attorney

LAKEWOOD BOARD OF EDUCATION

LAKEWOOD, New Jersey

June 30, 2017

CONSULTANTS AND ADVISORS

AUDITOR/ACCOUNTANT

Dieter P. Lerch, CPA, RMA, PSA
Lerch, Vinci & Higgins, LLP
17-17 Route 208
Fair Lawn, NJ 07410

ATTORNEY

Mark H. Zitomer
Schenck, Price, Smith & King, LLP
220 Park Avenue
PO Box 991
Florham Park, NJ 07932

OFFICIAL DEPOSITORY

Investors Bank
101 JFK Parkway
Short Hills, NJ 07078

ARCHITECT

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLOSI, CPA, PSA

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Trustees
Lakewood Board of Education
Lakewood, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education, as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Board of Education’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

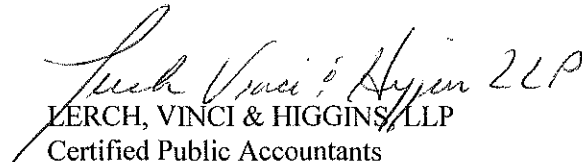
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lakewood Board of Education's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Lakewood Board of Education.

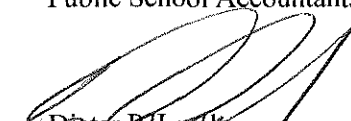
The combining fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 29, 2017 on our consideration of the Lakewood Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lakewood Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Lakewood Board of Education's internal control over financial reporting and compliance.


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 29, 2017

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

LAKWOOD BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED JUNE 30, 2017

This section of Lakewood Board of Education's ("Board" or "District") comprehensive annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2017. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2016-2017) and the prior year (2015-2016) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for the 2016-2017 fiscal year are as follows:

- The liabilities and deferred inflows of resources of the Lakewood Board of Education exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$31,000,455 (net position deficit).
- Net position decreased from a deficit of \$27,249,772 at June 30, 2016, as restated, to a deficit of \$31,003,455 at June 30, 2017, which represents a decrease of \$3,753,683.
- Overall general revenues of \$115,272,075 accounted for 53 percent of all revenues and overall program revenues of \$100,541,729 accounted for 47 percent of total revenues of \$215,813,804.
- The School District had \$219,567,487 in overall expenses of which \$100,541,729 were offset by program specific charges for services, grants or contributions. General revenues of \$115,272,075 helped offset these expenses.
- The School District had \$214,374,064 in expenses for governmental activities; only \$95,125,824 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$115,265,571 were adequate to provide for these programs.
- At June 30, 2017, the District's governmental funds reported a combined fund deficit of \$12,301,610, a decrease of \$9,009,662 when compared to the previous year ending fund deficit of \$3,291,948 at June 30, 2016, as restated.
- The General Fund unassigned fund deficit at June 30, 2017 was \$11,163,135 a decrease in the deficit of \$2,149,845 when compared with the ending fund deficit of \$13,312,980 at June 30, 2016, as restated.
- The General Fund unassigned budgetary fund deficit at June 30, 2017 was \$4,353,898, which represents a decrease in the deficit of \$2,470,694 when compared to the ending unassigned budgetary fund deficit of \$6,824,592 at June 30, 2016.

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

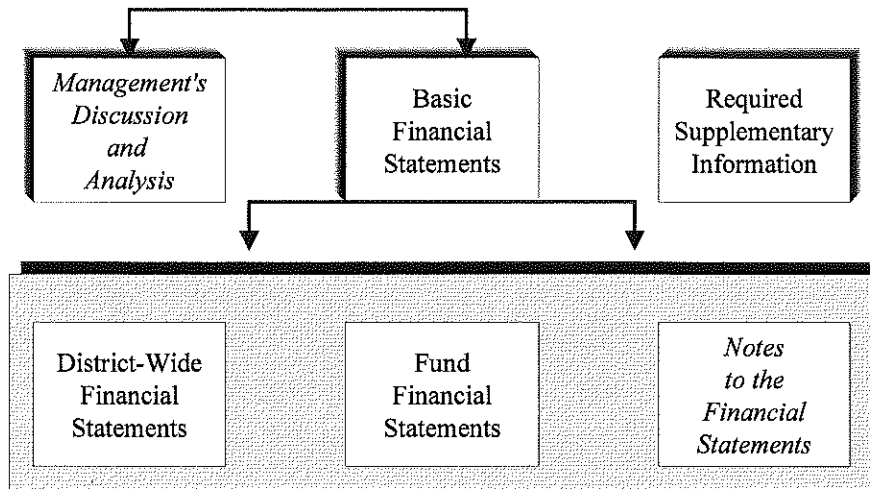
FISCAL YEAR ENDED JUNE 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District’s operations in more detail than the district-wide statements.
 - The *governmental funds* statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
 - *Proprietary funds* statements offer short – and long-term financial information about the activities the district operates like businesses.
 - *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

Organization of Lakewood Board of Education’s Annual Financial Report



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

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

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

Major Features of the District-Wide and Fund Financial Statements

	District-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as Instruction, special education and building maintenance.	Activities the district operates similar to private businesses: Food Service Fund.	Instances in which the district administers resources on behalf of someone else, such as scholarships and student activity funds.
Required financial statements	Statement of net position Statement of activities	Balance sheet, Statement of revenues expenditures and changes in fund balances	Statement of net position, Statement of revenue, expenses and changes in fund net position Statement of cash flows	Statements of Fiduciary net position, Statement of changes in fiduciary net position
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets, deferred outflow of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

District-Wide Statements

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

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

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

District-Wide Statements (Continued)

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

To assess the overall health of the District you need to consider additional non-financial factors such as changes in the amount of State funding and the condition of school buildings and other facilities.

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

Governmental Activities – Most of the District's basic services are included here, such as regular and special education, transportation, administration and operations and maintenance of plant. State and federal aid and property taxes finance most of these activities.

Business-Type Activities – The District charges fees to customers to help it cover the costs of certain services it provides. The District's food service fund is included here.

Fund Financial Statements

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

- Some funds are required by State law and by bond covenants.
- The district uses other funds established in accordance with the State of New Jersey Uniform Minimum Chart of Accounts, to control and manage money for particular purposes or to show that it is properly using certain revenues (e.g., federal funds).

The District has three kinds of funds:

Governmental funds – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.

Proprietary funds – Services for which the District charges a fee are generally reported in proprietary funds. The activities of the District's food service program are accounted for as enterprise funds. Proprietary funds are reported in the same way as in the district-wide statements.

Fiduciary funds – The District is the trustee, or fiduciary, for assets that belong to others, such as the Scholarship fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

Notes to the basic financial statements

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

Other Information

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

Combining statements and schedules are presented immediately following the major budgetary comparisons.

FINANCIAL ANALYSIS OF THE DISTRICT

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

Net position. The District's combined net position deficit for governmental activities and business-type activities were \$31,003,455 on June 30, 2017 and \$27,249,772, on June 30, 2016, as restated.

Net Position
as of June 30, 2017 and 2016

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u> (Restated)	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u> (Restated)
Assets						
Current and Other Assets	\$ 15,468,390	\$ 34,114,243	\$ 3,563,034	\$ 3,089,620	\$ 19,031,424	\$ 37,203,863
Capital Assets	46,988,609	36,656,998	685,681	547,223	47,674,290	37,204,221
Total Assets	<u>62,456,999</u>	<u>70,771,241</u>	<u>4,248,715</u>	<u>3,636,843</u>	<u>66,705,714</u>	<u>74,408,084</u>
Deferred Outflows of Resources	<u>9,109,599</u>	<u>3,796,244</u>	<u>-</u>	<u>-</u>	<u>9,109,599</u>	<u>3,796,244</u>
Total Assets and Deferred Outflows of Resources	<u>71,566,598</u>	<u>74,567,485</u>	<u>4,248,715</u>	<u>3,636,843</u>	<u>75,815,313</u>	<u>78,204,328</u>
Liabilities						
Long-Term Liabilities	77,403,301	66,499,474			77,403,301	66,499,474
Other Liabilities	28,056,348	37,553,922	933,772	556,970	28,990,120	38,110,892
Total Liabilities	<u>105,459,649</u>	<u>104,053,396</u>	<u>933,772</u>	<u>556,970</u>	<u>106,393,421</u>	<u>104,610,366</u>
Deferred Inflows of Resources	<u>416,068</u>	<u>840,539</u>	<u>9,279</u>	<u>3,195</u>	<u>425,347</u>	<u>843,734</u>
Total Liabilities and Deferred Inflows of Resources	<u>105,875,717</u>	<u>104,893,935</u>	<u>943,051</u>	<u>560,165</u>	<u>106,818,768</u>	<u>105,454,100</u>
Net Position						
Net Investment in Capital Assets	11,619,710	10,770,458	685,681	547,223	12,305,391	11,317,681
Restricted	1	1			1	1
Unrestricted	(45,928,830)	(41,096,909)	2,619,983	2,529,455	(43,308,847)	(38,567,454)
Total Net Position	<u>\$ (34,309,119)</u>	<u>\$ (30,326,450)</u>	<u>\$ 3,305,664</u>	<u>\$ 3,076,678</u>	<u>\$ (31,003,455)</u>	<u>\$ (27,249,772)</u>

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

FINANCIAL ANALYSIS OF THE DISTRICT (Continued)

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents the changes in net position for the fiscal years ended June 30, 2017 and 2016 which resulted in decreases of \$3,753,683 and \$5,413,641, respectively.

	Change in Net Position					
	For the Fiscal Years Ended June 30, 2017 and 2016					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
Revenues	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Program Revenues						
Charges for Services			\$ 376,242	\$ 324,594	\$ 376,242	\$ 324,594
Operating Grants and Contributions	\$ 94,961,199	\$ 74,320,059	5,039,663	4,885,735	100,000,862	79,205,794
Capital Grants and Contribution	164,625	52,277		-	164,625	52,277
General Revenues						
Property Taxes	95,374,297	90,893,807			95,374,297	90,893,807
Federal and State Aid	18,449,737	17,073,309			18,449,737	17,073,309
Miscellaneous	1,441,537	1,567,374	6,504	958	1,448,041	1,568,332
Total Revenues	<u>210,391,395</u>	<u>183,906,826</u>	<u>5,422,409</u>	<u>5,211,287</u>	<u>215,813,804</u>	<u>189,118,113</u>
Expenses						
Instruction	107,696,262	89,677,847			107,696,262	89,677,847
Support Services						
Student and Instruction Related Services	53,439,607	51,684,343			53,439,607	51,684,343
General Administrative Services	3,261,815	2,632,224			3,261,815	2,632,224
School Administrative Services	6,057,411	5,523,041			6,057,411	5,523,041
Central and Other Support Services	2,970,516	2,550,977			2,970,516	2,550,977
Plant Operation and Maintenance	9,560,255	8,217,595			9,560,255	8,217,595
Pupil Transportation	29,373,313	27,225,354			29,373,313	27,225,354
Food Service/Community School			5,193,423	5,221,912	5,193,423	5,221,912
Unallocated Depreciation	862,105	703,668			862,105	703,668
Interest on Long Term Debt	1,152,780	1,094,793	-	-	1,152,780	1,094,793
Total Expenses	<u>214,374,064</u>	<u>189,309,842</u>	<u>5,193,423</u>	<u>5,221,912</u>	<u>219,567,487</u>	<u>194,531,754</u>
Changes in Net Position	<u>\$ (3,982,669)</u>	<u>\$ (5,403,016)</u>	<u>\$ 228,986</u>	<u>\$ (10,625)</u>	<u>\$ (3,753,683)</u>	<u>\$ (5,413,641)</u>

LAKWOOD BOARD OF EDUCATION

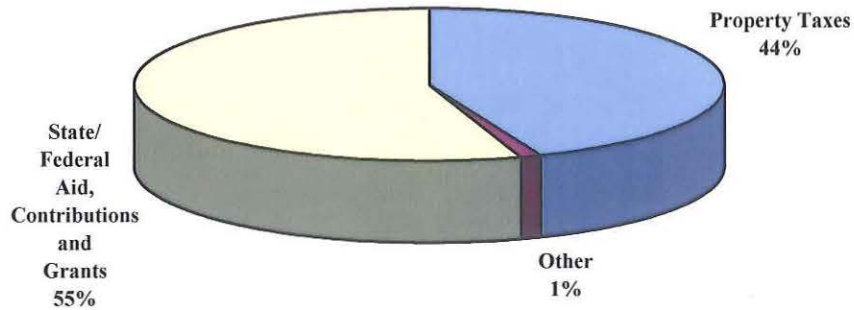
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

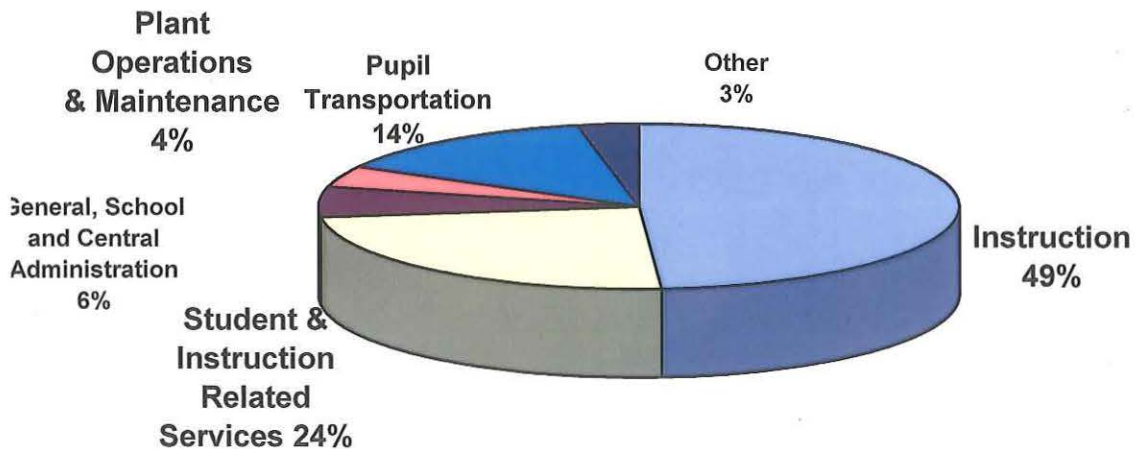
Changes in net position. The District's total revenues were \$215,813,804 and \$189,118,113 for the years ended June 30, 2017 and 2016, respectively. Property taxes of \$95.3 million and \$90.9 million accounted for 44% and 47% of the total revenues for the years ended June 30, 2017 and 2016, respectively. State and Federal formula aid accounted for 9% and 9%, while operating grants and contributions were 46% and 43% of total revenues for the years ended June 30, 2017 and 2016. The remaining revenues for both years were obtained from capital grants and contributions, investment earnings and miscellaneous revenues.

The total cost of all programs and services was \$219,567,487 and \$194,531,754 for the years ended June 30, 2017 and 2016, respectively. The District's expenses are predominantly related to educating and caring for students. Instruction represented 49% and 46% of total expenses in fiscal years 2017 and 2016. The purely administrative activities of the District accounted for only 6% of total costs for both fiscal years 2017 and 2016, respectively.

Sources of Revenues
For Fiscal Year 2017



Sources of Expenses
For Fiscal Year 2017



LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

Governmental Activities

The following schedule presents the cost of each of the District's largest governmental activities programs as well as each program's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

- Net position for governmental activities decreased \$3,982,669 and \$5,403,016 for the year ended June 30, 2017 and 2016, respectively.
- The total revenue earned from all governmental activities was \$210,391,395 and \$183,906,826 for the years ended June 30, 2017 and 2016, respectively.
- The cost of all governmental activities was \$214,374,064 and \$189,309,842 for the years ended June 30, 2017 and 2016.
- After applying program revenues, derived from operating grants and contributions of \$94,961,199 and \$74,320,059, capital grants and contribution of \$164,625 and \$52,277 for the years ended June 30, 2017 and 2016, respectively; the net cost of services of the District were \$119,248,240 and \$114,937,506 for the fiscal years ended June 30, 2017 and 2016.
- The amount that taxpayers paid for these activities through property taxes was \$95,374,297 and \$90,893,807 for fiscal years 2017 and 2016, respectively. Unrestricted State and Federal aid provided \$18,449,737 and \$17,073,309 in fiscal years 2017 and 2016 to fund the District programs.

**Net Expense of Governmental Activities
For the Fiscal Years Ended June 30, 2017 and 2016**

Function/Program:	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
Instruction	\$ 107,696,262	\$ 89,677,847	\$ 65,256,841	\$ 62,431,721
Support Services				
Student and Instruction Related Services	53,439,607	51,684,343	16,341,839	14,762,547
General Administrative Services	3,261,815	2,632,224	3,159,770	2,447,410
School Administrative Services	6,057,411	5,523,041	4,636,371	4,440,656
Central and Other Support Services	2,970,516	2,550,977	2,407,830	2,132,182
Plant Operations and Maintenance	9,560,255	8,217,595	6,359,692	5,576,635
Pupil Transportation	29,373,313	27,225,354	19,497,555	21,350,874
Unallocated Depreciation	862,105	703,668	862,105	703,668
Interest on Long Term Debt	1,152,780	1,094,793	726,237	1,091,813
Total	\$ 214,374,064	\$ 189,309,842	\$ 119,248,240	\$ 114,937,506

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

Business-Type Activities

The cost of Business-Type activities for the fiscal year ended June 30, 2017 and 2016 was \$5,193,423 and \$5,221,912, respectively. These expenses relate to the operation of the District's school breakfast, lunch, snack and summer food programs. These costs were funded in 2017 and 2016 by operating grants (93% and 94%), charges for services (7% and 6%) and investment earnings.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund deficit of \$12,301,610 for the year ended June 30, 2017 compared to a fund deficit of \$3,291,948 for the year ended June 30, 2016, as restated, a decrease of \$9,009,662 for the current year.

Revenues for the District's governmental funds were \$196,145,378 and \$174,421,001, while total expenditures were \$211,271,471 and \$195,360,892 for the fiscal years ended June 30, 2017 and 2016, respectively. The District also realized other financing sources of \$6,116,431 during fiscal year 2017 from capital lease proceeds and a state aid advance loan.

GENERAL FUND

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

The following schedule presents a comparison of General Fund Revenues.

	<u>June 30,</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
	<u>2017</u>	<u>2016</u>		
Local Sources:				
Property Taxes	\$ 94,088,028	\$ 90,350,168	\$ 3,737,860	4%
Other Local Revenue	1,785,661	2,518,850	(733,189)	-29%
State Sources	41,040,256	35,930,399	5,109,857	14%
Federal Sources	1,375,024	566,510	808,514	143%
Total Revenues	<u>\$ 138,288,969</u>	<u>\$ 129,365,927</u>	<u>\$ 8,923,042</u>	7%

LAKEWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

GENERAL FUND (Continued)

Total General Fund revenues increased by \$8,923,042 or 7% from the previous year. Local property taxes increased \$3,737,860 or 4% from the previous year. Overall state and federal aid increased \$5,918,371 or 16% from the previous year.

The following schedule presents a comparison of General Fund expenditures:

	<u>June 30,</u>		<u>Amount of Increase</u>	<u>Percent Change</u>
	<u>2017</u>	<u>2016</u>		
Instruction	\$ 78,851,259	\$ 74,312,050	\$ 4,539,209	6%
Support Services	63,771,120	60,482,108	3,289,012	5%
Capital Outlay	2,735,308	376,225	2,359,083	627%
Debt Service	1,698,641	294,406	1,404,235	477%
Total General Fund Expenditures	<u>\$ 147,056,328</u>	<u>\$ 135,464,789</u>	<u>\$ 11,591,539</u>	9%

The general fund expenditures increased by \$11,591,539 or 9%.

General Fund Budgetary Highlights

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant difference between the budgetary basis of accounting and generally accepted accounting principles is the legally mandated revenue recognition of certain delayed or deferred state aid payments for budgetary purposes only. The most significant budgetary fund is the General Fund.

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

General Fund budgetary revenues and other financing sources exceeded budgetary expenditures, increasing budgetary fund balance \$288,710 over the previous year. The unassigned budgetary fund balance deficit decreased \$2,470,694 from a deficit of \$6,824,592 at June 30, 2016 to a deficit of \$4,353,898 at June 30, 2017.

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

SPECIAL REVENUE FUND

The Special Revenue Fund accounts for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. The revenues include federal funds, state funds, private donations and contributions.

Revenues in the District's Special Revenue Fund totaled \$55,591,547 for the year ended June 30, 2017. State sources accounted for \$26,508,213 or 48% of the total. Federal sources accounted for \$27,412,710 or 49% of the total.

Expenditures of the Special Revenue Fund totaled \$52,990,332 for the year ended June 30, 2017. Expenditures were for instruction (34%), student and instruction related support services (60%) and transportation (4%) and maintenance/capital outlay (2%).

At June 30, 2017 the Special Revenue Fund reported deferred revenue of \$540,908. This amount represents funds that were received during the 2016/17 school year but were not expended as of June 30, 2017. The district may utilize these funds in the subsequent year in accordance with the terms and provisions contained in their grant contracts and agreements.

CAPITAL PROJECTS FUND

The Capital Projects Fund includes all revenue sources for major capital projects of the District. The District issued serial bonds as a result of a successful referendum passed by the voters of the District in a previous year. The proceeds of the bonds are being utilized to fund various capital improvement projects for district facilities. During 2016/17, the District incurred expenses of \$8,977,423 related to these projects.

PROPRIETARY FUNDS

The District maintains an Enterprise Fund to account for activities which are supported in part through user fees.

Enterprise Fund – The District uses the Enterprise Fund to report activities related to the Food Services program. The District's Enterprise Fund provides the same type of information found in the District-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

CAPITAL ASSETS

At June 30, 2017, the District had invested in excess of \$47 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment and various other machinery and equipment. Total depreciation expense for the year was \$1,602,403. No depreciation is recorded on construction in progress until such facilities are placed into service.

Capital Assets at June 30, 2017 and 2016

	Governmental		Business- Type		Total	
	Activities		Activities			
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$ 143,800	\$ 143,800			\$ 143,800	\$ 143,800
Buildings and Improvements	41,680,132	41,479,785			41,680,132	41,479,785
Machinery and Equipment	7,675,783	4,976,197	1,081,646	\$ 886,530	8,757,429	5,862,727
Construction in Progress	28,339,949	19,362,526			28,339,949	19,362,526
Less: Accumulated Depreciation	<u>(30,851,055)</u>	<u>(29,305,310)</u>	<u>(395,965)</u>	<u>(339,307)</u>	<u>(31,247,020)</u>	<u>(29,644,617)</u>
Total	<u>\$ 46,988,609</u>	<u>\$ 36,656,998</u>	<u>\$ 685,681</u>	<u>\$ 547,223</u>	<u>\$ 47,674,290</u>	<u>\$ 37,204,221</u>

Additional information of the District's capital assets can be found in the Notes to the Financial Statements.

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2017

Long-Term Liabilities

At year-end, the District has \$77,403,301 in long-term liabilities; the District had \$34,222,699 in outstanding general obligation bonds, including unamortized premium, \$3,114,777 in outstanding capital leases, \$26,747,060 in outstanding net pension liability, \$51,710 in outstanding deferred pension obligations, \$8,676,165 in state aid advance loans payable, \$1,192,907 in register audit recoveries and \$3,397,983 in employee compensated absences payable. More detailed financial information about the District's long-term liabilities is presented in Notes to the Financial Statements.

Long-Term Liabilities as of June 30, 2017 and 2016

	Governmental Activities		
	<u>2017</u>	<u>2016</u> (Restated)	<u>Percentage</u> <u>Change</u>
General Obligation Bonds	\$ 33,445,000	\$ 34,695,000	-4%
Add: Unamortized Premium on Bond	777,699	806,765	-4%
Obligations Under Capital Lease Agreements	3,114,777	3,119,827	0%
Net Pension Liability	26,747,060	18,877,918	42%
Deferred Pension Obligations	51,710	76,649	-33%
State Aid Advance Loan Payable	8,676,165	4,050,000	114%
Register Audit Recovery	1,192,907	1,325,452	-10%
Compensated Absences Payable	<u>3,397,983</u>	<u>3,547,863</u>	-4%
Total	<u>\$ 77,403,301</u>	<u>\$ 66,499,474</u>	16%

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

Many of these factors were considered by the District's administration during the process of developing the fiscal year 2017-2018 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Lakewood Board of Education, 200 Ramsey Avenue, Lakewood, New Jersey 08701.

BASIC FINANCIAL STATEMENTS

LAKESIDE BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2017

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 3,134,844	\$ 1,878,824	\$ 5,013,668
Receivables, net			
Receivables from Other Governments	12,963,778	383,841	13,347,619
Accounts	593,867		593,867
Internal Balances	(1,264,899)	1,264,899	-
Other Assets	40,800		40,800
Inventories		35,470	35,470
Capital Assets, not being depreciated	28,483,749		28,483,749
Capital Assets, being depreciated, net	18,504,860	685,681	19,190,541
	<u>62,456,999</u>	<u>4,248,715</u>	<u>66,705,714</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	9,109,599	-	9,109,599
	<u>9,109,599</u>	<u>-</u>	<u>9,109,599</u>
Total Deferred Outflows of Resources	<u>9,109,599</u>	<u>-</u>	<u>9,109,599</u>
Total Assets and Deferred Outflows of Resources	<u>71,566,598</u>	<u>4,248,715</u>	<u>75,815,313</u>
LIABILITIES			
Intergovernmental Accounts Payable	7,340,707		7,340,707
Accounts Payable and Other Liabilities	19,888,385	933,772	20,822,157
Unearned Revenue	540,908		540,908
Accrued Interest Payable	286,348		286,348
Noncurrent Liabilities			
Due Within One Year	3,342,723		3,342,723
Due Beyond One Year	74,060,578		74,060,578
	<u>105,459,649</u>	<u>933,772</u>	<u>106,393,421</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	416,068		416,068
Deferred Commodities Revenue	-	9,279	9,279
	<u>416,068</u>	<u>9,279</u>	<u>425,347</u>
Total Deferred Inflows of Resources	<u>416,068</u>	<u>9,279</u>	<u>425,347</u>
Total Liabilities and Deferred Inflows of Resources	<u>105,875,717</u>	<u>943,051</u>	<u>106,818,768</u>
NET POSITION			
Net Investment in Capital Assets	11,619,710	685,681	12,305,391
Restricted for:			
Debt Service	1		1
Unrestricted	(45,928,830)	2,619,983	(43,308,847)
	<u>(34,309,119)</u>	<u>3,305,664</u>	<u>(31,003,455)</u>
Total Net Position	<u>\$ (34,309,119)</u>	<u>\$ 3,305,664</u>	<u>\$ (31,003,455)</u>

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

LAKEWOOD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 49,774,796		\$ 24,999,306	\$ 80,046	\$ (24,695,444)		\$ (24,695,444)
Special Education	44,558,540		14,218,311		(30,340,229)		(30,340,229)
Other Instruction	11,774,822		3,057,179	84,579	(8,633,064)		(8,633,064)
School Sponsored Activities/Athletics	1,588,104				(1,588,104)		(1,588,104)
Support Services							
Student and Instruction Related Svcs.	53,439,607		37,097,768		(16,341,839)		(16,341,839)
General Administrative Services	3,261,815		102,045		(3,159,770)		(3,159,770)
School Administrative Services	6,057,411		1,421,040		(4,636,371)		(4,636,371)
Plant Operations and Maintenance	9,560,255		3,200,563		(6,359,692)		(6,359,692)
Pupil Transportation	29,373,313		9,875,758		(19,497,555)		(19,497,555)
Central Services	2,970,516		562,686		(2,407,830)		(2,407,830)
Interest on Long-Term debt	1,152,780		426,543		(726,237)		(726,237)
Unallocated Depreciation	862,105				(862,105)		(862,105)
Total Governmental Activities	214,374,064	-	94,961,199	164,625	(119,248,240)	-	(119,248,240)
Business-Type Activities							
Food Service	5,193,423	\$ 376,242	5,039,663			222,482	222,482
Total Business-Type Activities	5,193,423	376,242	5,039,663	-	-	222,482	222,482
Total Primary Government	\$219,567,487	\$ 376,242	\$ 100,000,862	\$ 164,625	(119,248,240)	222,482	(119,025,758)
General Revenues, Special Items and Transfers:							
General Revenues:							
Property Taxes, Levied for General Purposes, Net					94,088,028		94,088,028
Taxes Levied for Debt Service					1,286,269		1,286,269
Federal and State Aid - Unrestricted					15,313,946		15,313,946
Federal Grants for School Based Budgets					2,601,215		2,601,215
Federal and State Aid Restricted for Debt Service					534,576		534,576
Unrestricted Interest Earnings					69,231	6,504	75,735
Miscellaneous Income					1,372,306	-	1,372,306
Total General Revenues and Transfers					115,265,571	6,504	115,272,075
Change in Net Position					(3,982,669)	228,986	(3,753,683)
Net Position, Beginning of Year (Restated)					(30,326,450)	3,076,678	(27,249,772)
Net Position, End of Year					\$ (34,309,119)	\$ 3,305,664	\$ (31,003,455)

FUND FINANCIAL STATEMENTS

**LAKEWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2017**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash		\$ 1,086,300	\$ 1,572,296		\$ 2,658,596
Cash with Fiscal Agents	\$ 476,248				476,248
Receivables					
Receivables From Other Governments	3,558,386	9,405,392			12,963,778
Accounts Receivable	-	171,962			171,962
Due from Other Funds	421,905	7,993,101	124,458	1	8,539,465
Other Assets	40,800				40,800
Total Assets	<u>\$ 4,497,339</u>	<u>\$ 18,656,755</u>	<u>\$ 1,696,754</u>	<u>\$ 1</u>	<u>\$ 24,850,849</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 5,427,221	\$ 13,960,745	\$ 500,419		19,888,385
Other Liabilities - Health Premium					-
Due to Other Funds	9,382,459				9,382,459
Intergovernmental Accounts Payable		7,340,707			7,340,707
Unearned Revenue	-	540,908			540,908
Total Liabilities	<u>14,809,680</u>	<u>21,842,360</u>	<u>500,419</u>	<u>-</u>	<u>37,152,459</u>
Fund Balances (Deficits)					
Restricted					
Capital Projects			1,196,335		1,196,335
Debt Service				\$ 1	1
Committed					
Year End Encumbrances	476,248				476,248
Assigned					
Year End Encumbrances	374,546				374,546
Unassigned	<u>(11,163,135)</u>	<u>(3,185,605)</u>	<u>-</u>	<u>-</u>	<u>(14,348,740)</u>
Total Fund Balances (Deficits)	<u>(10,312,341)</u>	<u>(3,185,605)</u>	<u>1,196,335</u>	<u>1</u>	<u>(12,301,610)</u>
Total Liabilities and Fund Balances	<u>\$ 4,497,339</u>	<u>\$ 18,656,755</u>	<u>\$ 1,696,754</u>	<u>\$ 1</u>	<u>\$ 24,850,849</u>

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

**LAKESWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2017**

Total Fund Balances (Deficits) - Governmental Funds \$ (12,301,610)

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$77,839,664 and the accumulated depreciation is \$30,851,055.

46,988,609

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

Deferred Outflows of Resources	\$	9,109,599
Deferred Inflows of Resources		<u>(416,068)</u>

8,693,531

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

(286,348)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of the following:

Serial Bonds Payable		(34,222,699)
Obligations Under Capital Leases		(3,114,777)
Compensated Absences		(3,397,983)
Deferred Pension Obligation		(51,710)
State Aid Advance Loan		(8,676,165)
Registered Audit Recovery		(1,192,907)
Net Pension Liability		<u>(26,747,060)</u>

(77,403,301)

Net Position of Governmental Activities **\$ (34,309,119)**

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

**LAKWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Tax Levy	\$ 94,088,028			\$ 1,286,269	\$ 95,374,297
Interest Earned	51,757		\$ 17,474		69,231
Miscellaneous Revenues	1,733,904	\$ 1,670,624	-	-	3,404,528
Total - Local Sources	95,873,689	1,670,624	17,474	1,286,269	98,848,056
State Sources	41,040,256	26,508,213		961,119	68,509,588
Federal Sources	1,375,024	27,412,710	-	-	28,787,734
Total Revenues	138,288,969	55,591,547	17,474	2,247,388	196,145,378
EXPENDITURES					
Current					
Instruction					
Regular Instruction	27,789,163	15,624,234			43,413,397
Special Education Instruction	39,959,821	2,161,991			42,121,812
Other Instruction	9,686,561	160,548			9,847,109
School Sponsored Activities and Athletics	1,415,714				1,415,714
Support Services					
Student and Instruction Related Services	18,247,648	31,777,391			50,025,039
General Administration	3,018,188	102,045			3,120,233
School Administration	4,988,322				4,988,322
Central Services	2,488,315				2,488,315
Plant Operations and Maintenance	8,221,712	1,008,789			9,230,501
Pupil Transportation	26,806,935	1,990,709			28,797,644
Debt Service					
Principal	1,652,800			1,250,000	2,902,800
Interest and Other Charges	45,841			997,388	1,043,229
Capital Outlay	2,735,308	164,625	8,977,423		11,877,356
Total Expenditures	147,056,328	52,990,332	8,977,423	2,247,388	211,271,471
Excess (Deficiency) of Revenues Over(Under) Expenditures	(8,767,359)	2,601,215	(8,959,949)	-	(15,126,093)
OTHER FINANCING SOURCES (USES)					
Capital Lease Proceeds	476,248				476,248
State Aid Advance Loan	5,640,183				5,640,183
Transfers In	2,618,689				2,618,689
Transfers Out	-	(2,601,215)	(17,474)	-	(2,618,689)
Total Other Financing Sources and (Uses)	8,735,120	(2,601,215)	(17,474)	-	6,116,431
Net Change in Fund Balances	(32,239)	-	(8,977,423)	-	(9,009,662)
Fund Balance (Deficits), Beginning of Year (Restated)	(10,280,102)	(3,185,605)	10,173,758	1	(3,291,948)
Fund Balance (Deficits), End of Year	\$ (10,312,341)	\$ (3,185,605)	\$ 1,196,335	\$ 1	\$ (12,301,610)

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

**LAKWOOD BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (9,009,662)**

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 and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation Expense	\$ (1,545,745)	
Capital Outlay - Additions	<u>11,877,356</u>	
		10,331,611

The issuance of long term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Debt Issued		
Capital Lease Proceeds	(476,248)	
State Aid Advance Loan	<u>(5,640,183)</u>	
		(6,116,431)

Principal Repayments		
Serial Bonds	1,250,000	
Capital Lease	481,298	
State Aid Advance Loan	1,014,018	
Registered Audit Recovery	132,545	
Deferred Pension Obligation	<u>24,939</u>	
		2,902,800

Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Increase in Accrued Interest	(138,617)	
Increase in Net Pension Expense	(2,131,316)	
Amortization of Original Issue Premium	29,066	
Net Decrease in Compensated Absences	<u>149,880</u>	
		<u>(2,090,987)</u>

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ (3,982,669)**

**LAKWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2017**

	Business-Type <u>Activities</u> Enterprise Fund - <u>Food Service</u>
ASSETS	
Current Assets	
Cash	\$ 1,878,824
Receivables	
Intergovernmental	
Federal	379,891
State	3,950
Due from Other Funds	1,264,899
Inventories	<u>35,470</u>
Total Current Assets	<u>3,563,034</u>
Noncurrent Assets	
Machinery and Equipment	1,081,646
Less: Accumulated Depreciation	<u>(395,965)</u>
Total Noncurrent Assets	<u>685,681</u>
Total Assets	<u>4,248,715</u>
LIABILITIES	
Accounts Payable	668,772
Due to Other Funds	<u>265,000</u>
Total Liabilities	<u>933,772</u>
DEFERRED INFLOWS OF RESOURCES	
USDA Commodities	<u>9,279</u>
Total Deferred Inflows or Resources	<u>9,279</u>
NET POSITION	
Net Investment in Capital Assets	685,681
Unrestricted	<u>2,619,983</u>
Total Net Position	<u>\$ 3,305,664</u>

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

**LAKWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type <u>Activities</u> Enterprise Fund - <u>Food Service</u>
OPERATING REVENUES	
Local Sources	
Daily Sales - Reimbursable Programs	\$ 376,242
Total Operating Revenues	<u>376,242</u>
 OPERATING EXPENSES	
Food Service Management Company Expenses	
Cost of Sales	
Reimbursable Programs	\$ 1,564,448
Non-Reimbursable Programs	101,252
U.S.D.A. Commodities	274,677
Labor	1,401,710
Supplies and Materials	197,931
Miscellaneous	86,863
Insurance	78,158
Management Fee	179,012
Administration and Supervision	172,473
Direct Expenses	
Salaries and Wages	91,137
Cost of Sales	537,548
Purchased Services	9,945
Repairs and Maintenance	48,791
Indirect Cost Allocation	370,622
Depreciation	56,658
Equipment	8,733
Miscellaneous Expenditures	<u>13,465</u>
Total Operating Expenses	<u>5,193,423</u>
Operating Income (Loss)	<u>(4,817,181)</u>
 Nonoperating Revenues (Expenses)	
State Sources	
State School Lunch Program	48,460
Federal Sources	
National School Breakfast Program	1,483,131
National School Lunch Program	2,854,465
After School Snack Program	52,317
Fresh Fruit and Vegetable program	167,977
Food Distribution Program	274,677
Summer Food Program	158,636
Interest and Investment Revenue	<u>6,504</u>
Total Nonoperating Revenues	<u>5,046,167</u>
Change in Net Position	228,986
Net Position, Beginning of Year	<u>3,076,678</u>
Net Position, End of Year	<u>\$ 3,305,664</u>

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

**LAKWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities Enterprise Fund - Food Service
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 376,242
Cash Payments for Employees' Salaries and Wages	(1,492,847)
Cash Payments to Suppliers for Good and Services	<u>(2,996,454)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(4,113,059)</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from Federal and State Sources	4,785,862
Cash Received from Other Funds	<u>1,029,752</u>
Net Cash Provided by Noncapital Financing Activities	<u>5,815,614</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	<u>(195,116)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(195,116)</u>
Cash Flows from Investing Activities	
Interest on Investments	<u>6,504</u>
Net Cash Provided by Investing Activities	<u>6,504</u>
Net Increase in Cash and Cash Equivalents	1,513,943
Cash and Cash Equivalents, Beginning of Year	<u>364,881</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,878,824</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income (Loss)	\$ (4,817,181)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Depreciation	56,658
Non-Cash Federal Assistance - Food Distribution Program	274,677
Change in Assets and Liabilities	
(Increase)/Decrease in Accounts Receivable	-
(Increase)/Decrease in Inventories	(10,099)
Increase/(Decrease) in Accounts Payable	376,802
Increase/(Decrease) in Deferred Commodities Revenue	<u>6,084</u>
Total Adjustments	<u>704,122</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (4,113,059)</u>
Non-Cash Investing, Capital and Financing Activities: Value Received - Food Distribution Program	<u>\$ 280,761</u>

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

**LAKWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2017**

	Workers Compensation Trust	Unemployment Compensation Trust Fund	Private Purpose Scholarship Fund	Parent Resource Center/ College Application Fund	Agency Funds
ASSETS					
Cash and Cash Equivalents	\$ 7,132	\$ 289,570	\$ 44,640	\$ 9,848	\$ 949,610
Investments			134,401		
Accounts Receivable					168,171
Due from Other Funds	-	-	-	-	278,370
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	7,132	289,570	179,041	9,848	\$ 1,396,151
LIABILITIES					
Due to Student Groups					\$ 115,740
Due to Other Funds		47,937			387,338
Intergovernmental Accounts Payable		22,835			
Summer Payment Plan Deposits					922,716
Flexible Spending Plan Deposits					31,470
Payroll Deductions and Withholdings Payable	-	-	-	-	(61,113)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	-	70,772	-	-	\$ 1,396,151
NET POSITION					
Held In Trust For Unemployment Claims and Other Purposes	\$ 7,132	\$ 218,798	\$ 179,041	\$ 9,848	

**LAKWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Workers Compensation Trust	Unemployment Compensation Trust Fund	Private Purpose Scholarship Fund	Parent Resource Center/ College Application Fund
ADDITIONS				
Contributions				
District		\$ 253,503		
Employee		156,005		
Investment Earnings				
Interest and Dividends	\$ 35	905	\$ 3,378	\$ 48
Total Additions	<u>35</u>	<u>410,413</u>	<u>3,378</u>	<u>48</u>
DEDUCTIONS				
Scholarships Awarded			1,250	
Loss on Fair Market Value of Investments			4,605	
Other Expenses				1,000
Unemployment Claims and Contributions	-	306,511	-	-
Total Deductions	<u>-</u>	<u>306,511</u>	<u>5,855</u>	<u>1,000</u>
Change in Net Position	35	103,902	(2,477)	(952)
Net Position, Beginning of Year	<u>7,097</u>	<u>114,896</u>	<u>181,518</u>	<u>10,800</u>
Net Position, End of Year	<u>\$ 7,132</u>	<u>\$ 218,798</u>	<u>\$ 179,041</u>	<u>\$ 9,848</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Lakewood Board of Education (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

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

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

B. New Accounting Standards

During fiscal year 2017, the District adopted the following GASB statements:

- GASB No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- GASB No. 77, *Tax Abatement Disclosures*. The requirements of this Statement will improve financial reporting by providing disclosure of information about the nature and magnitude of tax abatements that will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.
- GASB No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14. *The Financial Reporting Entity, as amended*.

**LAKESWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pension*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are Not Within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

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

- GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.
- GASB No. 85, *Omnibus 2017*, will be effective with the fiscal year ending June 30, 2018. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and post-employment benefits (pensions and other post-employment benefits (OPEB)).
- GASB No. 86, *Certain Debt Extinguishment Issues*, will be effective with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.
- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid, federal and state grants for school based budgeting and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

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

The District reports the following major governmental funds:

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

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

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

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

LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

Additionally, the government reports the following fund types:

The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, for private donations for scholarship awards, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. *Capital Assets*

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	15-50
Building Improvements	20
Machinery and Equipment	5-20

5. *Deferred Outflows/Inflows of Resources*

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

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

LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *Compensated Absences*

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

7. *Pensions*

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

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

8. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums, 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements

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

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

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

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

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

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

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

**LAKESWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 2015-2016 and 2016-2017 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education. The District did receive a tuition adjustment in the amount of \$1,474,475 for school year 2014/15 which was funded in the 2016/17 budget.

4. *Proprietary Funds, Operating and Non-Operating Revenues and Expenses*

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On November 15, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2016/2017. Also, during 2016/2017 the original budget was increased by \$31,157,070. The increase was funded by additional revenues appropriated, grant awards and the reappropriation of prior year general fund encumbrances

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

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

B. Excess Expenditures Over Appropriations

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Undistributed Expenditures – Student Transportation Services			
Contracted Services – (Special Education Students) - Vendors	\$3,013,827	\$3,410,256	\$396,399

The above variance was the result of an audit adjustment and was offset with other available resources.

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Deficit Fund Equity

The District has unassigned fund deficits of \$11,163,135 in the General Fund and \$3,185,605 in the Special Revenue Fund as of June 30, 2017 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2016/2017 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General and Special Revenue Fund deficits do not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficits in the GAAP (fund) financial statements of \$11,163,135 in the General Fund and \$3,185,605 in the Special Revenue Fund are more than the delayed state aid payments as of June 30, 2017.

The general fund deficit represents \$6,809,237 as a result of a delay in state aid payments and \$4,353,898 in a deficit in operations. The special revenue fund deficit represents \$3,185,605 as a result of prior year disallowed grant expenditures.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2017, the book value of the Board's deposits were \$6,314,468 and bank and brokerage firm balances of the Board's deposits amounted to \$9,278,149. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash with fiscal agents" are categorized as:

Depository Account

Insured	\$ 9,217,190
Uninsured and Collateralized	<u>60,959</u>
	<u>\$ 9,278,149</u>

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2017 the Board’s bank balance of \$60,959 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department
 not in the Board's name

\$ 60,959

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2017, the Board had the following investments:

**Fair
Value**

Investment:

U.S. Government Securities
 Nuveen Core Bond Fund

\$ 134,401

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2017, \$134,401 of the Board’s investments was exposed to custodial credit risk as follows:

**Fair
Value**

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department
 not in the Board's name

\$ 134,401

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

Concentration of Credit Risk – The Board places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Board’s investments are in Nuveen Investments. These investments are 100% of the District’s total investments.

The fair value of the above-listed investment was based on quoted market prices.

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

B. Receivables

Receivables as of June 30, 2017 for the district’s individual major funds and fiduciary funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Agency Funds</u>	<u>Total</u>
Receivables:					
Accounts		\$ 171,962		\$ 168,171	\$ 340,133
Intergovernmental					
Federal		9,392,134	\$ 379,891		9,772,025
State	\$ 3,558,386	8,258	3,950		3,570,594
Local	-	5,000	-	-	5,000
Gross Receivables	3,558,386	9,577,354	383,841	168,171	13,687,752
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	<u>\$ 3,558,386</u>	<u>\$ 9,577,354</u>	<u>\$ 383,841</u>	<u>\$ 168,171</u>	<u>\$ 13,687,752</u>

C. Unearned Revenue

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

	<u>Total</u>
Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 215,822
Grant Draw Downs Reserve for Encumbrances	<u>325,086</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 540,908</u>

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	Balance, <u>July 1, 2016</u>	<u>Increases</u>	Decreass/ <u>Adjustments</u>	Balance, <u>June 30, 2017</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 143,800			\$ 143,800
Construction in Progress	<u>19,362,526</u>	\$ 8,977,423	\$ -	<u>28,339,949</u>
Total Capital Assets, Not Being Depreciated	<u>19,506,326</u>	<u>8,977,423</u>	<u>-</u>	<u>28,483,749</u>
Capital Assets, Being Depreciated:				
Land Improvements	2,406,289			2,406,289
Buildings and Building Improvements	39,073,496	200,347	-	39,273,843
Machinery and Equipment	<u>4,976,197</u>	<u>2,699,586</u>	-	<u>7,675,783</u>
Total Capital Assets Being Depreciated	<u>46,455,982</u>	<u>2,899,933</u>	<u>-</u>	<u>49,355,915</u>
Less Accumulated Depreciation for:				
Land Improvements	(2,210,423)	(23,631)		(2,234,054)
Buildings and Building Improvements	(24,729,126)	(722,948)		(25,452,074)
Machinery and Equipment	<u>(2,365,761)</u>	<u>(799,166)</u>	-	<u>(3,164,927)</u>
Total Accumulated Depreciation	<u>(29,305,310)</u>	<u>(1,545,745)</u>	<u>-</u>	<u>(30,851,055)</u>
Total Capital Assets, Being Depreciated, Net	<u>17,150,672</u>	<u>1,354,188</u>	<u>-</u>	<u>18,504,860</u>
Governmental Activities Capital Assets, Net	<u>\$ 36,656,998</u>	<u>\$ 10,331,611</u>	<u>\$ -</u>	<u>\$ 46,988,609</u>

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases/ Adjustments</u>	Balance, <u>June 30, 2017</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 886,530	\$ 195,116	-	\$ 1,081,646
Total Capital Assets Being Depreciated	<u>826,369</u>	<u>195,116</u>	<u>-</u>	<u>1,081,646</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(339,307)	(56,658)	-	(395,965)
Total Accumulated Depreciation	<u>(288,665)</u>	<u>(56,658)</u>	<u>-</u>	<u>(395,965)</u>
Total Capital Assets, Being Depreciated, 1	<u>547,223</u>	<u>138,458</u>	<u>-</u>	<u>685,681</u>
Business-Type Activities Capital Assets, 1	<u>\$ 547,223</u>	<u>\$ 138,458</u>	<u>\$ -</u>	<u>\$ 685,681</u>

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

Governmental Activities:

Instruction		
Regular		\$ 481,082
Total Instruction		<u>481,082</u>
Support Services		
General Administration		1,574
Central Services		66,714
Operations and Maintenance of Plant		134,270
Total Support Services		<u>202,558</u>
Unallocated		<u>862,105</u>
Total Support Services		<u>1,064,663</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 1,545,745</u>
Business-Type Activities:		
Food Service Fund		\$ 56,658
Total Depreciation Expense-Business-Type Activities		<u>\$ 56,658</u>

LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2017:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
HVAC Upgrades - Phase III	\$ 4,634,194	\$ 835,806
HVAC Upgrades - Phase IV	5,328,294	<u>201,701</u>
		<u>\$ 1,037,507</u>

The District has other significant commitments at June 30, 2017 as follows:

<u>Purpose</u>	<u>Remaining Commitment</u>
Acquisition of Five (5) 24 Passenger School Buses	\$ 288,312
Acquisition of Two (2) 54 Passenger School Buses	<u>187,936</u>
	<u>\$ 476,248</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2017, is as follows:

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Payroll Agency Fund	\$ 387,338
General Fund	Unemployment Fund	34,567
Special Revenue Fund	General Fund	7,993,101
Food Service Fund	General Fund	1,264,899
Capital Projects Fund	General Fund	124,458
Debt Service Fund	General Fund	1
Payroll Agency Fund	Food Service Fund	265,000
Payroll Agency Fund	Unemployment Fund	<u>13,370</u>
		<u>\$ 10,082,734</u>

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

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

LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers

	<u>Transfer In:</u>	
	<u>General Fund</u>	<u>Total</u>
<u>Transfer Out:</u>		
Special Revenue Fund	\$ 2,601,215	\$ 2,601,215
Capital Projects Fund	<u>17,474</u>	<u>17,474</u>
Total Transfers Out	<u>\$ 2,618,689</u>	<u>\$ 2,618,689</u>

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

F. Leases

Capital Leases

The District is leasing textbooks and school buses totaling \$3,923,661 under capital leases. The leases are for terms of 3 and 7 years, respectively.

The capital assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Machinery and Equipment	\$ 2,892,413
Less: Accumulated Depreciation	<u>(663,323)</u>
Total	<u>\$ 2,229,090</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2018	\$ 879,511
2019	672,868
2020	517,573
2021	517,573
2022	456,187
2023	<u>354,849</u>
Total minimum lease payments	3,398,561
Less: amount representing interest	<u>(283,784)</u>
Present value of minimum lease payments	<u>\$ 3,114,777</u>

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2017 are comprised of the following issues:

\$34,695,000, 2015 Bonds, due in annual installments of \$1,300,000 to \$2,500,000 through September 15, 2034 interest at 2.50% to 3.00%	<u>\$33,445,000</u>
Total	<u>\$33,445,000</u>

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2018	\$ 1,300,000	\$ 963,888	\$ 2,263,888
2019	1,350,000	927,451	2,277,451
2020	1,400,000	889,638	2,289,638
2021	1,470,000	850,175	2,320,175
2022	1,525,000	808,994	2,333,994
2023-2027	8,600,000	3,332,663	11,932,663
2028-2032	10,485,000	1,909,125	12,394,125
2033-2035	<u>7,315,000</u>	<u>333,225</u>	<u>7,648,225</u>
	<u>\$ 33,445,000</u>	<u>\$ 10,015,159</u>	<u>\$ 43,460,159</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2017 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 331,268,354
Less: Net Debt (Including Unfunded Authorizations)	<u>33,447,241</u>
Remaining Borrowing Power	<u>\$ 297,821,113</u>

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Deferred Pension Obligation

During the 2009/2010 school year the Board elected to contribute only 50% of its normal and accrued liability components of the Public Employee Retirement System (PERS) obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$196,429 and is being paid back with interest over 15 years beginning in the 2011/2012 fiscal year. The District is permitted to payoff the deferred PERS pension obligations at any time. It is estimated that the total deferred liability at June 30, 2017 is \$51,710.

State Aid Advance Loan Payable

The Board has entered into loan agreements with the State of New Jersey in amounts of \$4,500,000 and \$5,640,183 pursuant to N.J.S.A. 18A:7A-56 in the form of an advancement of state aid to provide funds to eliminate a portion of the unassigned budgetary fund deficit in the General Fund. The advance State aid payments will be repaid by the school district through automatic reductions in the State aid provided to the school district in subsequent years. The terms of the repayments are ten (10) years beginning in the 2015/2016 and 2016/2017 school years, respectively, at a minimum amounts of \$450,000 and \$564,018 per year, but may be for a shorter term as determined by the State Treasurer. At any time during the term of the repayment the State Treasurer, in consultation with the Commissioner of Education, may determine to impose interest on the unpaid balance. The State Treasurer has not imposed interest during the 2016/2017 school year. The state aid advance loan balance outstanding at June 30, 2017 is not reported as a liability in the General Fund, but is recorded as a long term liability in the Governmental Activities on the District-wide statement of net position. The Board's State aid advance loan activity for the fiscal year ended June 30, 2017 is as follows:

<u>Purpose</u>	<u>Balance, July 1, 2016</u>	<u>Renewed/ Issued</u>	<u>Retired/ Redeemed</u>	<u>Balance, June 30, 2017</u>
State Aid				
Advance Loan-2014/15	\$ 4,050,000		\$ 450,000	\$ 3,600,000
Advance Loan-2016/17	<u>-</u>	<u>\$ 5,640,183</u>	<u>564,018</u>	<u>5,076,165</u>
	<u>\$ 4,050,000</u>	<u>\$ 5,640,183</u>	<u>\$ 1,014,018</u>	<u>\$ 8,676,165</u>

Register Audit Recovery

During the 2015/2016 school year, the State of New Jersey, Department of Education completed a review of the enrollment data used for the District's fiscal year 2011/2012 Applications for Chapter 193 Nonpublic Auxiliary Services Aid. The findings included in the review indicated that the District's fiscal year 2011/2012 nonpublic state aid payments were overstated by \$1,325,452. Such amount is due to the State of New Jersey, Department of Education. As a result, for a period of ten (10) years beginning in fiscal year 2016/2017, the amount due will be repaid through automatic reductions in State Aid provided to the District on an annual basis. The remaining amount due as of June 30, 2017 is \$1,192,907.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities (Continued)

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2017, was as follows:

	Balance, <u>July 1, 2016</u> (Restated)	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2017</u>	Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 34,695,000		\$ 1,250,000	\$ 33,445,000	\$ 1,300,000
Add: Premium	<u>806,765</u>	<u>-</u>	<u>29,066</u>	<u>777,699</u>	<u>-</u>
Total Bonds Payable	<u>35,501,765</u>	<u>-</u>	<u>1,279,066</u>	<u>34,222,699</u>	<u>1,300,000</u>
Capital Leases	3,119,827	\$ 476,248	481,298	3,114,777	796,160
Compensated Absences	3,547,863	70,956	220,836	3,397,983	100,000
Net Pension Liability	18,877,918	8,671,438	802,296	26,747,060	
State Aid Advance Loan Payable	4,050,000	5,640,183	1,014,018	8,676,165	1,014,018
Registered Audit Recovery	1,325,452		132,545	1,192,907	132,545
Deferred Pension Obligations	<u>76,649</u>	<u>5,543</u>	<u>30,482</u>	<u>51,710</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 66,499,474</u>	<u>\$ 14,864,368</u>	<u>\$ 3,960,541</u>	<u>\$ 77,403,301</u>	<u>\$ 3,342,723</u>

For the governmental activities, the liabilities for compensated absences, deferred pension obligations, net pension liability, etc., are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the School Alliance Insurance Fund (SAIF). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

<u>Fiscal Year Ended</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ 253,503	\$ 156,005	\$ 306,511	\$ 218,798
2016	189,146	141,148	230,015	114,896
2015	422,854	74,476	390,998	14,352

B. Contingent Liabilities

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

The Lakewood Board of Education is currently a defendant to approximately fifty-five special education disputes, which individually are not expected to exceed the materiality threshold, although may do so in the aggregate. In these cases, the parents are seeking prospective placement in out-of-district educational programs. A few cases also involve a request for compensatory education or independent evaluations. The School District is vigorously defending each matter, however if unsuccessful at hearing, the Board would likely be required to reimburse the parents for reasonable attorney fees and costs. This would not exceed \$250,000 in any individual case, however may exceed that limit in the aggregate.

B. Contingent Liabilities

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2017, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

Title I – During the 2013/2014 school year, the State of New Jersey, Department of Education completed a fiscal audit of the District's No Child Left Behind (NCLB) Title I grant. The review covered the period of September 1, 2011 through August 31, 2012. Such audit disclosed nine (9) findings for various noncompliance areas resulting in a refund due to the State of New Jersey from the Lakewood Board of Education in the amount of \$3,939,095. This amount is reflected as a liability in the Special Revenue Fund on the District's financial statements.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2017, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

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

Public Employees' Retirement System (PERS) – 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 10 years of service for pension benefits and 25 years for post-retirement health care coverage. PERS is a cost sharing multi-employer defined benefit pension plan.

Teachers' Pension and Annuity Fund (TPAF) – 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 certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. TPAF is a cost sharing plan with special funding situations.

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

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain Board employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

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

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

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

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

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

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

Funding Status and Funding Progress

As of July 1, 2015, the most recent actuarial valuation date, the aggregate funded ratio for the State administered TPAF and local PERS retirement systems, is 28 percent with an unfunded actuarial accrued liability of \$108.6 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded TPAF system is 22.33 percent and \$79.0 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS is 40.14 percent and \$29.6 billion, respectively.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2015 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.65 percent and (b) projected salary increases applied through the year 2026 of 1.65-5.15 percent based on age for the PERS and varying percentages based on experience for TPAF.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.06% for PERS, 7.06% for TPAF and 5.50% for DCRP of the employee's annual compensation

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 *Accounting for Pensions by State and Local Government Employees*, for the fiscal year ended June 30, 2017 for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the fiscal years ended June 30, 2017, 2016 and 2015 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF, respectively, for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2017	\$ 802,296	\$ 3,460,363	NONE
2016	723,002	2,398,440	NONE
2015	654,809	1,664,875	NONE

In addition, for fiscal year 2016/2017, the District contributed \$14,077 for PERS and the State contributed \$15,837 for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 24. The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,433,338 during the fiscal year ended June 30, 2017 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 24.

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS)

At June 30, 2017, the District reported in the statement of net position (accrual basis) a liability of \$26,747,060 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2016, the District's proportionate share was 0.09030 percent, which was an increase of 0.00621 percent from its proportionate share measured as of June 30, 2015 of 0.08409 percent.

For the fiscal year ended June 30, 2017, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,933,612 for PERS. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 497,414	
Changes of Assumptions	5,540,562	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,019,890	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>2,051,733</u>	<u>\$ 416,068</u>
Total	<u>\$ 9,109,599</u>	<u>\$ 416,068</u>

At June 30, 2017, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2018	\$ 1,974,684
2019	1,974,684
2020	2,186,110
2021	1,921,623
2022	636,430
Thereafter	<u>-</u>
	<u>\$ 8,693,531</u>

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate	3.08%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.65%
Mortality Rate Table	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	5.25%	5.63%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2017	June 30, 2016	3.98%

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2034
Municipal Bond Rate *	From July 1, 2034 and Thereafter

* The municipal bond return rate used is 2.85% as of the measurement date of June 30, 2016. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 3.98%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98 percent) or 1-percentage-point higher (4.98 percent) than the current rate:

	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 32,775,400</u>	<u>\$ 26,747,060</u>	<u>\$ 21,770,143</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2016. A sensitivity analysis specific to the District's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

For the fiscal year ended June 30, 2017, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$17,706,380 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 24.

At June 30, 2017 the State's proportionate share of the net pension liability attributable to the District is \$235,657,472. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2016. At June 30, 2016, the state's share of the net pension liability attributable to the District was 0.29956 percent, which was a decrease of .00838 percent from its proportionate share measured as of June 30, 2015 of 0.30794 percent.

Actuarial Assumptions

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.65%

Assumptions for mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational bases based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.39%
US Government Bonds	1.50%	1.28%
US Credit Bonds	13.00%	2.76%
US Mortgages	2.00%	2.38%
US Inflation-Indexed Bonds	1.50%	1.41%
US High Yield Bonds	2.00%	4.70%
US Equity Market	26.00%	5.14%
Foreign-Developed Equity	13.25%	5.91%
Emerging Markets Equity	6.50%	8.16%
Private Real Estate Property	5.25%	3.64%
Timber	1.00%	3.86%
Farmland	1.00%	4.39%
Private Equity	9.00%	8.97%
Commodities	0.50%	2.87%
Hedge Funds - MultiStrategy	5.00%	3.70%
Hedge Funds - Equity Hedge	3.75%	4.72%
Hedge Funds - Distressed	3.75%	3.49%

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

<u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2017	June 30, 2016	3.22%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit	
Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2029
Municipal Bond Rate *	From July 1, 2029 and Thereafter

* The municipal bond return rate used is 2.85% as of the measurement date of June 30, 2016. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 3.22% as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.22 percent) or 1-percentage-point higher (4.22 percent) than the current rate:

	1% Decrease <u>(2.22%)</u>	Current Discount Rate <u>(3.22%)</u>	1% Increase <u>(4.22%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 281,427,685</u>	<u>\$ 235,657,472</u>	<u>\$ 198,280,186</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2016. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2016 was not provided by the pension system.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are classified as either single employer plans or cost sharing multiple employer defined benefit plans depending on the plan the eligible employee is covered under.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 584 state and local participating employers and contributing entities for Fiscal Year 2016.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides paid coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides paid coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for state paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Significant Legislation

P.L. 2011, c.78, effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of July 1, 2015, the most recent actuarial valuation date, the State had a \$84.3 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$25.9 billion for state active and retired members and \$41.6 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2015, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2016, there were 110,512, retirees receiving post-retirement medical benefits and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (ABP) who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

The School Employees Health Benefits Program (SEHBP) 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 Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SEHBP. That report may be obtained from the Treasury website at: <http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a 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 State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2017, 2016 and 2015 were \$2,883,270, \$2,855,878 and \$2,642,990, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

F. Tax Abatements

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

For the Lakewood Board of Education, the District's share of abated taxes resulting from the municipality having entered into tax abatement agreements is indeterminate.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 LAKEWOOD STUDENT TRANSPORTATION AUTHORITY

On August 9, 2016, the State of New Jersey adopted Chapter 22, Public Law 2016, which established a three year nonpublic school pupil transportation pilot program in the Lakewood School District. In accordance with this statute, the Lakewood School District ("the District") is to provide funding to a consortium of nonpublic schools, known as the Lakewood Student Transportation Authority ("LSTA"), which will assume responsibility for the district's mandated nonpublic school busing. If, after providing the mandated pupil transportation, any funds remain unspent, the LSTA, as it deems appropriate, may provide courtesy busing to pupils who are residents of the district and are attending the nonpublic schools of the consortium. The LSTA shall refund annually to the District, after completion of the school year, any unexpended funds received pursuant to the pilot program.

NOTE 6 RESTATEMENT

The Net Position, beginning of year, on the Statement of Activities has been restated to reflect a long term liability resulting from a register audit recovery which was previously unrecorded. In addition, an existing long term liability for the deferred pension obligation has been restated. The net effect of this restatement is a decrease of \$1,260,062 to the June 30, 2016 Governmental Activities Net Position from an original deficit balance of \$29,066,388 to an adjusted deficit balance of \$30,326,450.

The fund balance (deficit), beginning of year, on the Statement of Revenues, Expenditures and Changes in Fund Balances has been restated to report a previously awarded State Aid Advance Loan as fund balance in accordance with "Financial Accounting for New Jersey School Districts" issued by the State of New Jersey, Department of Education. The net effect of this restatement is an increase of \$4,050,000 to the June 30, 2016 annual fund balance from an original deficit balance of \$14,330,102 to an adjusted deficit balance of \$10,280,102.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**LAKEWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

EXHIBIT C-1

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 94,088,028		\$ 94,088,028	\$ 94,088,028	
Miscellaneous, Including Interest	735,299		735,299	1,785,661	\$ 1,050,362
Total - Local Sources	94,823,327	-	94,823,327	95,873,689	1,050,362
State Sources:					
Special Education Aid	3,053,082		3,053,082	3,053,082	
Extraordinary Aid	5,200,000		5,200,000	4,542,906	(657,094)
Security Aid	2,186,868		2,186,868	2,186,868	
Equalization Aid	15,070,904		15,070,904	15,070,904	
Transportation Aid	4,199,793		4,199,793	4,199,793	
PARCC Readiness Aid	58,370		58,370	58,370	
Per Pupil Growth Aid	58,370		58,370	58,370	
Professional Learning Community Aid	63,220		63,220	63,220	
Nonpublic Transportation Reimbursement	353,310	\$ 2,966,784	3,320,094	3,334,884	14,790
State Aid Advance Loan		5,640,183	5,640,183		
On Behalf TPAF Pension Contributions (Non-Budgeted)				3,339,370	3,339,370
On Behalf TPAF NCGI Contributions (Non-Budgeted)				120,993	120,993
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)				2,883,270	2,883,270
On Behalf TPAF Long Term Disability Insurance (Non-Budgeted)				15,837	15,837
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)				2,433,338	2,433,338
Total State Sources	30,243,917	8,606,967	38,850,884	47,001,388	8,150,504
Federal Sources:					
Special Education Medicare Incentive Program	851,000	669,263	1,520,263	1,324,838	(195,425)
ARRA - SEMI Cost Settlement	-	-	-	50,186	50,186
Total - Federal Sources	851,000	669,263	1,520,263	1,375,024	(145,239)
Total Revenues	125,918,244	9,276,230	135,194,474	144,250,101	9,055,627
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	677,952	233,603	911,555	910,306	1,249
Grades 1-5 - Salaries of Teachers	7,348,676	(886,875)	6,461,801	6,450,832	10,969
Grades 6-8 - Salaries of Teachers	2,934,105	131,985	3,066,090	2,961,630	104,460
Grades 9-12 - Salaries of Teachers	4,381,275	(346,414)	4,034,861	3,981,763	53,098
Regular Programs - Home Instruction:					
Salaries of Teachers	95,252	(18,274)	76,978	76,978	
Purchased Professional-Educational Services	250,000	32,254	282,254	180,837	101,417
Other Purchased Services (400-500 series)	5,460		5,460	5,460	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	686,425	(75,775)	610,650	539,298	71,352
Purchased Professional-Educational Services	900,000	338,000	1,238,000	1,138,028	99,972
Purchased Technical Services		1,000	1,000	1,000	
Other Purchased Services (400-500 series)	250,000	78,628	328,628	256,086	72,542
General Supplies	554,869	392,944	947,813	911,255	36,558
Textbooks	266,497	(4,060)	262,437	220,992	41,445
Other Objects	17,459	(5,470)	11,989	(1,783)	13,772
TOTAL REGULAR PROGRAMS - INSTRUCTION	18,367,970	(128,454)	18,239,516	17,632,682	606,834
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	913,602	178,939	1,092,541	1,092,021	520
Other Salaries for Instruction	405,407	123,599	529,006	529,006	
General Supplies	11,943	3,863	15,806	13,500	2,306
Total Learning and/or Language Disabilities	1,330,952	306,401	1,637,353	1,634,527	2,826
Auditory Impairments:					
Salaries of Teachers	54,046	(38,600)	15,446	2,574	12,872
Total Auditory Impairments	54,046	(38,600)	15,446	2,574	12,872
Multiple Disabilities:					
Salaries of Teachers	601,432	80,701	682,133	664,714	17,419
Other Salaries for Instruction	115,470	61,254	176,724	175,879	845
General Supplies	6,357	2,409	8,766	6,090	2,676
Total Multiple Disabilities	723,259	144,364	867,623	846,683	20,940
Resource Room/Resource Center:					
Salaries of Teachers	2,839,625	(670,577)	2,169,048	2,163,545	5,503
Other Salaries for Instruction				(99)	99
General Supplies	12,768	(500)	12,268	7,745	4,523
Total Resource Room/Resource Center	2,852,393	(671,077)	2,181,316	2,171,191	10,125
Autism:					
Salaries of Teachers	206,954	8,309	215,263	210,268	4,995
Other Salaries for Instruction	61,185	6,100	67,285	63,544	3,741
General Supplies	5,200	(2,116)	3,084	3,073	11
Total Autism	273,339	12,293	285,632	276,885	8,747
Preschool Disabilities - Full-Time:					
Salaries of Teachers	1,365,555	(186,349)	1,179,206	1,179,206	
Other Salaries for Instruction	472,874	38,067	510,941	509,163	1,778
General Supplies	10,500	3,316	13,816	12,673	1,143
Total Preschool Disabilities - Full-Time	1,848,929	(144,966)	1,703,963	1,701,042	2,921
Home Instruction :					
Purchased Professional-Educational Services	90	(90)	-	-	-
Total Home Instruction	90	(90)	-	-	-
TOTAL SPECIAL EDUCATION - INSTRUCTION	7,083,008	(391,675)	6,691,333	6,632,902	58,431

**LAKEWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

EXHIBIT C-1

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Basic Skills/Remedial - Instruction					
Salaries of Teachers	\$ 291,133	\$ 567,836	\$ 858,969	\$ 855,758	\$ 3,211
Total Basic Skills/Remedial - Instruction	291,133	567,836	858,969	855,758	3,211
Bilingual Education - Instruction					
Salaries of Teachers	3,431,412	(422,994)	3,008,418	2,975,191	33,227
Other Salaries for Instruction	185,233	12,769	198,002	173,818	24,184
Purchased Professional-Educational Services	37,498	(37,000)	498	498	-
General Supplies	14,000	(8,000)	6,000	5,490	510
Total Bilingual Education - Instruction	3,668,143	(455,225)	3,212,918	3,154,499	58,419
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	157,712	(24,537)	133,175	97,242	35,933
Purchased Services (300-500 series)	10,000	(228)	9,772	8,156	1,616
Supplies and Materials	26,000	25	26,025	15,976	10,049
Total School-Spon. Cocurricular Actvts. - Inst.	193,712	(24,740)	168,972	121,374	47,598
School-Spon. Cocurricular Athletics - Inst.					
Salaries	622,310	(15,386)	606,924	606,924	-
Purchased Services (300-500 series)	125,270	6,521	131,791	106,742	25,049
Supplies and Materials	103,400	14,550	117,950	111,774	6,176
Other Objects	38,795	-	38,795	34,471	4,324
Total School-Spon. Cocurricular Athletics - Inst.	889,775	5,685	895,460	859,911	35,549
Before/After School Programs - Instruction					
Salaries of Teachers	-	139,163	139,163	135,780	3,383
Purchased Professional & Tech Services	48,000	132,000	180,000	180,000	-
Total Before/After School Programs - Instruction	48,000	271,163	319,163	315,780	3,383
Before/After School Programs - Support Svcs					
Salaries	-	8,830	8,830	8,830	-
Total Before/After School Programs - Support Svcs	-	8,830	8,830	8,830	-
Total Before/After School Programs	48,000	279,993	327,993	324,610	3,383
Summer School - Instruction					
Salaries of Teachers	500,270	80,429	580,699	580,699	-
Other Salaries for Instructions	247,735	14,718	262,453	262,453	-
General Supplies	1,000	2,708	3,708	3,665	43
Total Summer School - Instruction	749,005	97,855	846,860	846,817	43
Summer School - Support Svcs					
Salaries	-	15,540	15,540	15,540	-
Purchased Services (400-500 series)	-	13,620	13,620	13,620	-
Total Summer School - Support Svcs	-	29,160	29,160	29,160	-
Total Summer School	749,005	127,015	876,020	875,977	43
Alternative Education Program - Instruction					
Salaries of Teachers	-	16,290	16,290	16,290	-
Other Salaries for Instructions	-	7,097	7,097	7,097	-
Total Alternative Education Program - Instruction	-	23,387	23,387	23,387	-
Alternative Education Program - Support Svcs					
Salaries	-	28,260	28,260	28,260	-
Total Alternative Education Program - Support Svcs	-	28,260	28,260	28,260	-
Total Alternative Education Program	-	51,647	51,647	51,647	-
Community Services Programs/Operations					
Salaries	-	1,000	1,000	420	580
Total Community Services Programs/Operations	-	1,000	1,000	420	580
TOTAL INSTRUCTION	31,290,746	33,082	31,323,828	30,509,780	814,048
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	233,858	118,552	352,410	323,368	29,042
Tuition to Other LEAs Within the State - Special	56,839	(50,000)	6,839	3,861	2,978
Tuition to County Voc. School Dist. - Regular	46,500	42,160	88,660	88,660	-
Tuition to County Voc. School Dist. - Special	37,319	(11,088)	26,231	15,840	10,391
Tuition to CSSD & Regional Day Schools	1,007,000	(192,828)	814,172	812,850	1,322
Tuition to Private Schools for the Disabled - Within State	28,317,804	(398,577)	27,919,227	27,891,730	27,497
Tuition to Private Schools for the Disabled & Other LEA - Sp/O/S :	118,939	169,000	287,939	281,215	6,724
Tuition - State Facilities	118,077	-	118,077	106,272	11,805
Tuition - Other	1,547,159	(481,503)	1,065,656	981,683	83,973
Total Undistributed Expenditures - Instruction:	31,483,495	(804,284)	30,679,211	30,505,479	173,732
Undistributed Expend. - Attend. & Social Work					
Salaries	212,375	(20,404)	191,971	190,871	1,100
Salaries of Family Liaisons and Comm. Parent Inv. Specialists	46,477	1,890	48,367	48,367	-
Purchased Professional and Technical Services	-	18,076	18,076	6,000	12,076
Supplies and Materials	500	-	500	-	500
Total Undistributed Expend. - Attend. & Social Work	259,352	(438)	258,914	245,238	13,676
Undist. Expend. - Health Services					
Salaries	447,393	(17,793)	429,600	429,273	327
Purchased Professional and Technical Services	32,000	6,800	38,800	11,632	27,168
Supplies and Materials	18,750	(464)	18,286	15,046	3,240
Total Undistributed Expenditures - Health Services	498,143	(11,457)	486,686	455,951	30,735
Undist. Expend. - Speech, OT, PF and Related Services					
Salaries	1,892,199	57,505	1,949,704	1,949,704	-
Purchased Professional - Educational Services	1,450,000	(30,407)	1,419,593	1,417,989	1,604
General Supplies	70,000	(136)	69,864	68,323	1,541
Total Undist. Expend. - Other Supp. Serv. Students - Speech,OT,	3,412,199	26,962	3,439,161	3,436,016	3,145
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.					
Salaries	1,343,419	(37,933)	1,305,486	1,289,712	15,774
Purchased Professional - Educational Services	1,361,543	(368,246)	993,297	976,297	17,000
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	2,704,962	(406,179)	2,298,783	2,266,009	32,774

**LAKEWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

EXHIBIT C-1

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	\$ 1,023,153	\$ (204,642)	\$ 818,511	\$ 811,407	\$ 7,104
Salaries of Secretarial and Clerical Assistants	124,861	3,565	128,426	128,426	
Other Salaries	75,203	2,986	78,189	78,189	
Purchased Professional - Educational Services	3,400	(2,000)	1,400	529	871
Other Purchased Prof. and Tech. Services	23,642	450	24,092	22,129	1,963
Other Purchased Services (400-500 series)	60,000	3,740	63,740	61,371	2,369
Supplies and Materials	7,500	(1,240)	6,260	5,182	1,078
Other Objects	3,000	-	3,000	2,722	278
Total Undist. Expend. - Other Supp. Serv. Students-Reg.	1,320,759	(197,141)	1,123,618	1,109,955	13,663
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	1,630,472	396,217	2,026,689	2,026,688	1
Salaries of Secretarial and Clerical Assistants	243,095	39,670	282,765	281,905	860
Other Salaries	139,423	(122,808)	16,615	10,985	5,630
Purchased Professional - Educational Services	95,830	229,100	324,930	320,204	4,726
Other Purchased Prof. and Tech. Services	38,590	236,261	274,851	263,910	10,941
Residential Costs	162,659	60,000	222,659	207,103	15,556
Mis. Purchase Serv. (400-500 series other than Residential Costs)	24,820	-	24,820	19,308	5,512
Supplies and Materials	31,499	59,279	90,778	84,573	6,205
Other Salaries	5,031	(703)	4,328	-	4,328
Total Undist. Expend. - Child Study Teams	2,371,419	897,016	3,268,435	3,214,676	53,759
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	256,401	536,943	793,344	748,985	44,359
Salaries of Other Professional Staff	6,160	(5,560)	600	600	
Salaries of Secr and Clerical Assist.	30,290	2,414	32,704	32,704	
Sal of Facilitators, Math & Literacy Coaches	320,473	21,055	341,528	341,527	1
Purchased Prof- Educational Services	1,560	-	1,560	722	838
Other Purch Services (400-500)	250	-	250	-	250
Supplies and Materials	2,000	-	2,000	974	1,026
Other Objects	27,940	-	27,940	25,420	2,520
Total Undist. Expend. - Improvement of Inst. Serv.	645,074	554,852	1,199,926	1,150,932	48,994
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	443,319	(83,473)	359,846	324,410	35,436
Salaries of Technology Coordinators	120,116	(30,583)	89,533	89,532	1
Supplies and Materials	50,484	(3,644)	46,840	42,156	4,684
Total Undist. Expend. - Edu. Media Serv./Sch. Library	613,919	(117,700)	496,219	456,098	40,121
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Service	48,500	94,450	142,950	99,512	43,438
Other Purchased Services (400-500 series)	4,020	-	4,020	556	3,464
Total Undist. Expend. - Instructional Staff Training Serv.	52,520	94,450	146,970	100,068	46,902
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	330,999	(10,069)	320,930	320,929	1
Salaries of State Monitors	289,692	(40,116)	249,576	249,576	
Repayment of Principal - NJDOE Loan	450,000	786,557	1,236,557	1,146,563	89,994
Legal Services	675,000	105,203	780,203	763,003	17,200
Audit Fees	90,000	(10,000)	80,000	75,000	5,000
Architect/Engineering Services	-	25,820	25,820	23,820	2,000
Purchased Professional Services	10,500	120,685	131,185	97,585	33,600
Communications/Telephone	290,000	74,386	364,386	316,929	47,457
BOE Other Purchased Services	7,888	(1,912)	5,976	4,535	1,441
Other Purchased Services (400-500 series)	37,500	(11,659)	25,841	25,381	460
Supplies and Materials	14,043	2,000	16,043	15,596	447
BOE in-House Training/Meeting	5,068	(2,728)	2,340	2,323	17
Judgements Against The School District	300,000	462,453	762,453	762,341	112
Miscellaneous Expenditures	12,000	(5,221)	6,779	6,779	
BOE Membership & Dues	28,775	(1,712)	27,063	27,063	
Total Undist. Expend. - Supp. Serv. - General Admin.	2,541,465	1,493,687	4,035,152	3,837,423	197,729
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	1,974,333	207,100	2,181,433	2,179,898	1,535
Salaries of Secretarial and Clerical Assistants	817,949	11,455	829,404	806,128	23,276
Other Purchased Services (400-500 series)	8,100	3,500	11,600	9,779	1,821
Supplies and Materials	66,291	22	66,313	45,478	20,835
Total Undist. Expend. - Support Serv. - School Admin.	2,866,673	222,077	3,088,750	3,041,283	47,467

**LAKWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Undist. Expend. - Central Services					
Salaries	\$ 942,691	\$ (31,177)	\$ 911,514	\$ 863,169	\$ 48,345
Purchased Technical Services	74,000	20,318	94,318	63,463	30,855
Misc Purchased Services (400-500) (O/T 594)	130,195	(31,530)	98,665	59,589	39,076
Supplies and Materials	27,500	925	28,425	28,316	109
Miscellaneous Expenditures	6,000	(320)	5,680	5,680	-
Total Undist. Expend. - Central Services	1,180,386	(41,784)	1,138,602	1,020,217	118,385
Undist. Expend. - Admin Information Technology					
Salaries	217,668	82,039	299,707	287,263	12,444
Purchased Professional Services	330,800	62,632	392,632	322,276	70,356
Other Purchased Services (400-500 series)	57,000	634	57,634	57,633	1
Supplies and Materials	30,644	19,503	50,147	49,646	501
Total Undist. Expend. - Admin Information Technology	635,312	164,808	800,120	716,818	83,302
Undist. Expend. - Required Maintenance for School Facilities					
Salaries	54,835	3,659	58,494	58,493	1
Cleaning, Repair, and Maintenance Services	1,273,628	13,731	1,287,359	1,269,049	18,310
General Supplies	184,000	29,526	213,526	203,541	9,985
Other Objects	4,000	321	4,321	4,320	1
Total Undist. Expend. - Required Maintenance for School Facilities	1,516,463	47,237	1,563,700	1,535,403	28,297
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	457,905	(35,450)	421,555	420,922	633
General Supplies	19,925	20,000	39,925	38,354	1,571
Total Undist. Expend. - Care & Upkeep of Grounds	476,930	(15,450)	461,480	459,276	2,204
Undist. Expend. - Security					
Salaries	527,099	95,856	622,955	602,974	19,981
Purchased Professional and Technical Services	350	1,200	1,550	1,451	99
Cleaning, Repair and Maintenance Services	8,200	-	8,200	(1,374)	9,574
General Supplies	41,100	(1,200)	39,900	20,970	18,930
Other Objects	1,500	-	1,500	-	1,500
Total Undist. Expend. - Security	578,249	95,856	674,105	624,021	50,084
Undist. Expend. - Custodial Services					
Salaries	92,161	46,640	138,801	135,093	3,708
Salaries of Non-Instructional Aides	5,000	(5,000)	-	-	5,000
Purchased Professional and Technical Services	35,000	300	35,300	34,444	856
Cleaning, Repair and Maintenance Services	1,716,728	(44,800)	1,671,928	1,660,928	11,000
Rental of Land, Building & Other than Lease Purchases	540,000	270,678	810,678	810,678	-
Other Purchased Property Services	350,000	3,786	353,786	341,578	12,208
Insurance	723,000	22,334	745,334	743,384	1,950
Miscellaneous Purchased Services	35,000	(26,244)	8,756	(9,928)	18,684
General Supplies	190,000	33,557	223,557	218,413	5,144
Energy (Natural Gas)	400,000	(106,886)	293,114	292,217	897
Energy (Electricity)	858,067	29,700	887,767	885,249	2,518
Energy (Oil)	57,627	(57,627)	-	-	57,627
Other Objects	5,000	-	5,000	-	5,000
Total Undist. Expend. - Custodial Services	5,007,583	166,438	5,174,021	5,112,056	61,965
Total Undist. Expend. - Oper. & Maint. Of Plant	7,579,225	294,081	7,873,306	7,730,756	142,550
Undist. Expend. - Student Transportation Serv.					
Salaries on Non-Instructional Aides	-	316,219	316,219	316,219	-
Sal. For Pup. Trans. (Bet. Home and School) - Regular	1,884,512	301,391	2,185,903	2,029,519	156,384
Management Fees - ESC & CTSA Transportation Programs	40,000	(37,750)	2,250	2,250	-
Other Purchased Professional and Technical Services	128,000	140,191	268,191	232,791	35,400
Cleaning, Repair and Maintenance Services	233,160	48,285	281,445	256,257	25,188
Lease Purchase Payments - School Buses	373,800	(8,809)	364,991	364,991	-
Contract Services - (Between Home and School) - Vendors	8,668,541	8,673,003	17,341,544	16,910,109	431,435
Contract Services (Other than Between Home & School)-Vendors	293,042	(73,575)	219,467	207,457	12,010
Contract Services - (Between Home and Sch) - Joint Agrmts	23,263	(13,263)	10,000	10,000	-
Contr Serv (Spl. Ed. Students) - Vendors	4,558,034	(1,544,177)	3,013,857	3,410,256	(396,399)
Contr Serv (Spl. Ed. Students) - Joint Agrmt	2,852	40,500	43,352	42,428	924
Contr Serv (Spl. Ed. Students) - ESCs & CTSA	945,000	(3,000)	942,000	942,000	-
Contr Serv. - Aid in Lieu Payments - Nonpublic	1,021,020	(325,204)	695,816	691,363	4,453
Supplies and Materials	5,750	7,000	12,750	12,432	318
Transportation Supplies	23,000	291,289	314,289	297,619	16,670
Other Objects	-	8,100	8,100	7,304	796
Total Undist. Expend. - Student Transportation Serv.	18,199,974	7,820,200	26,020,174	25,732,995	287,179
UNALLOCATED BENEFITS					
Social Security Contributions	967,847	43,000	1,010,847	970,000	40,847
Other Retirement Contributions - Regular	659,774	187,081	846,855	742,116	104,739
Unemployment Compensation	400,000	(123,455)	276,545	253,503	23,042
Workmen's Compensation	1,094,990	(193,146)	901,844	898,866	2,978
Health Benefits	16,547,132	667,754	17,214,886	16,851,980	362,906
Tuition Reimbursement	60,000	6,919	66,919	60,578	6,341
Other Employee Benefits	175,000	45,836	220,836	220,836	-
TOTAL UNALLOCATED BENEFITS	19,904,743	633,989	20,538,732	19,997,879	540,853

**LAKEWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

EXHIBIT C-1

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
ON-BEHALF CONTRIBUTIONS					
On Behalf TPAF Pension Contributions (Non-Budgeted)				\$ 3,339,370	\$ (3,339,370)
On Behalf TPAF NCGI Contributions (Non-Budgeted)				120,993	(120,993)
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)				2,883,270	(2,883,270)
On Behalf TPAF Long Term Disability Insurance (Non-Budgeted)				15,837	(15,837)
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,433,338	(2,433,338)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	8,792,808	(8,792,808)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 19,904,743	\$ 633,989	\$ 20,538,732	28,790,687	(8,251,955)
TOTAL UNDISTRIBUTED EXPENDITURES	96,269,620	10,623,139	106,892,759	113,810,601	(6,917,842)
TOTAL CURRENT EXPENDITURES	127,560,366	10,656,221	138,216,587	144,320,381	(6,103,794)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 1-5		\$ 55,753	\$ 55,753	\$ 55,753	
Grades 6-8	\$ 27,000		27,000	19,574	\$ 7,426
Grades 9-12		6,200	6,200	6,194	6
Undistributed Expenditures - Central Services	60,000	(15,642)	44,358		44,358
Undistributed Expenditures - Operation of Plant Services	130,000	(64,032)	65,968	6,000	59,968
Undistributed Expenditures - Student Trans. - Non Inst. Equipment		35,185	35,185		35,185
School Buses - Regular		2,147,448	2,147,448	1,889,667	257,781
School Buses - Special		810,900	810,900	522,588	288,312
Total Equipment	217,000	2,975,812	3,192,812	2,534,961	657,851
Facilities Acquisition and Construction Services					
Construction Services		215,990	215,990	200,347	15,643
Assessment for Debt Service on SDA Funding	639		639	639	
Total Facilities Acquisition and Construction Services	639	215,990	216,629	200,986	15,643
TOTAL CAPITAL OUTLAY	217,639	3,191,802	3,409,441	2,735,947	673,494
TOTAL EXPENDITURES	127,778,005	13,848,023	141,626,028	147,056,328	(5,430,300)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,859,761)	(4,571,793)	(6,431,554)	(2,806,227)	3,625,327
Other Financing Sources (Uses):					
Operating Transfer In:					
Transfer from Capital Projects Fund				17,474	17,474
Contribution to School Based Budgets - General Fund	28,845,195	(334,780)	28,510,415	27,982,683	(527,732)
Contr. to School Based Budgets - Spec. Rev. Fund	1,859,761	788,038	2,647,799	2,601,215	(46,584)
Operating Transfer Out:					
Contribution to School Based Budgets	(28,845,195)	334,780	(28,510,415)	(27,982,683)	527,732
Capital Lease Proceeds		476,248	476,248	476,248	
Total Other Financing Sources (Uses):	1,859,761	1,264,286	3,124,047	3,094,937	(29,110)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	-	(3,307,507)	(3,307,507)	288,710	3,596,217
Fund Balance, July 1, 2016	(3,791,814)	-	(3,791,814)	(3,791,814)	-
Fund Balance, June 30, 2017	\$ (3,791,814)	\$ (3,307,507)	\$ (7,099,321)	\$ (3,503,104)	\$ 3,596,217
Recapitulation:					
Committed Fund Balance:					
Year End Encumbrances				\$ 476,248	
Assigned Fund Balance:					
Year End Encumbrances				374,546	
Unassigned Fund Balance				(4,353,898)	
					(3,503,104)
Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Payments not Realized on GAAP Basis					
Delayed State Aid			\$ 2,266,331		
Extraordinary Aid			4,542,906		
					(6,809,237)
Fund Balance per Governmental Funds (GAAP)					\$ (10,312,341)

LAKEWOOD BOARD OF EDUCATION
COMBINING BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund
REVENUES												
Local Sources:												
Local Tax Levy	\$ 94,088,028		\$ 94,088,028				\$ 94,088,028		\$ 94,088,028	\$ 94,088,028		\$ 94,088,028
Miscellaneous, Including Interest	735,299	-	735,299	-	-	-	735,299	-	735,299	1,785,661	-	1,785,661
Total - Local Sources	94,823,327	-	94,823,327	-	-	-	94,823,327	-	94,823,327	95,873,689	-	95,873,689
State Sources:												
Special Education Aid	3,053,082		3,053,082				3,053,082		3,053,082	3,053,082		3,053,082
Extraordinary Aid	5,200,000		5,200,000				5,200,000		5,200,000	4,542,906		4,542,906
Security Aid	2,186,868		2,186,868				2,186,868		2,186,868	2,186,868		2,186,868
Equalization Aid	15,070,904		15,070,904				15,070,904		15,070,904	15,070,904		15,070,904
Transportation Aid	4,199,793		4,199,793				4,199,793		4,199,793	4,199,793		4,199,793
PARCC Readiness Aid	58,370		58,370				58,370		58,370	58,370		58,370
Per Pupil Growth Aid	58,370		58,370				58,370		58,370	58,370		58,370
Professional Learning Community Aid	63,220		63,220				63,220		63,220	63,220		63,220
Nonpublic Transportation Reimbursement	353,310		353,310	\$ 2,966,784		\$ 2,966,784	3,320,094		3,320,094	3,334,884		3,334,884
State Aid Advance Loan				5,640,183		5,640,183	5,640,183		5,640,183	5,640,183		5,640,183
On Behalf TPAF Pension Contributions (Non-Budgeted)										3,339,370		3,339,370
On Behalf TPAF NCGI Contributions (Non-Budgeted)										120,993		120,993
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)										2,883,270		2,883,270
On Behalf TPAF Long Term Disability Insurance (Non-Budgeted)										15,837		15,837
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)										2,433,338		2,433,338
Total - State Sources	30,243,917	-	30,243,917	8,606,967	-	8,606,967	38,850,884	-	38,850,884	47,001,388	-	47,001,388
Federal Sources:												
Special Education Medicare Incentive Program	851,000		851,000	669,263		669,263	1,520,263		1,520,263	1,324,838		1,324,838
ARRA - SEMI Cost Settlement										50,186		50,186
Total - Federal Sources	851,000	-	851,000	669,263	-	669,263	1,520,263	-	1,520,263	1,375,024	-	1,375,024
Total Revenues	125,918,244	-	125,918,244	9,276,230	-	9,276,230	135,194,474	-	135,194,474	144,250,101	-	144,250,101
EXPENDITURES:												
Current Expense:												
Regular Programs - Instruction												
Kindergarten - Salaries of Teachers		\$ 677,952	677,952		\$ 233,603	233,603		\$ 911,555	911,555		\$ 910,306	910,306
Grades 1-5 - Salaries of Teachers		7,348,676	7,348,676		(886,875)	(886,875)		6,461,801	6,461,801		6,450,832	6,450,832
Grades 6-8 - Salaries of Teachers	46,941	2,887,164	2,934,105	(46,675)	178,660	131,985	266	3,065,824	3,066,090	266	2,961,364	2,961,630
Grades 9-12 - Salaries of Teachers	1,313	4,379,962	4,381,275	418	(346,832)	(346,414)	1,731	4,033,130	4,034,861	1,660	3,980,103	3,981,763
Regular Programs - Home Instruction:												
Salaries of Teachers		95,252	95,252	(18,274)		(18,274)	76,978		76,978	76,978		76,978
Purchased Professional-Educational Services	250,000		250,000	32,254		32,254	282,254		282,254	180,837		180,837
Other Purchased Services (400-500 series)	5,460		5,460				5,460		5,460	5,460		5,460
Regular Programs - Undistributed Instruction												
Other Salaries for Instruction	146,235	540,190	686,425	(48,000)	(27,775)	(75,775)	98,235	512,415	610,650	35,385	503,913	539,298
Purchased Professional-Educational Services	900,000		900,000	338,000		338,000	1,238,000		1,238,000	1,138,028		1,138,028
Purchased Technical Services					1,000	1,000		1,000	1,000		1,000	1,000
Other Purchased Services (400-500 series)	250,000		250,000	25,405	53,223	78,628	275,405	53,223	328,628	210,513	45,573	256,086
General Supplies	81,500	473,369	554,869	392,944	392,944	785,888	81,500	866,313	947,813	80,768	830,487	911,255
Textbooks	155,296	111,201	266,497	(4,060)	(4,060)	(8,120)	155,296	107,141	262,437	155,295	65,697	220,992
Other Objects	-	17,459	17,459	-	(5,470)	(5,470)	-	11,989	11,989	-	(1,783)	(1,783)
TOTAL REGULAR PROGRAMS - INSTRUC	1,931,997	16,435,973	18,367,970	283,128	(411,582)	(128,454)	2,215,125	16,024,391	18,239,516	1,885,190	15,747,492	17,632,682

LAKWOOD BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
SPECIAL EDUCATION - INSTRUCTION												
Learning and/or Language Disabilities:												
Salaries of Teachers		\$ 913,602	\$ 913,602		\$ 178,939	\$ 178,939		\$ 1,092,541	\$ 1,092,541		\$ 1,092,021	\$ 1,092,021
Other Salaries for Instruction	2,000	403,407	405,407		115,387	123,399	10,212	518,794	529,006	10,212	518,794	529,006
General Supplies	-	11,943	11,943	-	3,863	3,863	-	15,806	15,806	-	13,500	13,500
Total Learning and/or Language Disabilities	2,000	1,328,952	1,330,952	-	298,189	306,401	10,212	1,627,141	1,637,353	10,212	1,624,315	1,634,527
Auditory Impairments:												
Salaries of Teachers	-	54,046	54,046	-	(38,600)	(38,600)	-	15,446	15,446	-	2,574	2,574
Total Auditory Impairments	-	54,046	54,046	-	(38,600)	(38,600)	-	15,446	15,446	-	2,574	2,574
Multiple Disabilities:												
Salaries of Teachers		601,432	601,432		80,701	80,701		682,133	682,133		664,714	664,714
Other Salaries for Instruction	\$ 5,000	110,470	115,470	\$ 17,427	43,827	61,254	\$ 22,427	154,297	176,724	\$ 22,427	153,452	175,879
General Supplies	-	6,357	6,357	-	2,409	2,409	-	8,766	8,766	-	6,090	6,090
Total Multiple Disabilities	5,000	718,259	723,259	17,427	126,937	144,364	22,427	845,196	867,623	22,427	824,256	846,683
Resource Room/Resource Center:												
Salaries of Teachers	2,645	2,856,980	2,859,625	(2,645)	(667,932)	(670,577)		2,169,048	2,169,048		2,163,545	2,163,545
Other Salaries for Instruction	-	-	-	-	-	-	-	-	-	(99)	-	(99)
General Supplies	-	12,768	12,768	-	(500)	(500)	-	12,268	12,268	-	7,745	7,745
Total Resource Room/Resource Center	2,645	2,849,748	2,852,393	(2,645)	(668,432)	(671,077)	-	2,181,316	2,181,316	(99)	2,171,290	2,171,191
Autism:												
Salaries of Teachers		206,954	206,954		8,309	8,309		215,263	215,263		210,268	210,268
Other Salaries for Instruction	24,482	36,703	61,185	(20,378)	26,478	6,100	4,104	63,181	67,285	3,864	59,680	63,544
General Supplies	-	5,200	5,200	-	(2,116)	(2,116)	-	3,084	3,084	-	3,073	3,073
Total Autism	24,482	248,857	273,339	(20,378)	32,671	12,293	4,104	281,528	285,632	3,864	273,021	276,885
Preschool Disabilities - Full-Time:												
Salaries of Teachers	1,365,555	-	1,365,555	(186,349)	-	(186,349)	1,179,206	-	1,179,206	1,179,206	-	1,179,206
Other Salaries for Instruction	472,874	-	472,874	38,067	-	38,067	510,941	-	510,941	509,163	-	509,163
General Supplies	10,500	-	10,500	3,316	-	3,316	13,816	-	13,816	12,673	-	12,673
Total Preschool Disabilities - Full-Time	1,848,929	-	1,848,929	(144,966)	-	(144,966)	1,703,963	-	1,703,963	1,701,042	-	1,701,042
Home Instruction :												
Purchased Professional-Educational Services	90	-	90	(90)	-	(90)	-	-	-	-	-	-
Total Home Instruction	90	-	90	(90)	-	(90)	-	-	-	-	-	-
Total SPECIAL EDUCATION - INSTRUCTION	1,883,146	5,199,862	7,083,008	(150,652)	(249,233)	(391,675)	1,740,706	4,950,627	6,691,333	1,737,446	4,895,456	6,632,902
Basic Skills/Remedial - Instruction												
Salaries of Teachers	291,133	-	291,133	(291,133)	858,969	567,836	-	858,969	858,969	-	855,758	855,758
Total Basic Skills/Remedial - Instruction	291,133	-	291,133	(291,133)	858,969	567,836	-	858,969	858,969	-	855,758	855,758
Bilingual Education - Instruction												
Salaries of Teachers	169,415	3,261,997	3,431,412	(169,415)	(253,579)	(422,994)		3,008,418	3,008,418		2,975,191	2,975,191
Other Salaries for Instruction		185,233	185,233		12,769	12,769		198,002	198,002		173,818	173,818
Purchased Professional-Educational Services	37,498	-	37,498	(37,000)	-	(37,000)	498	-	-	-	-	-
General Supplies	14,000	-	14,000	(8,000)	-	(8,000)	6,000	-	6,000	5,490	-	5,490
Total Bilingual Education - Instruction	220,913	3,447,230	3,668,143	(214,413)	(240,810)	(455,225)	6,498	3,206,420	3,212,918	5,490	3,149,009	3,154,499
School-Spon. Cocurricular Actvts. - Inst.												
Salaries	5,327	152,385	157,712		(24,537)	(24,537)	5,327	127,848	133,175	1,342	95,900	97,242
Purchased Services (300-500 series)	10,000	-	10,000	(228)	-	(228)	9,772	-	9,772	8,156	-	8,156
Supplies and Materials	-	26,000	26,000	-	-	-	-	26,025	26,025	-	15,976	15,976
Total School-Spon. Cocurricular Actvts. - Inst.	15,327	178,385	193,712	(228)	(24,512)	(24,740)	15,099	153,873	168,972	9,498	111,876	121,374
School-Spon. Cocurricular Athletics - Inst.												
Salaries	622,310	-	622,310	(15,386)	-	(15,386)	606,924	-	606,924	606,924	-	606,924
Purchased Services (300-500 series)	125,270	-	125,270	6,521	-	6,521	131,791	-	131,791	106,742	-	106,742
Supplies and Materials	103,400	-	103,400	14,550	-	14,550	117,950	-	117,950	111,774	-	111,774
Other Objects	38,795	-	38,795	-	-	-	38,795	-	38,795	34,471	-	34,471
Total School-Spon. Cocurricular Athletics - Inst.	889,775	-	889,775	5,685	-	5,685	895,460	-	895,460	859,911	-	859,911
Before/After School Programs - Instruction												
Salaries of Teachers		-	-		139,163	139,163		139,163	139,163		135,780	135,780
Purchased Professional & Tech Services	-	48,000	48,000	-	132,000	132,000	-	180,000	180,000	-	180,000	180,000
Total Before/After School Programs - Instruction	-	48,000	48,000	-	271,163	271,163	-	319,163	319,163	-	315,780	315,780
Before/After School Programs - Support Svcs												
Salaries	-	-	-	-	8,830	8,830	-	8,830	8,830	-	8,830	8,830
Total Before/After School Programs - Support Svcs	-	-	-	-	8,830	8,830	-	8,830	8,830	-	8,830	8,830
Total Before/After School Programs	-	48,000	48,000	-	279,993	279,993	-	327,993	327,993	-	324,610	324,610

LAKEWOOD BOARD OF EDUCATION
COMBINING BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Summer School - Instruction												
Salaries of Teachers	\$ 500,270		\$ 500,270	\$ 4,409	\$ 76,020	\$ 80,429	\$ 504,679	\$ 76,020	\$ 580,699	\$ 504,679	\$ 76,020	\$ 580,699
Other Salaries for Instructions	247,735		247,735	14,718		14,718	262,453		262,453	262,453		262,453
General Supplies	1,000		1,000	1,569	1,139	2,708	2,569	1,139	3,708	2,526	1,139	3,665
Total Summer School - Instruction	749,005	-	749,005	20,696	77,159	97,855	769,701	77,159	846,860	769,658	77,159	846,817
Summer School - Support Svcs												
Salaries					15,540	15,540		15,540	15,540		15,540	15,540
Purchased Services (400-500 series)					13,620	13,620		13,620	13,620		13,620	13,620
Total Summer School - Support Svcs	-	-	-	-	29,160	29,160	-	29,160	29,160	-	29,160	29,160
Total Summer School	749,005	-	749,005	20,696	106,319	127,015	769,701	106,319	876,020	769,658	106,319	875,977
Alternative Education Program - Instruction												
Salaries of Teachers					16,290	16,290		16,290	16,290		16,290	16,290
Other Salaries for Instructions					7,097	7,097		7,097	7,097		7,097	7,097
Total Alternative Education Program - Instruction	-	-	-	-	23,387	23,387	-	23,387	23,387	-	23,387	23,387
Alternative Education Program - Support Svcs												
Salaries					28,260	28,260		28,260	28,260		28,260	28,260
Total Alternative Education Program - Support Svcs	-	-	-	-	28,260	28,260	-	28,260	28,260	-	28,260	28,260
Total Alternative Education Program	-	-	-	-	51,647	51,647	-	51,647	51,647	-	51,647	51,647
Community Services Programs/Operations												
Salaries				1,000		1,000	1,000		1,000	420		420
Total Community Services Programs/Operations	-	-	-	1,000	-	1,000	1,000	-	1,000	420	-	420
Total Instruction	5,981,296	\$ 25,309,450	31,290,746	(345,919)	370,789	33,082	5,643,589	25,680,239	31,323,828	5,267,613	25,242,167	30,509,780
Undistributed Expenditures - Instruction:												
Tuition to Other LEAs Within the State - Regular	233,858		233,858	118,552		118,552	352,410		352,410	323,368		323,368
Tuition to Other LEAs Within the State - Special	56,839		56,839	(50,000)		(50,000)	6,839		6,839	3,861		3,861
Tuition to County Voc. School Dist. - Regular	46,500		46,500	42,160		42,160	88,660		88,660	88,660		88,660
Tuition to County Voc. School Dist. - Special	37,519		37,519	(11,088)		(11,088)	26,231		26,231	15,840		15,840
Tuition to CSSD & Regional Day Schools	1,007,000		1,007,000	(192,828)		(192,828)	814,172		814,172	812,850		812,850
Tuition to Private Schools for the Disabled - Withi	28,317,804		28,317,804	(398,577)		(398,577)	27,919,227		27,919,227	27,891,730		27,891,730
Tuition to Private Schools for the Disabled & Oth	118,939		118,939	169,000		169,000	287,939		287,939	281,215		281,215
Tuition - State Facilities	118,077		118,077				118,077		118,077	106,272		106,272
Tuition - Other	1,547,159		1,547,159	(481,503)		(481,503)	1,065,656		1,065,656	981,683		981,683
Total Undistributed Expenditures - Instruction	31,483,495	-	31,483,495	(804,284)	-	(804,284)	30,679,211	-	30,679,211	30,505,479	-	30,505,479
Undist. Expend. - Attend. & Social Work												
Salaries	53,204	159,171	212,375	25,112	(45,516)	(20,404)	78,316	113,655	191,971	78,316	112,555	190,871
Salaries of Family Liaisons and Comm. Parent Inv.	46,477		46,477	1,890		1,890	48,367		48,367	48,367		48,367
Purchased Professional and Technical Services				18,076		18,076	18,076		18,076	6,000		6,000
Supplies and Materials		500	500					500	500			
Total Undist. Expend. - Attend. & Social Work	99,681	159,671	259,352	45,078	(45,516)	(438)	144,759	114,155	258,914	132,683	112,555	245,238
Undist. Expend. - Health Services												
Salaries	52,667	394,726	447,393	(14,947)	(2,846)	(17,793)	37,720	391,880	429,600	37,393	391,880	429,273
Purchased Professional and Technical Services	32,000		32,000	6,800		6,800	38,800		38,800	11,632		11,632
Supplies and Materials		18,750	18,750	72	(536)	(464)	72	18,214	18,286	72	14,974	15,046
Total Undist. Expend. - Health Services	84,667	413,476	498,143	(8,075)	(5,382)	(11,457)	76,592	410,094	486,686	49,097	406,854	455,951
Undist. Expend. - Speech, OT, PT and Related Services												
Salaries	1,892,199		1,892,199	57,505		57,505	1,949,704		1,949,704	1,949,704		1,949,704
Purchased Professional - Educational Services	1,450,000		1,450,000	(30,407)		(30,407)	1,419,593		1,419,593	1,417,989		1,417,989
General Supplies	70,000		70,000	(136)		(136)	69,864		69,864	68,323		68,323
Total Undist. Expend. - Speech, OT, PT and Re	3,412,199	-	3,412,199	26,962	-	26,962	3,439,161	-	3,439,161	3,436,016	-	3,436,016
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.												
Salaries	1,343,419		1,343,419	(37,933)		(37,933)	1,305,486		1,305,486	1,289,712		1,289,712
Purchased Professional - Educational Services	1,361,543		1,361,543	(368,246)		(368,246)	993,297		993,297	976,297		976,297
Total Undist. Expend. - Other Supp. Serv. Stud	2,704,962	-	2,704,962	(406,179)	-	(406,179)	2,298,783	-	2,298,783	2,266,009	-	2,266,009
Undist. Expend. - Guidance												
Salaries of Other Professional Staff	53,759	969,394	1,023,153	(51,779)	(152,863)	(204,642)	1,980	816,531	818,511		811,407	811,407
Salaries of Secretarial and Clerical Assistants	10,528	114,333	124,861		6,065	3,565	8,028	120,398	128,426	260	128,166	128,426
Other Salaries	75,203		75,203	2,986		2,986	78,189		78,189	78,189		78,189
Purchased Professional - Educational Services	3,400		3,400	(2,000)		(2,000)	1,400		1,400	529		529
Other Purchased Prof. and Tech. Services		23,642	23,642		450	450		24,092	24,092		22,129	22,129
Other Purchased Services (400-500 series)	60,000		60,000	3,740		3,740	63,740		63,740	61,371		61,371
Supplies and Materials		7,500	7,500		(1,240)	(1,240)		6,260	6,260		5,182	5,182
Other Objects		3,000	3,000					3,000	3,000		2,722	2,722
Total Undist. Expend. - Guidance	202,890	1,117,869	1,320,759	(47,053)	(147,588)	(197,141)	153,337	970,281	1,123,618	140,349	969,606	1,109,955

LAKELWOOD BOARD OF EDUCATION
COMBINING BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET				BUDGET ADJUSTMENTS				FINAL BUDGET				ACTUAL			
	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	
Undist. Expend. - Child Study Teams	\$ 1,630,472	\$	\$ 1,630,472	\$ 396,217	\$	\$ 396,217	\$ 2,026,689	\$	\$ 2,026,689	\$ 2,026,688	\$	\$ 2,026,688	\$	\$	\$ 2,026,688	
Salaries of Other Professional Staff	243,095		243,095	39,670		39,670	282,765		282,765	281,905		281,905			281,905	
Salaries of Secretarial and Clerical Assistants	139,423		139,423	(122,808)		16,615	10,985		10,985	10,985		10,985			10,985	
Other Salaries	95,830		95,830	229,100		324,930	324,930		324,930	320,204		320,204			320,204	
Purchased Professional - Educational Services	38,590		38,590	25,626		27,481	27,481		27,481	263,910		263,910			263,910	
Other Purchased Prof. and Tech. Services	162,659		162,659	60,000		60,000	222,659		222,659	207,103		207,103			207,103	
Residential Costs	24,820		24,820				34,820		34,820	19,308		19,308			19,308	
Misc. Purchase Serv. (400-500 series other than Res)	31,499		31,499	59,279		59,279	90,778		90,778	84,573		84,573			84,573	
Supplies and Materials	5,031		5,031	(703)		(703)	4,328		4,328							
Other Objects	2,371,419		2,371,419	897,016		897,016	3,268,435		3,268,435	3,214,676		3,214,676			3,214,676	
Total Undist. Expend. - Child Study Teams	256,401		256,401	536,943		536,943	793,344		793,344	748,985		748,985			748,985	
Undist. Expend. - Improvement of Inst. Serv.	6,160		6,160	(5,560)		600	600		600	600		600			600	
Salaries of Supervisor of Instruction	30,290		30,290	2,414		2,414	32,704		32,704	32,704		32,704			32,704	
Salaries of Other Professional Staff	19,053		19,053	4,188	\$	16,867	21,055	\$	318,287	318,287	\$	318,287			318,287	
Sal of Facilitators, Mah. & Literacy Coaches	1,560		1,560				1,560		1,560						1,560	
Purchased Prof. Educational Services	2,500		2,500				2,500		2,500						2,500	
Other Purch Services (400-500)	2,000		2,000				2,000		2,000						2,000	
Supplies and Materials	27,940		27,940				27,940		27,940	25,420		25,420			25,420	
Other Objects	343,654		343,654	537,985		537,985	881,639		1,199,926	832,645		832,645			1,130,932	
Total Undist. Expend. - Improvement of Inst. S	443,319		443,319	(83,473)		(83,473)	359,846		359,846	324,410		324,410			324,410	
Undist. Expend. - Edu. Media Serv./Sch. Library	120,116		120,116	(30,583)		(30,583)	89,533		89,533	89,532		89,532			89,532	
Salaries of Technology Coordinators				670,383		670,383	89,533		89,533	42,156		42,156			42,156	
Salaries of Other Professional Staff				30,484		30,484	46,840		46,840						46,840	
Supplies and Materials				493,803		493,803	(87,117)		(87,117)	366,566		366,566			456,098	
Total Undist. Expend. - Edu. Media Serv./Sch. Library	20,000		20,000	94,450		94,450	20,000		142,950	14,809		14,809			99,512	
Undist. Expend. - Instructional Staff Training Serv.	4,020		4,020				4,020		4,020	556		556			556	
Purchased Professional - Educational Services	28,500		28,500				28,500		28,500						28,500	
Other Purchased Services (400-500 series)																
Total Undist. Expend. - Instructional Staff Train	24,020		24,020				24,020		122,950	84,703		84,703			100,068	
Undist. Expend. - Supp. Serv. - General Admin.	330,999		330,999	(10,069)		(10,069)	320,930		320,930	320,929		320,929			320,929	
Salaries	289,692		289,692	(40,116)		(40,116)	249,576		249,576	249,576		249,576			249,576	
Salaries of State Monitors	450,000		450,000	786,557		786,557	1,236,557		1,236,557	1,146,565		1,146,565			1,146,565	
Repayment of Principal - NJDOE Loan	675,000		675,000	105,203		105,203	780,203		780,203	763,003		763,003			763,003	
Legal Services	90,000		90,000	(10,000)		(10,000)	80,000		80,000	75,000		75,000			75,000	
Audit Fees	10,500		10,500	25,820		25,820	25,820		25,820	23,820		23,820			23,820	
Architect/Engineering Services	290,000		290,000	120,685		120,685	131,185		131,185	97,585		97,585			97,585	
Purchased Professional Services	7,888		7,888	74,386		74,386	364,386		364,386	316,929		316,929			316,929	
Communications/Telephone	37,500		37,500	(11,659)		(11,659)	25,841		25,841	4,535		4,535			4,535	
BOE Other Purchased Services	14,043		14,043	(2,728)		(2,728)	11,315		11,315	25,381		25,381			25,381	
Other Purchased Services (400-500 series)	5,068		5,068	2,000		2,000	16,043		16,043	15,596		15,596			15,596	
Supplies and Materials	300,000		300,000	462,453		462,453	762,453		762,453	762,341		762,341			762,341	
BOE In-House Training/Meeting Supplies	12,000		12,000	(5,221)		(5,221)	6,779		6,779	6,779		6,779			6,779	
Judgements Against The School District	28,775		28,775	(1,712)		(1,712)	27,063		27,063	27,063		27,063			27,063	
Miscellaneous Expenditures				1,493,687		1,493,687	4,035,152		4,035,152	3,837,423		3,837,423			3,837,423	
BOE Membership & Dues																
Total Undist. Expend. - Supp. Serv. - General A	1,974,333		1,974,333	207,100		207,100	2,181,433		2,181,433	2,179,898		2,179,898			2,179,898	
Undist. Expend. - Support Serv. - School Admin.	37,031		37,031	(1,450)		(1,450)	35,581		35,581	33,720		33,720			33,720	
Salaries of Principals/Assistant Principals	7,500		7,500	3,100		3,100	10,600		10,600	9,779		9,779			9,779	
Salaries of Secretarial and Clerical Assistants							66,291		66,291	64,315		64,315			64,315	
Other Purchased Services (400-500 series)							22		22						22	
Supplies and Materials				1,650		1,650	46,181		3,042,549	43,499		43,499			43,499	
Total Undist. Expend. - Support Serv. - School	44,531		44,531	220,427		220,427	46,181		3,088,750	2,997,784		2,997,784			2,997,784	
Total Undist. Expend.	2,822,142		2,822,142	2,866,673		2,866,673	3,866,673		3,866,673	3,814,233		3,814,233			3,814,233	

LAKWOOD BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Central Services												
Salaries	\$ 942,691		\$ 942,691	\$ (31,177)		\$ (31,177)	\$ 911,514		\$ 911,514	\$ 863,169		\$ 863,169
Purchased Technical Services	74,000		74,000	20,318		20,318	94,318		94,318	63,463		63,463
Misc Purchased Services (400-500) (O/T 594)	130,195		130,195	(31,530)		(31,530)	98,665		98,665	59,589		59,589
Supplies and Materials	27,500		27,500	925		925	28,425		28,425	28,316		28,316
Miscellaneous Expenditures	6,000		6,000	(320)		(320)	5,680		5,680	5,680		5,680
Total Undist. Expend. - Central Services	1,180,386		1,180,386	(41,784)		(41,784)	1,138,602		1,138,602	1,020,217		1,020,217
Undist. Expend. - Admin Information Technology												
Salaries	217,668		217,668	82,039		82,039	299,707		299,707	287,263		287,263
Purchased Professional Services	330,000		330,000	62,632		62,632	392,632		392,632	322,276		322,276
Other Purchased Services (400-500 series)	57,000		57,000	634		634	57,634		57,634	57,633		57,633
Supplies and Materials	30,644		30,644	19,503		19,503	50,147		50,147	49,646		49,646
Total Undist. Expend. - Admin Information Te	635,312		635,312	164,808		164,808	800,120		800,120	716,818		716,818
Undist. Expend. - Required Maintenance for School Facilities												
Salaries	54,835		54,835	3,659		3,659	58,494		58,494	58,493		58,493
Cleaning, Repair, and Maintenance Services	1,273,628		1,273,628	13,731		13,731	1,287,359		1,287,359	1,269,049		1,269,049
General Supplies	184,000		184,000	29,526		29,526	213,526		213,526	203,541		203,541
Other Objects	4,000		4,000	321		321	4,321		4,321	4,320		4,320
Total Undist. Expend. - Required Maintenance	1,516,463		1,516,463	47,237		47,237	1,563,700		1,563,700	1,535,403		1,535,403
Undist. Expend. - Care & Upkeep of Grounds												
Cleaning, Repair, and Maintenance Services	457,005		457,005	(35,450)		(35,450)	421,555		421,555	420,922		420,922
General Supplies	19,925		19,925	-		-	39,925		39,925	38,354		38,354
Total Undist. Expend. - Care & Upkeep of Gro	476,930		476,930	(15,450)		(15,450)	461,480		461,480	459,276		459,276
Undist. Expend. - Custodial Services												
Salaries	92,161		92,161	46,640		46,640	138,801		138,801	135,093		135,093
Salaries of Non-Instructional Aides	5,000		5,000	(5,000)		(5,000)						
Purchased Professional and Technical Services	35,000		35,000	300		300	35,300		35,300	34,444		34,444
Cleaning, Repair and Maintenance Services	1,716,728		1,716,728	(44,800)		(44,800)	1,671,928		1,671,928	1,660,928		1,660,928
Rental of Land, Building & Other than Lease Purcl	540,000		540,000	270,678		270,678	810,678		810,678	810,678		810,678
Other Purchased Property Services	350,000		350,000	3,786		3,786	353,786		353,786	341,578		341,578
Insurance	723,000		723,000	22,334		22,334	745,334		745,334	743,384		743,384
Miscellaneous Purchased Services	35,000		35,000	(26,244)		(26,244)	8,756		8,756	(9,928)		(9,928)
General Supplies	190,000		190,000	33,557		33,557	223,557		223,557	218,413		218,413
Energy (Natural Gas)	400,000		400,000	(106,886)		(106,886)	293,114		293,114	292,217		292,217
Energy (Electricity)	858,067		858,067	29,700		29,700	887,767		887,767	885,249		885,249
Energy (Oil)	57,627		57,627	(57,627)		(57,627)						
Other Objects	5,000		5,000	-		-	5,000		5,000	-		-
Total Undist. Expend. - Custodial Services	5,007,583		5,007,583	166,438		166,438	5,174,021		5,174,021	5,112,056		5,112,056
Undist. Expend. - Security												
Salaries	527,099		527,099	95,856		95,856	622,955		622,955	602,974		602,974
Purchased Professional and Technical Services	350		350	1,200		1,200	1,550		1,550	1,451		1,451
Cleaning, Repair and Maintenance Services	8,200		8,200				8,200		8,200	(1,374)		(1,374)
General Supplies	41,100		41,100	(1,200)		(1,200)	39,900		39,900	20,970		20,970
Other Objects	1,500		1,500	-		-	1,500		1,500	-		-
Total Undist. Expend. - Security	578,249		578,249	95,856		95,856	674,105		674,105	624,021		624,021
Total Undist. Expend. - Oper. & Maint. Of Pla	7,579,225		7,579,225	294,081		294,081	7,873,306		7,873,306	7,730,756		7,730,756
Undist. Expend. - Student Transportation Serv.												
Salaries of Non-Instructional Aides				316,219		316,219	316,219		316,219	316,219		316,219
Sal. For Pup.Trans. (Bet. Home and School) - Regi	1,884,512		1,884,512	301,391		301,391	2,185,903		2,185,903	2,029,519		2,029,519
Management Fees - ESC & CTSA Transportation l	40,000		40,000	(37,750)		(37,750)	2,250		2,250	2,250		2,250
Other Purchased Professional and Technical Serv	128,000		128,000	140,191		140,191	268,191		268,191	232,791		232,791
Cleaning, Repair and Maintenance Services	233,160		233,160	48,285		48,285	281,445		281,445	256,257		256,257
Lease Purchase Payments - School Buses	373,800		373,800	(8,809)		(8,809)	364,991		364,991	364,991		364,991
Contr Serv. - Aid in Lieu Payments - Nonpublic	1,021,020		1,021,020	(325,204)		(325,204)	695,816		695,816	691,363		691,363
Contract Services - (Between Home and School) -	8,668,541		8,668,541	8,669,003	\$ 4,000	8,673,003	17,337,544	\$ 4,000	17,341,544	16,906,254	\$ 3,855	16,910,109
Contract Services (Other than Between Home & S	293,042		293,042	(73,575)		(73,575)	219,467		219,467	207,457		207,457
Contract Services - (Between Home and Sch) - Joir	23,263		23,263	(13,263)		(13,263)	10,000		10,000	10,000		10,000
Contr Serv (Spl. Ed. Students) - Vendors	4,558,034		4,558,034	(1,544,177)		(1,544,177)	3,013,857		3,013,857	3,410,256		3,410,256
Contr Serv (Spl. Ed. Students) - Joint Agrmt	2,852		2,852	40,500		40,500	43,352		43,352	42,428		42,428
Contr Serv (Spl. Ed. Students) - ESCs & CTSA	945,000		945,000	(3,000)		(3,000)	942,000		942,000	942,000		942,000
Supplies and Materials	5,750		5,750	7,900		7,900	12,750		12,750	12,432		12,432
Transportation Supplies	23,000		23,000	291,289		291,289	314,289		314,289	297,619		297,619
Other Objects	-		-	8,100		8,100	8,100		8,100	7,304		7,304
Total Undist. Expend. - Student Transportat	18,199,974		18,199,974	7,816,200	4,000	7,820,200	26,016,174	4,000	26,020,174	25,729,140	3,855	25,732,995

LAKWOOD BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Unallocated Benefits												
Social Security Contributions	\$ 967,847		\$ 967,847	\$ 43,000		\$ 43,000	\$ 1,010,847		\$ 1,010,847	\$ 970,000		\$ 970,000
Other Retirement Contributions - Regular	659,774		659,774	187,081		187,081	846,855		846,855	742,116		742,116
Unemployment Compensation	400,000		400,000	(123,455)		(123,455)	276,545		276,545	253,503		253,503
Workmen's Compensation	1,094,990		1,094,990	(193,146)		(193,146)	901,844		901,844	898,866		898,866
Health Benefits	16,547,132		16,547,132	667,754		667,754	17,214,886		17,214,886	16,851,980		16,851,980
Tuition Reimbursement	60,000		60,000	6,919		6,919	66,919		66,919	60,578		60,578
Other Employee Benefits	175,000		175,000	45,836		45,836	220,836		220,836	220,836		220,836
Total Unallocated Benefits	19,904,743		19,904,743	633,989		633,989	20,538,732		20,538,732	19,997,879		19,997,879
On Behalf TPAF Pension Contributions (Non-Budgeted)										3,339,370		3,339,370
On Behalf TPAF NCGI Contributions (Non-Budgeted)										120,993		120,993
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)										2,883,270		2,883,270
On Behalf TPAF Long Term Disability Insurance (Non-Budgeted)										15,837		15,837
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)										2,433,338		2,433,338
Total On-Behalf Contributions										8,792,808		8,792,808
Total Personal Services - Employee Benefits	19,904,743		19,904,743	633,989		633,989	20,538,732		20,538,732	28,790,687		28,790,687
Total Undistributed Expenditures	90,932,739	\$ 5,336,881	96,269,620	10,573,498	\$ 52,141	10,623,139	101,503,737	\$ 5,389,022	106,892,759	108,550,391	\$ 5,260,210	113,810,601
Total Current Expenditures	96,914,035	30,646,331	127,560,366	10,227,579	422,930	10,650,509	107,147,326	31,069,261	138,216,587	113,818,004	30,502,377	144,320,381
Capital Outlay												
Equipment												
Regular Programs - Instruction:												
Grades 1-5					55,753	55,753		55,753	55,753		55,753	55,753
Grades 6-8		27,000	27,000					27,000	27,000		19,574	19,574
Grades 9-12					6,200	6,200		6,200	6,200	6,194		6,194
Undistributed Expenditures - Central Services	60,000		60,000			(15,642)	44,358		44,358			
Undistributed Expenditures - Operation of Plant Se	130,000		130,000	(64,032)		(64,032)	65,968		65,968	6,000		6,000
Undistributed Expenditures - Student Trans. - Non Inst. Equipment				35,185		35,185	35,185		35,185	35,185		35,185
School Buses - Regular				2,147,448		2,147,448	2,147,448		2,147,448	1,889,667		1,889,667
School Buses - Special				810,900		810,900	810,900		810,900	522,588		522,588
Total Equipment	190,000	27,000	217,000	2,929,501	61,953	2,975,812	3,103,859	88,953	3,192,812	2,453,440	81,521	2,534,961
Facilities Acquisition and Construction Services												
Construction Services				215,990		215,990	215,990		215,990	200,347		200,347
Assessment for Debt Service on SDA Funding	639		639				639		639	639		639
Total Facilities Acquisition and Construction Services	639		639	215,990		215,990	216,629		216,629	200,986		200,986
Total Capital Outlay	190,639	27,000	217,639	3,129,849	61,953	3,191,802	3,320,488	88,953	3,409,441	2,654,426	81,521	2,735,947
Total Expenditures	97,104,674	30,673,331	127,778,005	13,357,428	484,883	13,848,023	110,467,814	31,158,214	141,626,028	116,472,430	30,583,898	147,056,328
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 28,813,570	\$ (30,673,331)	\$ (1,859,761)	\$ (4,081,198)	\$ (484,883)	\$ (4,571,793)	\$ 24,726,660	\$ (31,158,214)	\$ (6,431,554)	\$ 27,777,671	\$ (30,583,898)	\$ (2,806,227)
Other Financing Sources (Uses):												
Operating Transfers In:												
Transfer from Capital Projects Fund										17,474		17,474
Contr. to School Based Budgets - General Fund		28,845,195	28,845,195		(334,780)	(334,780)				27,982,683		27,982,683
Contr. to School Based Budgets - Spec. Rev. Fund		1,859,761	1,859,761		788,038	788,038		2,647,799	2,647,799	2,601,215		2,601,215
Operating Transfers Out:												
Transfer to Special Revenue Fund - Preschool Program												
Contribution to School Based Budgets	(28,845,195)		(28,845,195)	334,780		334,780	(28,510,415)		(28,510,415)	(27,982,683)		(27,982,683)
Capital Lease Proceeds				476,248		476,248	476,248		476,248	476,248		476,248
Total Other Financing Sources (Uses):	(28,845,195)	30,704,956	1,859,761	811,028	455,258	1,264,286	(28,034,167)	31,158,214	3,124,047	(27,488,961)	30,583,898	3,094,937
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing	(31,625)	31,625	-	(3,275,882)	(31,625)	(3,307,507)	(3,307,507)	-	(3,307,507)	288,710	-	288,710
Fund Balance, July 1	(3,791,814)	-	(3,791,814)	-	-	-	(3,791,814)	-	(3,791,814)	(3,791,814)	-	(3,791,814)
Fund Balance, June 30	\$ (3,823,439)	\$ 31,625	\$ (3,791,814)	\$ (3,275,882)	\$ (31,625)	\$ (3,307,507)	\$ (7,099,321)	\$ -	\$ (7,099,321)	\$ (3,503,104)	\$ -	\$ (3,503,104)

**LAKEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2017**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources		\$ 1,672,984	\$ 1,672,984	\$ 1,670,624	\$ (2,360)
State Sources	\$ 23,124,853	9,847,607	32,972,460	26,793,747	(6,178,713)
Federal Sources	24,219,313	5,788,456	30,007,769	27,452,262	(2,555,507)
Total Revenues	47,344,166	17,309,047	64,653,213	55,916,633	(8,736,580)
EXPENDITURES					
Instruction					
Salaries of Teachers	1,558,778	1,196,029	2,754,807	2,409,260	345,547
Other Salaries	406,268	76,572	482,840	457,651	25,189
Purchased Professional and Technical Services	7,014,695	2,190,798	9,205,493	7,749,229	1,456,264
Other Purchased Services	766,073	1,537,337	2,303,410	2,253,242	50,168
General Supplies	1,256,669	1,318,091	2,574,760	1,680,093	894,667
Textbooks	1,192,219	354,201	1,546,420	1,448,453	97,967
Other Objects	920,027	(565,100)	354,927	1,605	353,322
Total Instruction	13,114,729	6,107,928	19,222,657	15,999,533	3,223,124
Support Services					
Salaries of Supervisors of Instruction	72,237	(9,594)	62,643	62,643	
Salaries of Program Directors	75,407	(33,695)	41,712	41,712	
Salaries of Other Professional Staff	1,385,368	65,949	1,451,317	1,186,488	264,829
Salaries of Secretarial and Clerical Assistants	76,241	(17,902)	58,339	47,193	11,146
Other Salaries	608,280	93,901	702,181	603,850	98,331
Personal Services Employee-Benefits	1,946,357	1,323,457	3,269,814	3,086,622	183,192
Purchased Professional and Technical Services	9,599,494	1,540,188	11,139,682	9,617,288	1,522,394
Purchased Prof./Ed. Serv.	15,596,238	4,667,235	20,263,473	18,302,621	1,960,852
Contracted Services - Transportation	898,483	1,736,651	2,635,134	1,990,709	644,425
Other Purchased Services	693,084	205,417	898,501	575,729	322,772
Indirect Costs	217,413	(17,469)	199,944	102,045	97,899
Supplies and Materials	1,108,143	771,012	1,879,155	1,534,360	344,795
Total Support Services	32,276,745	10,325,150	42,601,895	37,151,260	5,450,635
Facilities and Acquisition Construction Svcs.					
Instructional Equipment	92,931	60,884	153,815	147,678	6,137
Non Instructional Equipment	-	26,947	26,947	16,947	10,000
Total Facilities and Acquisition Construction Svcs.	92,931	87,831	180,762	164,625	16,137
Sub-total Expenditures	45,484,405	16,520,909	62,005,314	53,315,418	8,689,896
Other Financing Uses					
Contribution to School Based Budgets (General Fund)	(1,859,761)	(788,138)	(2,647,899)	(2,601,215)	46,684
Total Other Financing Uses	(1,859,761)	(788,138)	(2,647,899)	(2,601,215)	46,684
Total Outflows	47,344,166	17,309,047	64,653,213	55,916,633	8,736,580
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses					
	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	(3,185,605)	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ (3,185,605)	\$ -

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**LAKWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

The accounting records of the Special Revenue Funds are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	
Sources/Inflows of Resources			
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule (Exhibits C-1 and C-2)	\$ 144,250,101	\$ 55,916,633	
Difference - Budget to GAAP			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(325,086)	
State Aid Advance Loan, reported as an "Other Financing Source" for GAAP statements	(5,640,183)		
State Aid recognized for budgetary purposes, not recognized for GAAP statements (2016/17 State Aid)	(6,809,237)		
State Aid recognized for GAAP purposes, not recognized for budgetary statements (2015/2016 State Aid)	<u>6,488,288</u>	<u>-</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 138,288,969</u>	<u>\$ 55,591,547</u>	
Uses/Outflows of Resources			
Actual amounts (budgetary basis) total expenditures from the budgetary comparison schedule (Exhibits C-1 and C-2)	\$ 147,056,328	\$ 53,315,418	
Differences - Budget to GAAP			
Repayment of State Aid Advance Loan			
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		(325,086)	
Encumbrances, June 30, 2017		(325,086)	
Encumbrances, June 30, 2016	<u>-</u>	<u>-</u>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 147,056,328</u>	<u>\$ 52,990,332</u>	

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

Public Employees Retirement System

Last Four Fiscal Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
District's Proportion of the Net Pension Liability (Asset)	0.09030%	0.08409%	0.07579%	0.07987%	
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 26,747,060	\$ 18,877,918	\$ 14,190,964	\$ 15,264,918	
District's Covered-Employee Payroll	\$ 5,610,655	\$ 5,860,755	\$ 5,999,031	\$ 5,226,881	
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	476.72%	322.10%	236.55%	292.04%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.92%	52.08%	48.72%	4.767190283

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

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

Public Employees Retirement System

Last Four Fiscal Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 802,296	\$ 723,002	\$ 654,809	\$ 601,811
Contributions in Relation to the Contractually Required Contribution	<u>802,296</u>	<u>723,002</u>	<u>654,809</u>	<u>601,811</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 5,610,655	\$ 5,860,755	\$ 5,999,031	\$ 5,226,881
Contributions as a Percentage of Covered-Employee Payroll	14.30%	12.33%	10.91%	11.51%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

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

Teachers Pension and Annuity Fund

Last Four Fiscal Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 235,657,472</u>	<u>\$ 194,635,749</u>	<u>\$ 168,849,820</u>	<u>\$ 163,997,053</u>
Total	<u>\$ 235,657,472</u>	<u>\$ 194,635,749</u>	<u>\$ 168,849,820</u>	<u>\$ 163,997,053</u>
District's Covered-Employee Payroll	\$ 31,243,071	\$ 30,463,257	\$ 32,555,698	\$ 32,689,117
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.33%	28.74%	33.64%	33.76%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

LAKESWOOD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 5.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES

BLENDED RESOURCE FUND

**LAKWOOD BOARD OF EDUCATION
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2017**

	<u>Operating Fund</u>	<u>Blended Resource Fund</u>	<u>Total General Fund</u>
ASSETS			
Cash with Fiscal Agents	\$ 476,248		\$ 476,248
Receivables			
Intergovernmental			
State	3,558,386		3,558,386
Due from Other Funds	291,793	\$ 130,112	421,905
Other Assets	40,800	-	40,800
	<u>4,367,227</u>	<u>130,112</u>	<u>4,497,339</u>
Total Assets	<u>\$ 4,367,227</u>	<u>\$ 130,112</u>	<u>\$ 4,497,339</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 5,297,109	\$ 130,112	\$ 5,427,221
Due to Other Funds	9,382,459	-	9,382,459
	<u>14,679,568</u>	<u>130,112</u>	<u>14,809,680</u>
Total Liabilities	<u>14,679,568</u>	<u>130,112</u>	<u>14,809,680</u>
Fund Balances			
Committed			
Year End Encumbrances	476,248		476,248
Assigned			
Year End Encumbrances	374,546		374,546
Unassigned	(11,163,135)	-	(11,163,135)
	<u>(10,312,341)</u>	<u>-</u>	<u>(10,312,341)</u>
Total Fund Balances	<u>(10,312,341)</u>	<u>-</u>	<u>(10,312,341)</u>
Total Liabilities and Fund Balances	<u>\$ 4,367,227</u>	<u>\$ 130,112</u>	<u>\$ 4,497,339</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

District-Wide

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 28,509,824		\$ 27,982,092	\$ 527,732
General Fund Reserve for Encumbrances at June 30, 2016	591		591	-
Combined General Fund Contribution	28,510,415	91.49%	27,982,683	527,732
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	2,647,799		2,601,215	46,584
Title I, Part A - June 30, 2016 Unearned Revenue	-		-	-
	2,647,799	8.51%	2,601,215	46,584
Total Restricted Federal Resources	2,647,799	8.51%	2,601,215	46,584
Totals	\$ 31,158,214	100.00%	\$ 30,583,898	\$ 574,316

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School: Lakewood High School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 6,531,908		\$ 6,362,564	\$ 169,344
General Fund Reserve for Encumbrances at June 30, 2016	475		475	-
Combined General Fund Contribution	<u>6,532,383</u>	<u>94.71%</u>	<u>6,363,039</u>	<u>169,344</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	364,503		352,896	11,607
Title I, Part A - June 30, 2016 Unearned Revenue			-	-
	<u>364,503</u>	<u>5.29%</u>	<u>352,896</u>	<u>11,607</u>
Total Restricted Federal Resources	<u>364,503</u>	<u>5.29%</u>	<u>352,896</u>	<u>11,607</u>
Totals	<u>\$ 6,896,886</u>	<u>100.00%</u>	<u>\$ 6,715,935</u>	<u>\$ 180,951</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School: Lakewood Middle School

Resources	Total			
	Resource Amount (Final Budget)	District-wide Blended % of Total Resources	Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budgets	\$ 5,394,549		\$ 5,230,227	\$ 164,322
General Fund Reserve for Encumbrances at June 30, 2016	116		116	-
Combined General Fund Contribution	5,394,665	91.90%	5,230,343	164,322
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	475,558		461,072	14,486
Title I, Part A - June 30, 2016 Unearned Revenue			-	-
	<u>475,558</u>	<u>8.10%</u>	<u>461,072</u>	<u>14,486</u>
Total Restricted Federal Resources	475,558	8.10%	461,072	14,486
Totals	\$ 5,870,223	100.00%	\$ 5,691,415	\$ 178,808

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School: Ella G. Clarke School

Resources	Resource Amount (Final Budget)	District-wide Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budgets	\$ 2,580,608		\$ 2,557,809	\$ 22,799
General Fund Reserve for Encumbrances at June 30, 2016			-	-
Combined General Fund Contribution	<u>2,580,608</u>	<u>89.00%</u>	<u>2,557,809</u>	<u>22,799</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	318,904		316,087	2,817
Title I, Part A - June 30, 2016 Unearned Revenue			-	-
	<u>318,904</u>	<u>11.00%</u>	<u>316,087</u>	<u>2,817</u>
Total Restricted Federal Resources	<u>318,904</u>	<u>11.00%</u>	<u>316,087</u>	<u>2,817</u>
Totals	<u>\$ 2,899,512</u>	<u>100.00%</u>	<u>\$ 2,873,896</u>	<u>\$ 25,616</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School: Clifton Avenue School

Resources	Resource Amount (Final Budget)	District-wide Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budgets	\$ 3,264,258		\$ 3,228,136	\$ 36,122
General Fund Reserve for Encumbrances at June 30, 2016			-	-
Combined General Fund Contribution	<u>3,264,258</u>	<u>88.93%</u>	<u>3,228,136</u>	<u>36,122</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	406,452		401,954	4,498
Title I, Part A - June 30, 2016 Unearned Revenue			-	-
	<u>406,452</u>	<u>11.07%</u>	<u>401,954</u>	<u>4,498</u>
Total Restricted Federal Resources	<u>406,452</u>	<u>11.07%</u>	<u>401,954</u>	<u>4,498</u>
Totals	<u>\$ 3,670,710</u>	<u>100.00%</u>	<u>\$ 3,630,090</u>	<u>\$ 40,620</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School: Spruce Street School

Resources	Resource Amount (Final Budget)	District-wide Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budgets	\$ 3,196,444		\$ 3,138,624	\$ 57,820
General Fund Reserve for Encumbrances at June 30, 2016			-	-
Combined General Fund Contribution	<u>3,196,444</u>	<u>92.46%</u>	<u>3,138,624</u>	<u>57,820</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	260,518		255,806	4,712
Title I, Part A - June 30, 2016 Unearned Revenue			-	-
	<u>260,518</u>	<u>7.54%</u>	<u>255,806</u>	<u>4,712</u>
Total Restricted Federal Resources	<u>260,518</u>	<u>7.54%</u>	<u>255,806</u>	<u>4,712</u>
Totals	<u>\$ 3,456,962</u>	<u>100.00%</u>	<u>\$ 3,394,430</u>	<u>\$ 62,532</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School: Oak Street School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 4,867,903		\$ 4,827,085	\$ 40,818
General Fund Reserve for Encumbrances at June 30, 2016			-	-
Combined General Fund Contribution	<u>4,867,903</u>	<u>90.30%</u>	<u>4,827,085</u>	<u>40,818</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	523,191		518,804	4,387
Title I, Part A - June 30, 2016 Unearned Revenue	-		-	-
	<u>523,191</u>	<u>9.70%</u>	<u>518,804</u>	<u>4,387</u>
Total Restricted Federal Resources	<u>523,191</u>	<u>9.70%</u>	<u>518,804</u>	<u>4,387</u>
Totals	<u>\$ 5,391,094</u>	<u>100.00%</u>	<u>\$ 5,345,889</u>	<u>\$ 45,205</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School: Piner Elementary School

Resources	Resource Amount (Final Budget)	District-wide Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budgets	\$ 2,674,154		\$ 2,637,647	\$ 36,507
General Fund Reserve for Encumbrances at June 30, 2016			-	-
Combined General Fund Contribution	<u>2,674,154</u>	<u>89.95%</u>	<u>2,637,647</u>	<u>36,507</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	298,673		294,596	4,077
Title I, Part A - June 30, 2016 Unearned Revenue	-		-	-
	<u>298,673</u>	<u>10.05%</u>	<u>294,596</u>	<u>4,077</u>
Total Restricted Federal Resources	<u>298,673</u>	<u>10.05%</u>	<u>294,596</u>	<u>4,077</u>
Totals	<u>\$ 2,972,827</u>	<u>100.00%</u>	<u>\$ 2,932,243</u>	<u>\$ 40,584</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>District-wide</u>	<u>Original</u>	<u>Budget</u>	<u>Final</u>		<u>Variance</u>
	<u>Budget</u>	<u>Adjustments</u>	<u>Budget</u>	<u>Actual</u>	<u>Final to Actual</u>
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	\$ 677,952	\$ 233,603	\$ 911,555	\$ 910,306	
Grades 1-5 - Salaries of Teachers	7,348,676	(886,875)	6,461,801	6,450,832	\$ 10,969
Grades 6-8 - Salaries of Teachers	2,887,164	178,660	3,065,824	2,961,364	104,460
Grades 9-12 - Salaries of Teachers	4,379,962	(346,832)	4,033,130	3,980,103	53,027
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	540,190	(27,775)	512,415	503,913	8,502
Purchased Technical Services		1,000	1,000	1,000	
Other Purchased Services (400-500 series)		53,223	53,223	45,573	7,650
General Supplies	473,369	392,944	866,313	830,487	35,826
Textbooks	111,201	(4,060)	107,141	65,697	41,444
Other Objects	17,459	(5,470)	11,989	(1,783)	13,772
TOTAL REGULAR PROGRAMS - INSTRUCTION	16,435,973	(411,582)	16,024,391	15,747,492	276,899
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	913,602	178,939	1,092,541	1,092,021	520
Other Salaries for Instruction	403,407	115,387	518,794	518,794	
General Supplies	11,943	3,863	15,806	13,500	2,306
Total Learning and/or Language Disabilities	1,328,952	298,189	1,627,141	1,624,315	2,826
Auditory Impairments:					
Salaries of Teachers	54,046	(38,600)	15,446	2,574	12,872
Total Auditory Impairments	54,046	(38,600)	15,446	2,574	12,872
Multiple Disabilities:					
Salaries of Teachers	601,432	80,701	682,133	664,714	
Other Salaries for Instruction	110,470	43,827	154,297	153,452	
General Supplies	6,357	2,409	8,766	6,090	2,676
Total Multiple Disabilities	718,259	126,937	845,196	824,256	2,676
Resource Room/Resource Center:					
Salaries of Teachers	2,836,980	(667,932)	2,169,048	2,163,545	5,503
General Supplies	12,768	(500)	12,268	7,745	4,523
Total Resource Room/Resource Center	2,849,748	(668,432)	2,181,316	2,171,290	10,026
Autism:					
Salaries of Teachers	206,954	8,309	215,263	210,268	
Other Salaries for Instruction	36,703	26,478	63,181	59,680	3,501
General Supplies	5,200	(2,116)	3,084	3,073	11
Total Autism	248,857	32,671	281,528	273,021	3,512
Preschool Disabilities - Full-Time:					
Other Salaries for Instruction	-	-	-	-	-
Total Preschool Disabilities - Full-Time	-	-	-	-	-
TOTAL SPECIAL EDUCATION - INSTRUCTION	5,199,862	(249,235)	4,950,627	4,895,456	55,171
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	-	858,969	858,969	855,758	3,211
Total Basic Skills/Remedial - Instruction	-	858,969	858,969	855,758	3,211
Bilingual Education - Instruction:					
Salaries of Teachers	3,261,997	(253,579)	3,008,418	2,975,191	33,227
Other Salaries for Instruction	185,233	12,769	198,002	173,818	24,184
Total Bilingual Education - Instruction	3,447,230	(240,810)	3,206,420	3,149,009	57,411
School-Spon. Cocurricular Actvts. - Inst.:					
Salaries	152,385	(24,537)	127,848	95,900	31,948
Supplies and Materials	26,000	25	26,025	15,976	10,049
Total School-Spon. Cocurricular Actvts. - Inst.	178,385	(24,512)	153,873	111,876	41,997
Before/After School Programs - Instruction					
Salaries of Teachers		139,163	139,163	135,780	3,383
Purchased Professional and Technical Services	48,000	132,000	180,000	180,000	-
Total Before/After School Programs - Instruction	48,000	271,163	319,163	315,780	3,383
Before/After School Programs - Support					

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>District-wide</u>	<u>Original</u>	<u>Budget</u>	<u>Final</u>		<u>Variance</u>
	<u>Budget</u>	<u>Adjustments</u>	<u>Budget</u>	<u>Actual</u>	<u>Final to Actual</u>
Salaries	-	8,830	8,830	8,830	-
Total Before/After School Programs - Support	-	8,830	8,830	8,830	-
Total Before/After School Programs	48,000	279,993	327,993	324,610	3,383

LAKELWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

District-wide	Original	Budget	Final		Variance
	Budget	Adjustments	Budget	Actual	Final to Actual
Summer School - Instruction					
Salaries of Teachers		\$ 76,020	\$ 76,020	\$ 76,020	
General Supplies	-	1,139	1,139	1,139	-
Total Summer School - Instruction	-	77,159	77,159	77,159	-
Summer School - Support					
Salaries		15,540	15,540	15,540	
Purchased Services (400-500 series)	-	13,620	13,620	13,620	-
Total Summer School - Support	-	29,160	29,160	29,160	-
Total Summer School	-	106,319	106,319	106,319	-
Alternative Education Program - Instruction					
Salaries of Teachers		16,290	16,290	16,290	
Other Salaries for Instruction	-	7,097	7,097	7,097	-
Total Alternative Education Program - Instruction	-	23,387	23,387	23,387	-
Alternative Education Program - Support					
Salaries	-	28,260	28,260	28,260	-
Total Alternative Education Program - Support	-	28,260	28,260	28,260	-
Total Alternative Education Program	-	51,647	51,647	51,647	-
Total Instruction	\$ 25,309,450	370,789	25,680,239	25,242,167	\$ 438,072
Undistributed Expend. - Attend. & Social Work:					
Salaries	159,171	(45,516)	113,655	112,555	
Supplies and Materials	500	-	500	-	500
Total Undistributed Expend. - Attend. & Social Work	159,671	(45,516)	114,155	112,555	1,600
Undistributed Expenditures - Health Services:					
Salaries	394,726	(2,846)	391,880	391,880	
Supplies and Materials	18,750	(536)	18,214	14,974	3,240
Total Undistributed Expenditures - Health Services	413,476	(3,382)	410,094	406,854	3,240
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	969,394	(152,863)	816,531	811,407	
Salaries of Secretarial and Clerical Assistants	124,861	3,565	128,426	128,426	
Other Purchased Prof. and Tech. Services	23,642	450	24,092	22,129	
Supplies and Materials	7,500	(1,240)	6,260	5,182	1,078
Other Objects	3,000	-	3,000	2,722	278
Total Undist. Expend. - Guidance Services	1,128,397	(150,088)	978,309	969,866	1,356
Undist. Expend. - Improvement of Inst. Serv.					
Sal of Facilitators, Math & Literacy Coaches	301,420	16,867	318,287	318,287	-
Total Undist. Expend. - Improvement of Inst. Serv.	301,420	16,867	318,287	318,287	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	443,319	(83,473)	359,846	324,410	35,436
Supplies and Materials	50,484	(3,644)	46,840	42,156	4,684
Total Undist. Expend. - Edu. Media Serv./Sch. Library	493,803	(87,117)	406,686	366,566	40,120
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Service	28,500	94,450	122,950	84,703	38,247
Total Undist. Expend. - Instructional Staff Training Serv.	28,500	94,450	122,950	84,703	38,247
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	1,974,333	207,100	2,181,433	2,179,898	
Salaries of Secretarial and Clerical Assistants	770,390	15,405	785,795	772,148	13,647
Other Purchased Services (400-500 series)	600	400	1,000	-	1,000
Supplies and Materials	66,291	22	66,313	45,478	20,835
Total Undist. Expend. - Support Serv. - School Admin.	2,811,614	222,927	3,034,541	2,997,524	35,482
Undist. Expend. - Student Transportation Serv.					
Contr Serv (Oth. than Bet Home & Sch)-Vend	-	4,000	4,000	3,855	145
Total Undist. Expend. - Student Transportation Serv.	-	4,000	4,000	3,855	145
TOTAL UNDISTRIBUTED EXPENDITURES	5,336,881	52,141	5,389,022	5,260,210	128,812
TOTAL CURRENT EXPENDITURES	30,646,331	422,930	31,069,261	30,502,377	566,884

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
CAPITAL OUTLAY					
Equipment					
Regular Program - Instruction:					
Grades 1-5		\$ 55,753	\$ 55,753	\$ 55,753	
Grades 6-8	\$ 27,000		27,000	19,574	\$ 7,426
Grades 9-12	-	6,200	6,200	6,194	6
Total Equipment	<u>27,000</u>	<u>61,953</u>	<u>88,953</u>	<u>81,521</u>	<u>7,432</u>
TOTAL CAPITAL OUTLAY	<u>27,000</u>	<u>61,953</u>	<u>88,953</u>	<u>81,521</u>	<u>7,432</u>
District-wide School Based Expenditures	<u>30,673,331</u>	<u>484,883</u>	<u>31,158,214</u>	<u>30,583,898</u>	<u>574,316</u>
Other Financing Sources:					
Operating Transfer In	30,673,331	484,883	31,158,214	30,583,898	574,316
Operating Transfer Out:					
Transfer to Food Service Fund - Board Contribution	-	-	-	-	-
Capital Leases (non-budgeted)	-	-	-	-	-
Total Other Financing Sources	<u>30,673,331</u>	<u>484,883</u>	<u>31,158,214</u>	<u>30,583,898</u>	<u>574,316</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Lakewood High School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 4,379,962	\$ (346,832)	\$ 4,033,130	\$ 3,980,103	\$ 53,027
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	31,476		31,476	31,476	
Other Purchased Services (400-500 series)		14,498	14,498	13,823	675
General Supplies	102,627	98,373	201,000	199,198	1,802
Textbooks	18,665		18,665	17,722	943
Other Objects	4,403	(4,000)	403	125	278
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,537,133	(237,961)	4,299,172	4,242,447	56,725
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	98,587		98,587	98,068	519
Other Salaries for Instruction	40,762	19,847	60,609	60,609	-
Total Learning and/or Language Disabilities	139,349	19,847	159,196	158,677	519
Multiple Disabilities:					
Salaries of Teachers	112,757	5,425	118,182	112,757	5,425
Other Salaries for Instruction		33,693	33,693	33,693	
General Supplies	2,600	-	2,600	568	2,032
Total Multiple Disabilities	115,357	39,118	154,475	147,018	7,457
Resource Room/Resource Center:					
Salaries of Teachers	379,041	(64,645)	314,396	314,396	
General Supplies	2,582	-	2,582	1,958	624
Total Resource Room/Resource Center	381,623	(64,645)	316,978	316,354	624
TOTAL SPECIAL EDUCATION - INSTRUCTION	636,329	(5,680)	630,649	622,049	8,600
Bilingual Education - Instruction					
Salaries of Teachers	247,374		247,374	247,374	
Other Salaries for Instruction	22,245	18,075	40,320	22,245	18,075
Total Bilingual Education - Instruction	269,619	18,075	287,694	269,619	18,075
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	125,273	(33,748)	91,525	59,953	31,572
Supplies and Materials	22,000	25	22,025	15,769	6,256
Total School-Spon. Cocurricular Actvts. - Inst.	147,273	(33,723)	113,550	75,722	37,828
Total Instruction and At-Risk Programs					
	5,590,354	(259,289)	5,331,065	5,209,837	121,228
Undistributed Expend. - Attend. & Social Work					
Salaries	34,915	1,425	36,340	35,240	1,100
Supplies and Materials	335	-	335		335
Total Undistributed Expend. - Attend. & Social Work	35,250	1,425	36,675	35,240	1,435
Undistributed Expenditures - Health Services					
Salaries	62,221		62,221	62,221	
Supplies and Materials	2,315	-	2,315	1,961	354
Total Undistributed Expenditures - Health Services	64,536	-	64,536	64,182	354
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	454,971	(128,799)	326,172	326,172	
Salaries of Secretarial and Clerical Assistants	94,645	2,545	97,190	97,190	
Other Purchased Prof. and Tech. Services	23,642	450	24,092	22,129	1,963
Supplies and Materials	7,500	(3,240)	4,260	3,232	1,028
Other Objects	3,000	-	3,000	2,722	278
Total Undist. Expend. - Guidance Services	583,758	(129,044)	454,714	451,445	3,269

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Lakewood High School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Facilitators, Math & Literacy Coaches	187,003	8,081	195,084	195,084	-
Total Undist. Expend. - Improvement of Inst. Serv.	<u>187,003</u>	<u>8,081</u>	<u>195,084</u>	<u>195,084</u>	<u>-</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	167,514	(83,313)	84,201	48,961	35,240
Supplies and Materials	19,499	(5,994)	13,505	12,345	1,160
Total Undist. Expend. - Edu. Media Serv./Sch. Library	<u>187,013</u>	<u>(89,307)</u>	<u>97,706</u>	<u>61,306</u>	<u>36,400</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	\$ 196,931	\$ 305,671	\$ 502,602	\$ 502,602	
Salaries of Secretarial and Clerical Assistants	182,417	(86)	182,331	178,542	\$ 3,789
Other Purchased Services (400-500 series)		1,000	1,000		1,000
Supplies and Materials	21,973	(1,000)	20,973	7,648	13,325
Total Undist. Expend. - Support Serv. - School Admin.	<u>401,321</u>	<u>305,585</u>	<u>706,906</u>	<u>688,792</u>	<u>18,114</u>
Undist. Expend. - Student Transportation Serv.					
Contr Serv (Oth. than Bet Home & Sch)-Vend		4,000	4,000	3,855	145
Total Undist. Expend. - Student Transportation Serv.	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>3,855</u>	<u>145</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>1,458,881</u>	<u>100,740</u>	<u>1,559,621</u>	<u>1,499,904</u>	<u>59,717</u>
TOTAL CURRENT EXPENDITURES	<u>7,049,235</u>	<u>(158,549)</u>	<u>6,890,686</u>	<u>6,709,741</u>	<u>180,945</u>
Capital Outlay					
Equipment					
Regular Programs - Instruction					
Grades 9-12		6,200	6,200	6,194	6
Total Equipment	-	6,200	6,200	6,194	6
Total Capital Outlay	<u>-</u>	<u>6,200</u>	<u>6,200</u>	<u>6,194</u>	<u>6</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>7,049,235</u>	<u>(152,349)</u>	<u>6,896,886</u>	<u>6,715,935</u>	<u>180,951</u>
Other Financing Sources:					
Operating Transfer In	7,049,235	(152,349)	6,896,886	6,715,935	180,951
Total Other Financing Sources	<u>7,049,235</u>	<u>(152,349)</u>	<u>6,896,886</u>	<u>6,715,935</u>	<u>180,951</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Lakewood Middle School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 6-8 - Salaries of Teachers	\$ 2,839,723	\$ 226,101	\$ 3,065,824	\$ 2,961,364	\$ 104,460
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	21,673	1,000	22,673	22,673	
Purchased Technical Services		1,000	1,000	1,000	
Other Purchased Services (400-500 series)		8,188	8,188	5,492	2,696
General Supplies	128,770	(49,676)	79,094	62,270	16,824
Textbooks	30,000		30,000	17,437	12,563
Other Objects	3,650	-	3,650	-	3,650
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>3,023,816</u>	<u>186,613</u>	<u>3,210,429</u>	<u>3,070,236</u>	<u>140,193</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	259,900	47,137	307,037	307,036	1
Other Salaries for Instruction	131,424	25,708	157,132	157,132	
General Supplies	2,000	(1,637)	363	-	363
Total Learning and/or Language Disabilities	<u>393,324</u>	<u>71,208</u>	<u>464,532</u>	<u>464,168</u>	<u>364</u>
Multiple Disabilities:					
Salaries of Teachers	163,713	15,431	179,144	167,150	11,994
Other Salaries for Instruction	50,235	7,859	58,094	58,094	
General Supplies	1,400	2,000	3,400	2,995	405
Total Multiple Disabilities	<u>215,348</u>	<u>25,290</u>	<u>240,638</u>	<u>228,239</u>	<u>12,399</u>
Resource Room/Resource Center:					
Salaries of Teachers	529,169	(61,336)	467,833	467,833	
General Supplies	2,500	-	2,500	-	2,500
Total Resource Room/Resource Center	<u>531,669</u>	<u>(61,336)</u>	<u>470,333</u>	<u>467,833</u>	<u>2,500</u>
Autism:					
Salaries of Teachers		19,212	19,212	19,212	
Total Autism	-	<u>19,212</u>	<u>19,212</u>	<u>19,212</u>	-
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,140,341</u>	<u>54,374</u>	<u>1,194,715</u>	<u>1,179,452</u>	<u>15,263</u>
Basic Skills - Instruction					
Salaries of Teachers	-	57,676	57,676	56,636	1,040
Total Basic Skills - Instruction	-	<u>57,676</u>	<u>57,676</u>	<u>56,636</u>	<u>1,040</u>
Bilingual Education - Instruction					
Salaries of Teachers	282,410	2,339	284,749	284,748	1
Other Salaries for Instruction	18,478	14,972	33,450	32,881	569
Total Bilingual Education - Instruction	<u>300,888</u>	<u>17,311</u>	<u>318,199</u>	<u>317,629</u>	<u>570</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	8,277	4,671	12,948	12,948	
Supplies and Materials	1,400	-	1,400	-	1,400
Total School-Spon. Cocurricular Actvts. - Inst.	<u>9,677</u>	<u>4,671</u>	<u>14,348</u>	<u>12,948</u>	<u>1,400</u>
Alternative Education Program - Instruction					
Salaries of Teachers		16,290	16,290	16,290	
Other Salaries for Instruction	-	7,097	7,097	7,097	
Total Alternative Education Program - Instruction	-	<u>23,387</u>	<u>23,387</u>	<u>23,387</u>	-
Alternative Education Program - Support					
Salaries		28,260	28,260	28,260	
Total Alternative Education Program - Support	-	<u>28,260</u>	<u>28,260</u>	<u>28,260</u>	-
Total Alternative Education Program	-	<u>51,647</u>	<u>51,647</u>	<u>51,647</u>	-
Total Instruction and At-Risk Programs	<u>4,474,722</u>	<u>372,292</u>	<u>4,847,014</u>	<u>4,688,548</u>	<u>158,466</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Lakewood Middle School</u>	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attend. & Social Work					
Salaries	124,256	(46,941)	77,315	77,315	
Supplies and Materials	165	-	165		165
Total Undistributed Expend. - Attend. & Social Work	124,421	(46,941)	77,480	77,315	165
Undistributed Expenditures - Health Services					
Salaries	\$ 51,646		\$ 51,646	\$ 51,646	
Supplies and Materials	2,515	\$ 228	2,743	2,743	-
Total Undistributed Expenditures - Health Services	54,161	228	54,389	54,389	-
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	132,392	68,013	200,405	200,012	\$ 393
Salaries of Secretarial and Clerical Assistants	30,216	1,020	31,236	31,236	
Supplies and Materials		2,000	2,000	1,950	50
Total Undist. Expend. - Guidance Services	162,608	71,033	233,641	233,198	443
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Facilitators, Math & Literacy Coaches	62,771	8,786	71,557	71,557	-
Total Undist. Expend. - Improvement of Inst. Serv.	62,771	8,786	71,557	71,557	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	54,346		54,346	54,346	
Supplies and Materials	10,944	(200)	10,744	7,883	2,861
Total Undist. Expend. - Edu. Media Serv./Sch. Library	65,290	(200)	65,090	62,229	2,861
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Service	11,000	(3,300)	7,700	4,903	2,797
Total Undist. Expend. - Instructional Staff Training Services	11,000	(3,300)	7,700	4,903	2,797
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	481,702	(118,611)	363,091	363,091	
Salaries of Secretarial and Clerical Assistants	75,315	25,826	101,141	99,175	1,966
Other Purchased Services (400-500 series)	600	(600)			
Supplies and Materials	19,000	3,120	22,120	17,436	4,684
Total Undist. Expend. - Support Serv. - School Admin.	576,617	(90,265)	486,352	479,702	6,650
TOTAL UNDISTRIBUTED EXPENDITURES	1,056,868	(60,659)	996,209	983,293	12,916
TOTAL CURRENT EXPENDITURES	5,531,590	311,633	5,843,223	5,671,841	171,382
CAPITAL OUTLAY					
Equipment					
Regular Program - Instruction:					
Grades 6-8	27,000	-	27,000	19,574	7,426
Total Equipment	27,000	-	27,000	19,574	7,426
TOTAL CAPITAL OUTLAY	27,000	-	27,000	19,574	7,426
TOTAL SCHOOL BASED EXPENDITURES	5,558,590	311,633	5,870,223	5,691,415	178,808
Other Financing Sources:					
Operating Transfer In	5,558,590	311,633	5,870,223	5,691,415	178,808
Total Other Financing Sources	5,558,590	311,633	5,870,223	5,691,415	178,808
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Ella G. Clarke School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 1-5 - Salaries of Teachers	\$ 1,198,230	\$ (47,231)	\$ 1,150,999	\$ 1,150,999	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	1,497	(1,497)			
Other Purchased Services (400-500 series)		8,046	8,046	7,078	\$ 968
General Supplies	86,005	(17,617)	68,388	65,752	2,636
Textbooks	5,189		5,189		5,189
Other Objects	2,024	-	2,024	-	2,024
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>1,292,945</u>	<u>(58,299)</u>	<u>1,234,646</u>	<u>1,223,829</u>	<u>10,817</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	158,538		158,538	158,538	
Other Salaries for Instruction	55,719	(2,141)	53,578	53,578	
General Supplies	2,000	-	2,000	1,175	825
Total Learning and/or Language Disabilities	<u>216,257</u>	<u>(2,141)</u>	<u>214,116</u>	<u>213,291</u>	<u>825</u>
Resource Room/Resource Center:					
Salaries of Teachers	291,620	(22,814)	268,806	263,303	5,503
General Supplies	2,500	-	2,500	1,772	728
Total Resource Room/Resource Center	<u>294,120</u>	<u>(22,814)</u>	<u>271,306</u>	<u>265,075</u>	<u>6,231</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>510,377</u>	<u>(24,955)</u>	<u>485,422</u>	<u>478,366</u>	<u>7,056</u>
Basic Skills - Instruction					
Salaries of Teachers		172,222	172,222	172,222	-
Total Basic Skills - Instruction	-	<u>172,222</u>	<u>172,222</u>	<u>172,222</u>	-
Bilingual Education - Instruction					
Salaries of Teachers	360,687	49,175	409,862	409,861	1
Other Salaries for Instruction	-	5,800	5,800	2,629	3,171
Total Bilingual Education - Instruction	<u>360,687</u>	<u>54,975</u>	<u>415,662</u>	<u>412,490</u>	<u>3,172</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	6,175	2,172	8,347	8,347	
Supplies and Materials	1,000	-	1,000	112	888
Total School-Spon. Cocurricular Actvts. - Inst.	<u>7,175</u>	<u>2,172</u>	<u>9,347</u>	<u>8,459</u>	<u>888</u>
Before/After School Programs - Instruction					
Purchased Professional and Technical Services	16,000	20,000	36,000	36,000	-
Total Before/After School Programs - Instruction	<u>16,000</u>	<u>20,000</u>	<u>36,000</u>	<u>36,000</u>	-
Total Before/After School Programs	<u>16,000</u>	<u>20,000</u>	<u>36,000</u>	<u>36,000</u>	-
Total Instruction and At-Risk Programs	<u>2,187,184</u>	<u>166,115</u>	<u>2,353,299</u>	<u>2,331,366</u>	<u>21,933</u>
Undistributed Expenditures - Health Services					
Salaries	64,771		64,771	64,771	
Supplies and Materials	1,565	-	1,565	977	588
Total Undistributed Expenditures - Health Services	<u>66,336</u>	<u>-</u>	<u>66,336</u>	<u>65,748</u>	<u>588</u>
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	141,386	(89,809)	51,577	51,474	103
Total Undist. Expend. - Guidance Services	<u>141,386</u>	<u>(89,809)</u>	<u>51,577</u>	<u>51,474</u>	<u>103</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	53,746		53,746	53,746	
Supplies and Materials	5,142	1,800	6,942	6,853	89
Total Undist. Expend. - Edu. Media Serv./Sch. Library	<u>58,888</u>	<u>1,800</u>	<u>60,688</u>	<u>60,599</u>	<u>89</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>School: Ella G. Clarke School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	\$ 261,767	\$ (12,299)	\$ 249,468	\$ 249,468	
Salaries of Secretarial and Clerical Assistants	110,974	1,652	112,626	110,500	\$ 2,126
Supplies and Materials	5,518	-	5,518	4,741	777
Total Undist. Expend. - Support Serv. - School Admin.	<u>378,259</u>	<u>(10,647)</u>	<u>367,612</u>	<u>364,709</u>	<u>2,903</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>644,869</u>	<u>(98,656)</u>	<u>546,213</u>	<u>542,530</u>	<u>3,683</u>
TOTAL CURRENT EXPENDITURES	<u>2,832,053</u>	<u>67,459</u>	<u>2,899,512</u>	<u>2,873,896</u>	<u>25,616</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>2,832,053</u>	<u>67,459</u>	<u>2,899,512</u>	<u>2,873,896</u>	<u>25,616</u>
Other Financing Sources:					
Operating Transfer In	2,832,053	67,459	2,899,512	2,873,896	25,616
Total Other Financing Sources	<u>2,832,053</u>	<u>67,459</u>	<u>2,899,512</u>	<u>2,873,896</u>	<u>25,616</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Clifton Avenue School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 1-5 - Salaries of Teachers	\$ 1,623,770	\$ 117,947	\$ 1,741,717	\$ 1,735,783	\$ 5,934
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		11,122	11,122	11,122	
Other Purchased Services (400-500 series)		6,461	6,461	6,041	
General Supplies	42,927	(1,986)	40,941	38,098	2,843
Textbooks	38,690		38,690	16,847	21,843
Other Objects	3,145	-	3,145	-	3,145
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>1,708,532</u>	<u>133,544</u>	<u>1,842,076</u>	<u>1,807,891</u>	<u>34,185</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	244,269	(67,836)	176,433	176,433	
Other Salaries for Instruction	78,297	1,719	80,016	80,016	
General Supplies	2,000	(1,000)	1,000	833	167
Total Learning and/or Language Disabilities	<u>324,566</u>	<u>(67,117)</u>	<u>257,449</u>	<u>257,282</u>	<u>167</u>
Resource Room/Resource Center:					
Salaries of Teachers	530,010	(130,388)	399,622	399,622	
General Supplies	3,146	-	3,146	3,030	116
Total Resource Room/Resource Center	<u>533,156</u>	<u>(130,388)</u>	<u>402,768</u>	<u>402,652</u>	<u>116</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>857,722</u>	<u>(197,505)</u>	<u>660,217</u>	<u>659,934</u>	<u>283</u>
Basic Skills - Instruction					
Salaries of Teachers		132,036	132,036	132,036	
Total Basic Skills - Instruction	<u>-</u>	<u>132,036</u>	<u>132,036</u>	<u>132,036</u>	<u>-</u>
Bilingual Education - Instruction					
Salaries of Teachers	405,123	6,064	411,187	411,187	-
Total Bilingual Education - Instruction	<u>405,123</u>	<u>6,064</u>	<u>411,187</u>	<u>411,187</u>	<u>-</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	6,962	2,787	9,749	9,749	-
Supplies and Materials	600	-	600	-	600
Total School-Spon. Cocurricular Actvts. - Inst.	<u>7,562</u>	<u>2,787</u>	<u>10,349</u>	<u>9,749</u>	<u>600</u>
Before/After School Programs - Instruction					
Purchased Professional and Technical Services	16,000	20,000	36,000	36,000	-
Total Before/After School Programs - Instruction	<u>16,000</u>	<u>20,000</u>	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Total Before/After School Programs	<u>16,000</u>	<u>20,000</u>	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Total Instruction and At-Risk Programs	<u>2,994,939</u>	<u>96,926</u>	<u>3,091,865</u>	<u>3,056,797</u>	<u>35,068</u>
Undistributed Expenditures - Health Services					
Salaries	57,636		57,636	57,636	
Supplies and Materials	2,215	(64)	2,151	1,052	1,099
Total Undistributed Expenditures - Health Services	<u>59,851</u>	<u>(64)</u>	<u>59,787</u>	<u>58,688</u>	<u>1,099</u>
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	55,146	1,033	56,179	56,179	-
Total Undist. Expend. - Guidance Services	<u>55,146</u>	<u>1,033</u>	<u>56,179</u>	<u>56,179</u>	<u>-</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Facilitators, Math & Literacy Coaches	51,646	-	51,646	51,646	-
Total Undist. Expend. - Improvement of Inst. Serv.	<u>51,646</u>	<u>-</u>	<u>51,646</u>	<u>51,646</u>	<u>-</u>

**LAKEWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>School: Clifton Avenue School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	65,221	(160)	65,061	64,865	196
Supplies and Materials	7,000	(250)	6,750	6,274	476
Total Undist. Expend. - Edu. Media Serv./Sch. Library	72,221	(410)	71,811	71,139	672
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Servic		250	250		250
Total Undist. Expend. - Instructional Staff Training Services	-	250	250	-	250
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	\$ 236,486	\$ 4,731	\$ 241,217	\$ 241,217	
Salaries of Secretarial and Clerical Assistants	90,514	4,441	94,955	91,991	\$ 2,964
Supplies and Materials	3,000	-	3,000	2,433	567
Total Undist. Expend. - Support Serv. - School Admin.	330,000	9,172	339,172	335,641	3,531
TOTAL UNDISTRIBUTED EXPENDITURES	568,864	9,981	578,845	573,293	5,552
TOTAL CURRENT EXPENDITURES	3,563,803	106,907	3,670,710	3,630,090	40,620
TOTAL SCHOOL BASED EXPENDITURES	3,563,803	106,907	3,670,710	3,630,090	40,620
Other Financing Sources:					
Operating Transfer In	3,563,803	106,907	3,670,710	3,630,090	40,620
Total Other Financing Sources	3,563,803	106,907	3,670,710	3,630,090	40,620
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKEWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Spruce Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 240,954	\$ 237,783	\$ 478,737	\$ 478,737	
Grades 1-5 - Salaries of Teachers	964,227	(367,779)	596,448	591,413	\$ 5,035
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	286,941	(78,362)	208,579	200,077	
Other Purchased Services (400-500 series)		6,124	6,124	5,493	
General Supplies	36,073	117,894	153,967	149,233	4,734
Textbooks	719	(369)	350	-	350
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>1,528,914</u>	<u>(84,709)</u>	<u>1,444,205</u>	<u>1,424,953</u>	<u>19,252</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		50,441	50,441	50,441	
Other Salaries for Instruction		16,877	16,877	16,877	
General Supplies	1,943	(1,500)	443	324	119
Total Learning and/or Language Disabilities	<u>1,943</u>	<u>65,818</u>	<u>67,761</u>	<u>67,642</u>	<u>119</u>
Auditory Impairments:					
Salaries of Teachers	54,046	(38,600)	15,446	2,574	12,872
Total Auditory Impairments	<u>54,046</u>	<u>(38,600)</u>	<u>15,446</u>	<u>2,574</u>	<u>12,872</u>
Multiple Disabilities:					
Salaries of Teachers	89,453	682	90,135	90,135	
Other Salaries for Instruction	2,700	(1,855)	845		845
General Supplies	357	409	766	597	169
Total Multiple Disabilities	<u>92,510</u>	<u>(764)</u>	<u>91,746</u>	<u>90,732</u>	<u>1,014</u>
Resource Room/Resource Center:					
Salaries of Teachers	105,882	50,528	156,410	156,410	
General Supplies	500	(500)	-	-	-
Total Resource Room/Resource Center	<u>106,382</u>	<u>50,028</u>	<u>156,410</u>	<u>156,410</u>	<u>-</u>
Autism:					
Salaries of Teachers	50,746	-	50,746	46,943	3,803
Other Salaries for Instruction	17,325	4,647	21,972	21,718	254
General Supplies	2,700	(2,116)	584	574	10
Total Autism	<u>70,771</u>	<u>2,531</u>	<u>73,302</u>	<u>69,235</u>	<u>4,067</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>325,652</u>	<u>79,013</u>	<u>404,665</u>	<u>386,593</u>	<u>18,072</u>
Basic Skills - Instruction					
Salaries of Teachers		163,409	163,409	161,418	1,991
Total Basic Skills - Instruction	<u>-</u>	<u>163,409</u>	<u>163,409</u>	<u>161,418</u>	<u>1,991</u>
Bilingual Education - Instruction					
Salaries of Teachers	849,561	(159,432)	690,129	688,640	1,489
Other Salaries for Instruction	80,940	(19,835)	61,105	61,105	-
Total Bilingual Education - Instruction	<u>930,501</u>	<u>(179,267)</u>	<u>751,234</u>	<u>749,745</u>	<u>1,489</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	2,384	-	2,384	2,153	231
Total School-Spon. Cocurricular Actvts. - Inst.	<u>2,384</u>	<u>-</u>	<u>2,384</u>	<u>2,153</u>	<u>231</u>
Before/After School Programs - Instruction					
Purchased Professional and Technical Services	16,000	20,000	36,000	36,000	-
Total Before/After School Programs - Instruction	<u>16,000</u>	<u>20,000</u>	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Total Before/After School Programs	<u>16,000</u>	<u>20,000</u>	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Total Instruction and At-Risk Programs	<u>2,803,451</u>	<u>(1,554)</u>	<u>2,801,897</u>	<u>2,760,862</u>	<u>41,035</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Spruce Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Health Services					
Salaries	68,046		68,046	68,046	
Supplies and Materials	2,815	(700)	2,115	2,115	-
Total Undistributed Expenditures - Health Services	70,861	(700)	70,161	70,161	-
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	55,379	(3,600)	51,779	48,667	3,112
Total Undist. Expend. - Guidance Services	55,379	(3,600)	51,779	48,667	3,112
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	\$ 48,146		\$ 48,146	\$ 48,146	
Supplies and Materials	2,899	\$ 1,000	3,899	3,813	\$ 86
Total Undist. Expend. - Edu. Media Serv./Sch. Library	51,045	1,000	52,045	51,959	86
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Serv	17,500	32,350	49,850	32,250	17,600
Total Undist. Expend. - Instructional Staff Training Services	17,500	32,350	49,850	32,250	17,600
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	223,225	22,053	245,278	245,278	
Salaries of Secretarial and Clerical Assistants	129,122	(4,825)	124,297	123,878	419
Supplies and Materials	5,000	902	5,902	5,622	280
Total Undist. Expend. - Support Serv. - School Admin.	357,347	18,130	375,477	374,778	699
TOTAL UNDISTRIBUTED EXPENDITURES	552,132	47,180	599,312	577,815	21,497
TOTAL CURRENT EXPENDITURES	3,355,583	45,626	3,401,209	3,338,677	62,532
CAPITAL OUTLAY					
Equipment					
Regular Program - Instruction:					
Grades 1-5	-	55,753	55,753	55,753	
Total Equipment	-	55,753	55,753	55,753	-
TOTAL CAPITAL OUTLAY	-	55,753	55,753	55,753	-
TOTAL SCHOOL BASED EXPENDITURES	3,355,583	101,379	3,456,962	3,394,430	62,532
Other Financing Sources:					
Operating Transfer In	3,355,583	101,379	3,456,962	3,394,430	62,532
Total Other Financing Sources	3,355,583	101,379	3,456,962	3,394,430	62,532
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)					
	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Oak Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 1-5 - Salaries of Teachers	\$ 2,931,957	\$ (698,534)	\$ 2,233,423	\$ 2,233,423	
Grades 6-8 - Salaries of Teachers	47,441	(47,441)			
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	51,673	7,301	58,974	58,974	
Other Purchased Services (400-500 series)		9,906	9,906	7,646	\$ 2,260
General Supplies	47,072	160,830	207,902	203,672	4,230
Textbooks	12,938	1,000	13,938	13,382	556
Other Objects	3,537	(1,470)	2,067	(1,908)	3,975
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,094,618	(568,408)	2,526,210	2,515,189	11,021
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	152,308	98,814	251,122	251,122	
Other Salaries for Instruction	53,919	49,486	103,405	103,405	
General Supplies	4,000	8,000	12,000	11,168	832
Total Learning and/or Language Disabilities	210,227	156,300	366,527	365,695	832
Multiple Disabilities:					
Salaries of Teachers	235,509	59,163	294,672	294,672	
Other Salaries for Instruction	57,535	4,130	61,665	61,665	
General Supplies	2,000	-	2,000	1,930	70
Total Multiple Disabilities	295,044	63,293	358,337	358,267	70
Resource Room/Resource Center:					
Salaries of Teachers	351,066	(18,074)	332,992	332,992	
General Supplies	1,040	-	1,040	985	55
Total Resource Room/Resource Center	352,106	(18,074)	334,032	333,977	55
Autism:					
Salaries of Teachers	156,208	(10,903)	145,305	144,113	1,192
Other Salaries for Instruction	19,378	21,831	41,209	37,962	3,247
General Supplies	2,500	-	2,500	2,499	1
Total Autism	178,086	10,928	189,014	184,574	4,440
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,035,463	212,447	1,247,910	1,242,513	5,397
Basic Skills - Instruction					
Salaries of Teachers	-	174,418	174,418	174,418	-
Total Basic Skills - Instruction	-	174,418	174,418	174,418	-
Bilingual Education - Instruction					
Salaries of Teachers	403,478	43,568	447,046	421,960	25,086
Other Salaries for Instruction	-	19,835	19,835	19,835	-
Total Bilingual Education - Instruction	403,478	63,403	466,881	441,795	25,086
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	3,314	(419)	2,895	2,750	145
Supplies and Materials	1,000	-	1,000	95	905
Total School-Spon. Cocurricular Actvts. - Inst.	4,314	(419)	3,895	2,845	1,050
Before/After School Programs - Instruction					
Salaries of Teachers		107,200	107,200	107,200	
Purchased Professional and Technical Services	-	36,000	36,000	36,000	-
Total Before/After School Programs - Instruction	-	143,200	143,200	143,200	-
Before/After School Programs - Support Services					
Salaries		7,230	7,230	7,230	
Total Before/After School Programs - Support Services	-	7,230	7,230	7,230	-
Total Before/After School Programs	-	150,430	150,430	150,430	-

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>School: Oak Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Summer School - Instruction					
Salaries of Teachers		\$ 76,020	\$ 76,020	\$ 76,020	
General Supplies		1,139	1,139	1,139	
Total Summer School - Instruction	-	77,159	77,159	77,159	-
Summer School - Support Services					
Salaries		15,540	15,540	15,540	
Purchased Services (400-500 series)		13,620	13,620	13,620	
Total Summer School - Support Services	-	29,160	29,160	29,160	-
Total Summer School	-	106,319	106,319	106,319	-
Total Instruction and At-Risk Programs	\$ 4,537,873	138,190	4,676,063	4,633,509	\$ 42,554
Undistributed Expenditures - Health Services					
Salaries	58,621		58,621	58,621	
Supplies and Materials	3,825	-	3,825	2,866	959
Total Undistributed Expenditures - Health Services	62,446	-	62,446	61,487	959
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	78,646	1,033	79,679	79,679	-
Total Undist. Expend. - Guidance Services	78,646	1,033	79,679	79,679	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	54,346		54,346	54,346	
Supplies and Materials	5,000	-	5,000	4,988	12
Total Undist. Expend. - Edu. Media Serv./Sch. Library	59,346	-	59,346	59,334	12
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Serv		2,500	2,500	2,500	-
Total Undist. Expend. - Instructional Staff Training Services	-	2,500	2,500	2,500	-
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	350,997	32,762	383,759	382,224	1,535
Salaries of Secretarial and Clerical Assistants	125,575	726	126,301	126,301	-
Supplies and Materials	4,000	(3,000)	1,000	855	145
Total Undist. Expend. - Support Serv. - School Admin.	480,572	30,488	511,060	509,380	1,680
TOTAL UNDISTRIBUTED EXPENDITURES	681,010	34,021	715,031	712,380	2,651
TOTAL CURRENT EXPENDITURES	5,218,883	172,211	5,391,094	5,345,889	45,205
TOTAL SCHOOL BASED EXPENDITURES	5,218,883	172,211	5,391,094	5,345,889	45,205
Other Financing Sources:					
Operating Transfer In	5,218,883	172,211	5,391,094	5,345,889	45,205
Total Other Financing Sources	5,218,883	172,211	5,391,094	5,345,889	45,205
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Piner Elementary School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 436,998	\$ (4,180)	\$ 432,818	\$ 431,569	\$ 1,249
Grades 1-5 - Salaries of Teachers	630,492	108,722	739,214	739,214	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	146,930	32,661	179,591	179,591	
General Supplies	29,895	85,126	115,021	112,264	2,757
Textbooks	5,000	(4,691)	309	309	
Other Objects	700	-	700	-	700
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>1,250,015</u>	<u>217,638</u>	<u>1,467,653</u>	<u>1,462,947</u>	<u>4,706</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		50,383	50,383	50,383	
Other Salaries for Instruction	43,286	3,891	47,177	47,177	-
Total Learning and/or Language Disabilities	<u>43,286</u>	<u>54,274</u>	<u>97,560</u>	<u>97,560</u>	<u>-</u>
Resource Room/Resource Center:					
Salaries of Teachers	650,192	(421,203)	228,989	228,989	-
General Supplies	500	-	500	-	500
Total Resource Room/Resource Center	<u>650,692</u>	<u>(421,203)</u>	<u>229,489</u>	<u>228,989</u>	<u>500</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>693,978</u>	<u>(366,929)</u>	<u>327,049</u>	<u>326,549</u>	<u>500</u>
Basic Skills - Instruction					
Salaries of Teachers		159,208	159,208	159,028	180
Total Basic Skills - Instruction	<u>-</u>	<u>159,208</u>	<u>159,208</u>	<u>159,028</u>	<u>180</u>
Bilingual Education - Instruction					
Salaries of Teachers	713,364	(195,293)	518,071	511,421	6,650
Other Salaries for Instruction	63,570	(26,078)	37,492	35,123	2,369
Total Bilingual Education - Instruction	<u>776,934</u>	<u>(221,371)</u>	<u>555,563</u>	<u>546,544</u>	<u>9,019</u>
Before/After School Programs - Instruction					
Salaries of Teachers		31,963	31,963	28,580	3,383
Purchased Professional and Technical Services		36,000	36,000	36,000	
Total Before/After School Programs - Instruction	<u>-</u>	<u>67,963</u>	<u>67,963</u>	<u>64,580</u>	<u>3,383</u>
Before/After School Programs - Support Services					
Salaries		1,600	1,600	1,600	
Total Before/After School Programs - Support Services	<u>-</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>-</u>
Total Before/After School Programs	<u>-</u>	<u>69,563</u>	<u>69,563</u>	<u>66,180</u>	<u>3,383</u>
Total Instruction and At-Risk Programs	<u>2,720,927</u>	<u>(141,891)</u>	<u>2,579,036</u>	<u>2,561,248</u>	<u>17,788</u>
Undistributed Expenditures - Health Services					
Salaries	31,785	(2,846)	28,939	28,939	
Supplies and Materials	3,500	-	3,500	3,260	240
Total Undistributed Expenditures - Health Services	<u>35,285</u>	<u>(2,846)</u>	<u>32,439</u>	<u>32,199</u>	<u>240</u>
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	51,474	(734)	50,740	49,224	1,516
Total Undist. Expend. - Guidance Services	<u>51,474</u>	<u>(734)</u>	<u>50,740</u>	<u>49,224</u>	<u>1,516</u>
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Serv	-	62,650	62,650	45,050	17,600
Total Undist. Expend. - Instructional Staff Training Services	<u>-</u>	<u>62,650</u>	<u>62,650</u>	<u>45,050</u>	<u>17,600</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>School: Piner Elementary School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	223,225	(27,207)	196,018	196,018	
Salaries of Secretarial and Clerical Assistants	56,473	(12,329)	44,144	41,761	2,383
Supplies and Materials	7,800	-	7,800	6,743	1,057
Total Undist. Expend. - Support Serv. - School Admin.	<u>287,498</u>	<u>(39,536)</u>	<u>247,962</u>	<u>244,522</u>	<u>3,440</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>374,257</u>	<u>19,534</u>	<u>393,791</u>	<u>370,995</u>	<u>22,796</u>
TOTAL CURRENT EXPENDITURES	<u>3,095,184</u>	<u>(122,357)</u>	<u>2,972,827</u>	<u>2,932,243</u>	<u>40,584</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>3,095,184</u>	<u>(122,357)</u>	<u>2,972,827</u>	<u>2,932,243</u>	<u>40,584</u>
Other Financing Sources:					
Operating Transfer In	<u>\$ 3,095,184</u>	<u>\$ (122,357)</u>	<u>\$ 2,972,827</u>	<u>\$ 2,932,243</u>	<u>\$ 40,584</u>
Total Other Financing Sources	<u>3,095,184</u>	<u>(122,357)</u>	<u>2,972,827</u>	<u>2,932,243</u>	<u>40,584</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPECIAL REVENUE FUND

LAKWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Title I, Part A	Title I - SIA	Title II-A	Title III	Title III Immigrant	IDEA PART B		Cari D. Perkins Grant	NJEA Sustainable Jersey	Sub-Total Carried Forward
						Basic	Preschool			
REVENUES										
Intergovernmental										
Local									\$ 8,000	\$ 8,000
Federal	\$ 16,357,154	\$ 11,658	\$ 919,037	\$ 353,882	\$ 13,411	\$ 6,764,297	\$ 284,482	\$ 330,627	-	25,034,548
Total Revenues	16,357,154	11,658	919,037	353,882	13,411	6,764,297	284,482	330,627	8,000	25,042,548
EXPENDITURES										
Instruction										
Salaries of Teachers	1,018,118									1,018,118
Purchased Professional and Technical Services	7,703,858		20,500	2,187	3,500			10,926		7,740,971
Other Purchased Services		11,658		483		1,989,967	172,024			2,174,132
General Supplies	727,444			112,013	9,911			148,062		997,430
Other Objects	-	-	45	-	-	-	-	1,560	-	1,605
Total Instruction	9,449,420	11,658	20,545	114,683	13,411	1,989,967	172,024	160,548	-	11,932,256
Support Services										
Salaries of Other Professional Staff	960,783		3,880	120,006				50,581		1,135,250
Other Salaries										-
Personal Services Employee-Benefits	1,167,562			49,742						1,217,304
Purchased Professional Technical Services	1,859,573		855,673	18,070		4,774,330	112,458	17,550		7,637,654
Purchased Prof./Ed. Serv.										-
Other Purchased Services	78,111		19,732	19,892				13,934		131,669
Indirect Costs	97,679		4,366							102,045
Supplies and Materials	62,765	-	14,841	31,489	-	-	-	3,435	8,000	120,530
Total Support Services	4,226,473	-	898,492	239,199	-	4,774,330	112,458	85,500	8,000	10,344,452
Facilities and Acquisition Construction Svcs.										
Instructional Equipment	80,046							67,632		147,678
Non-Instructional Equipment	-	-	-	-	-	-	-	16,947	-	16,947
Total Facilities and Acquisition Construction Svcs.	80,046	-	-	-	-	-	-	84,579	-	164,625
Sub-total Expenditures	13,755,939	11,658	919,037	353,882	13,411	6,764,297	284,482	330,627	8,000	22,441,333
Other Financing Uses										
Contribution to School Based Budgets (General Fund)	(2,601,215)	-	-	-	-	-	-	-	-	(2,601,215)
Total Other Financing Uses	(2,601,215)	-	-	-	-	-	-	-	-	(2,601,215)
Total Outflows	\$ 16,357,154	\$ 11,658	\$ 919,037	\$ 353,882	\$ 13,411	\$ 6,764,297	\$ 284,482	\$ 330,627	\$ 8,000	\$ 25,042,548

LAKWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Sub-Total Brought Forward	Preschool Education Aid	Pre-K Expansion	Municipal Transportation Grant	New Jersey Nonpublic Aid				Sub-Total Carried Forward
					Textbooks	Technology	Nursing	Security	
REVENUES									
Intergovernmental									
Local Sources	\$ 8,000			\$ 1,662,624					\$ 1,670,624
State Sources		\$ 1,964,679			\$ 1,448,453	\$ 598,453	\$ 2,143,490	\$ 1,224,372	7,379,447
Federal Sources	25,034,548	-	\$ 2,417,714	-	-	-	-	-	27,452,262
Total Revenues	25,042,548	1,964,679	2,417,714	1,662,624	1,448,453	598,453	2,143,490	1,224,372	36,502,333
EXPENDITURES									
Instruction									
Salaries of Teachers	1,018,118	702,816	688,326						2,409,260
Other Salaries		255,222	202,429						457,651
Purchased Professional and Technical Services	7,740,971								7,740,971
Other Purchased Services	2,174,132	12,323	9,271						2,195,726
General Supplies	997,430	65,400	38,417			578,846			1,680,093
Textbooks					1,448,453				1,448,453
Other Objects	1,605	-	-	-	-	-	-	-	1,605
Total Instruction	11,932,256	1,035,761	938,443	-	1,448,453	578,846	-	-	15,933,759
Support Services									
Salaries of Supervisors of Instruction		28,624	34,019						62,643
Salaries of Program Directors			41,712						41,712
Salaries of Other Professional Staff	1,135,250	32,736	18,502						1,186,488
Salaries of Secretarial and Clerical Assistants		16,550	30,643						47,193
Other Salaries	-	65,033	53,156			10,800	40,489		169,478
Personal Services Employee-Benefits	1,217,304	656,327	971,519			7,382	28,022		2,880,554
Purchased Professional and Technical Services	7,637,654	5,000	5,000			495	1,948,292		9,596,441
Purchased Prof./Ed. Serv.	-	400							400
Contracted Services - Transportation				1,662,624					1,662,624
Other Purchased Services	131,669	119,173	324,695				149		575,686
Indirect Costs	102,045								102,045
Supplies and Materials	120,530	5,075	25			930	126,538	1,224,372	1,477,470
Total Support Services	10,344,452	928,918	1,479,271	1,662,624	-	19,607	2,143,490	1,224,372	17,802,734
Facilities and Acquisition Construction Svcs.									
Instructional Equipment	147,678								147,678
Non-Instructional Equipment	16,947	-	-	-	-	-	-	-	16,947
Total Facilities and Acquisition Construction Svcs.	164,625	-	-	-	-	-	-	-	164,625
Sub-total Expenditures	22,441,333	1,964,679	2,417,714	1,662,624	1,448,453	598,453	2,143,490	1,224,372	33,901,118
Other Financing Uses									
Contribution to School Based Budgets (General Fund)	(2,601,215)	-	-	-	-	-	-	-	(2,601,215)
Total Other Financing Uses	(2,601,215)	-	-	-	-	-	-	-	(2,601,215)
Total Outflows	\$ 25,042,548	\$ 1,964,679	\$ 2,417,714	\$ 1,662,624	\$ 1,448,453	\$ 598,453	\$ 2,143,490	\$ 1,224,372	\$ 36,502,333

LAKWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Sub-Total Brought Forward	Local Municipal Grant	Chapter 192 - Nonpublic Auxiliary Services				Chapter 193 - Nonpublic Handicapped Services			Grand Total
			Compensatory Education	ESL	Transportation	Home Instruction	Supplemental Instruction	Examination and Classification	Corrective Speech	
REVENUES										
Intergovernmental										
Local	\$ 1,670,624	\$ -								\$ 1,670,624
State	7,379,447		\$ 12,963,498	\$ 213,800	\$ 385,601	\$ 8,258	\$ 879,293	\$ 2,854,520	\$ 2,109,330	26,793,747
Federal	27,452,262	-	-	-	-	-	-	-	-	27,452,262
Total Revenues	\$ 36,502,333	\$ -	\$ 12,963,498	\$ 213,800	\$ 385,601	\$ 8,258	\$ 879,293	\$ 2,854,520	\$ 2,109,330	\$ 55,916,633
EXPENDITURES										
Instruction										
Salaries of Teachers	2,409,260									2,409,260
Other Salaries	457,651									457,651
Purchased Professional and Technical Services	7,740,971					8,258				7,749,229
Other Purchased Services	2,195,726				57,516					2,253,242
Tuition	-									-
General Supplies	1,680,093									1,680,093
Textbooks	1,448,453									1,448,453
Other Objects	1,605	-	-	-	-	-	-	-	-	1,605
Total Instruction	15,933,759	-	-	-	57,516	8,258	-	-	-	15,999,533
Support Services										
Salaries of Supervisors of Instruction	62,643									62,643
Salaries of Program Directors	41,712									41,712
Salaries of Other Professional Staff	1,186,488									1,186,488
Salaries of Secretarial and Clerical Assistants	47,193									47,193
Other Salaries	169,478		434,372							603,850
Personal Services Employee-Benefits	2,880,554		206,068							3,086,622
Purchased Professional and Technical Services	9,596,441		20,847							9,617,288
Purchased Prof./Ed. Serv.	400		12,287,571	209,007			879,293	2,854,520	2,071,830	18,302,621
Contracted Services - Transportation	1,662,624				328,085					1,990,709
Other Purchased Services	575,686		43							575,729
Indirect Costs	102,045									102,045
Supplies and Materials	1,477,470	-	14,597	4,793	-	-	-	-	37,500	1,534,360
Total Support Services	17,802,734	-	12,963,498	213,800	328,085	-	879,293	2,854,520	2,109,330	37,151,260
Facilities and Acquisition Construction Svcs.										
Instructional Equipment	147,678									147,678
Non-Instructional Equipment	16,947	-	-	-	-	-	-	-	-	16,947
Total Facilities and Acquisition Construction Svcs.	164,625	-	-	-	-	-	-	-	-	164,625
Sub-total Expenditures	33,901,118	\$ -	\$ 12,963,498	\$ 213,800	\$ 385,601	\$ 8,258	\$ 879,293	\$ 2,854,520	\$ 2,109,330	\$ 53,315,418
Other Financing Uses										
Contribution to School Based Budgets (General Fund)	(2,601,215)	-	-	-	-	-	-	-	-	(2,601,215)
Total Other Financing Uses	(2,601,215)	-	-	-	-	-	-	-	-	(2,601,215)
Total Outflows	\$ 36,502,333	\$ -	\$ 12,963,498	\$ 213,800	\$ 385,601	\$ 8,258	\$ 879,293	\$ 2,854,520	\$ 2,109,330	\$ 55,916,633

**LAKEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	\$ 569,092	\$ 133,724	\$ 702,816	\$ 702,816	
Other Salaries for Instruction	226,138	35,106	261,244	255,222	\$ 6,022
Other Purchased Services	22,500	(1,000)	21,500	12,323	9,177
General Supplies	22,000	163,726	185,726	65,400	120,326
Total Instruction	<u>839,730</u>	<u>331,556</u>	<u>1,171,286</u>	<u>1,035,761</u>	<u>135,525</u>
Support Services					
Salaries of Supervisors of Instruction	39,224	(10,600)	28,624	28,624	
Salaries of Other Professional Staff	31,936	800	32,736	32,736	
Salaries of Secretarial and Clerical Assts.	28,104	(408)	27,696	16,550	11,146
Other Salaries	43,610	(7,445)	36,165	36,165	
Salaries of Master Teachers	28,911	51,394	80,305	28,868	51,437
Personal Services - Employee Benefits	677,821	29,233	707,054	656,327	50,727
Cleaning, Repair and Maintenance Services	44,000	-	44,000	44,000	
Rentals	10,000	-	10,000	5,400	4,600
Contracted Services - Transportation (Bet. Home & School)	209,663	(94,675)	114,988	75,173	39,815
Supplies and Materials	11,000	(1,000)	10,000	5,075	4,925
Total Support Services	<u>1,124,269</u>	<u>(32,701)</u>	<u>1,091,568</u>	<u>928,918</u>	<u>162,650</u>
Facilities and Acquisition Construction Svcs.					
Instructional Equipment	17,986	(17,986)			
Non-Instructional Equipment	-	10,000	10,000	-	10,000
Total Facilities and Acquisition Construction Svcs.	<u>17,986</u>	<u>(7,986)</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total Expenditures	<u>\$ 1,981,985</u>	<u>\$ 290,869</u>	<u>\$ 2,272,854</u>	<u>\$ 1,964,679</u>	<u>\$ 308,175</u>
Total Revised 2016-17 Preschool Education Aid Allocation					\$ 1,981,985
Actual ECPA/PEA Carryover (June 30, 2016)					<u>393,134</u>
Total Preschool Education Aid Funds Available for 2016-17 Budget					2,375,119
Less: 2016-17 Budgeted Preschool Education Aid (Including Prior Year Carryover)					<u>(2,272,854)</u>
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2017					102,265
Add: June 30, 2017 Unexpended Preschool Education Aid					<u>308,175</u>
2016-17 Carryover - Preschool Education Aid Programs					<u>\$ 410,440</u>
2016-17 Preschool Education Aid Carryover Budgeted in 2017-18 for Preschool Programs					<u>\$ -</u>

CAPITAL PROJECTS FUND

**LAKWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>Issue/Project Title</u>	<u>Expenditures to Date</u>			<u>Unexpended Balance, June 30, 2017</u>
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>	
<i>2013 Lease Purchase</i>				
High School HVAC Replacement	\$ 505,462	\$ 505,462		
High School Hot Water Heater Replacement	32,940	32,940		
Middle School Roof Project	2,233,705	2,233,705		
Board Office Project	1,974,125	1,974,125		
Middle School Window Replacement	534,400	534,400		
Middle School Exhaust Replacement	192,116	192,116		
Soft Costs	62,441	62,441		
Unallocated	209,811	79,496	-	\$ 130,315
Lease-Purchase Sub-Total	<u>5,745,000</u>	<u>5,614,685</u>	<u>-</u>	<u>130,315</u>
<i>2015 Bond Referendum</i>				
HVAC System Upgrades at Lakewood HS, Oak St. School, Spruce Street School, Clifton Avenue School, Lakewood Middle School and E.G. Clarke School and roofing replacement and related repairs at Oak Street School, Spruce Street School, Clifton Avenue School and E.G. Clarke School	29,497,241	19,540,674	\$ 8,977,423	979,144
Refinance Outstanding Lease Purchase	<u>5,200,000</u>	<u>5,110,883</u>	<u>-</u>	<u>89,117</u>
Referendum Sub-Total	<u>34,697,241</u>	<u>24,651,557</u>	<u>8,977,423</u>	<u>1,068,261</u>
	<u>\$ 40,442,241</u>	<u>\$ 30,266,242</u>	<u>\$ 8,977,423</u>	<u>\$ 1,198,576</u>
				Unexpended Project Authorizations
				Debt Authorized But Not Issued
				\$ 1,198,576
				(2,241)
				<u>\$ 1,196,335</u>
				Fund Balance
				<u>\$ 1,196,335</u>

**LAKWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2017**

Revenues and Other Financing Sources

Interest on Investments	\$ 17,474
Total Revenues and Other Financing Sources	17,474

Expenditures and Other Financing Uses

Capital Outlay	
Purchased Professional and Technical Services	133,190
Construction Services	8,826,689
Other	17,544
Transfer to General Fund	17,474
Total Expenditures and Other Financing Uses	8,994,897

Excess (Deficiency) of Revenues Over/(Under) Expenditures	(8,977,423)
---	-------------

Fund Balance - Beginning of Year	10,173,758
----------------------------------	------------

Fund Balance - End of Year	\$ 1,196,335
----------------------------	--------------

Recapitulation of Fund Balance:

Reserve for Encumbrances	\$ 1,044,542
Available for Capital Projects	151,793
	\$ 1,196,335

**LAKESWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2014 LEASE PURCHASE - VARIOUS CAPITAL IMPROVEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Purchase Proceeds	\$ 5,745,000	-	\$ 5,745,000	\$ 5,745,000
Total Revenues	5,745,000	-	5,745,000	5,745,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	355,295		355,295	355,800
Construction Services	5,259,390	-	5,259,390	5,389,200
Total Expenditures	5,614,685	-	5,614,685	5,745,000
Excess (Deficiency) or Revenues Over (Under) Expenditures	\$ 130,315	\$ -	\$ 130,315	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Lease Purchase Issue Date	6/28/2013
Lease Purchase Authorized	5,745,000
Lease Purchase Issued	5,745,000
Original Authorized Cost	5,745,000
Adjustment	-
Revised Authorized Cost	5,745,000
Percentage Increase Over Original Authorized Cost	-
Percentage Completion	98%
Original Target Completion Date	2014/15
Revised Target Completion Date	2014/15

**LAKWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2015 REFERENDUM - VARIOUS CAPITAL IMPROVEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Serial Bond Proceeds	\$ 34,695,000	-	\$ 34,695,000	\$ 34,697,241
Total Revenues	<u>34,695,000</u>	<u>-</u>	<u>34,695,000</u>	<u>34,697,241</u>
Expenditures and Other Financing Uses				
General Administration				
Costs of Issuance	156,481		156,481	156,481
Interest on Notes	21,667		21,667	21,667
Debt Service				
Refunding of Lease Purchase	5,110,883		5,110,883	5,200,000
Capital Outlay				
Miscellaneous	12,220	\$ 17,544	29,764	57,099
Purchased Professional and Technical Services	1,844,942	133,190	1,978,132	1,985,166
Construction Services	<u>17,505,364</u>	<u>8,826,689</u>	<u>26,332,053</u>	<u>27,276,828</u>
Total Expenditures	<u>24,651,557</u>	<u>8,977,423</u>	<u>33,628,980</u>	<u>34,697,241</u>
Excess (Deficiency) or Revenues Over (Under) Expenditures	<u>10,043,443</u>	<u>\$ (8,977,423)</u>	<u>\$ 1,066,020</u>	<u>-</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Issue Date	2/17/2015
Bonds Authorized	\$ 34,697,241
Bonds Issued	\$ 34,695,000
Original Authorized Cost	\$ 34,697,241
Adjustment	\$ -
Revised Authorized Cost	\$ 34,697,241

Percentage Increase Over Original Authorized Cost	-
Percentage Completion	97%
Original Target Completion Date	2017/18
Revised Target Completion Date	2017/18

ENTERPRISE FUND

EXHIBIT G-1

**LAKWOOD BOARD OF EDUCATION
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2017**

THIS STATEMENT IS NOT APPLICABLE

EXHIBIT G-2

**COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

THIS STATEMENT IS NOT APPLICABLE

EXHIBIT G-3

**COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

THIS STATEMENT IS NOT APPLICABLE

FIDUCIARY FUNDS

**LAKWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2017**

	<u>Agency</u>		<u>Total</u>
	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS			
Cash and Cash Equivalents	\$ 115,740	\$ 833,870	\$ 949,610
Accounts Receivable		168,171	168,171
Due from Other Funds	-	278,370	278,370
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 115,740</u>	<u>\$ 1,280,411</u>	<u>\$ 1,396,151</u>
LIABILITIES			
Due to Other Funds		\$ 387,338	\$ 387,338
Summer Payment Plan Deposits		922,716	922,716
Flexible Spending Plan Deposits		31,470	31,470
Payroll Deductions and Withholdings		(61,113)	(61,113)
Due to Student Groups	\$ 115,740	-	115,740
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 115,740</u>	<u>\$ 1,280,411</u>	<u>\$ 1,396,151</u>

**LAKESWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

THIS STATEMENT IS NOT APPLICABLE.

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8.

**LAKWOOD BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>School</u>	<u>Balance July 1, 2016</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2017</u>
ACTIVITY ACCOUNT				
Due to Student Groups	\$ 107,952	\$ 97,760	\$ 105,811	\$ 99,901
ATHLETIC ACCOUNT				
Due to Student Groups	<u>19,567</u>	<u>75,415</u>	<u>79,143</u>	<u>15,839</u>
Total	<u>\$ 127,519</u>	<u>\$ 173,175</u>	<u>\$ 184,954</u>	<u>\$ 115,740</u>

**LAKWOOD BOARD OF EDUCATION
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Balance, July 1, 2016	Cash Receipts	Cash Disbursements	Balance, June 30, 2017
ASSETS				
Cash and Cash Equivalents	\$ 1,346,479	\$ 56,054,868	\$ 56,567,477	\$ 833,870
Accounts Receivable		168,171		168,171
Due from Other Funds	<u>265,000</u>	<u>13,370</u>	<u>-</u>	<u>278,370</u>
 Total Assets	 <u>\$ 1,611,479</u>	 <u>\$ 56,236,409</u>	 <u>\$ 56,567,477</u>	 <u>\$ 1,280,411</u>
 LIABILITIES				
Due to Other Funds	282,326	359,733	254,721	387,338
Accrued Salaries and Wages	112,973	30,815,209	30,928,182	
Summer Payment Plan Deposits	778,039	924,800	780,123	922,716
Flexible Spending Account Deposits	32,987	58,440	59,957	31,470
Payroll Deductions and Withholdings	<u>405,154</u>	<u>24,078,227</u>	<u>24,544,494</u>	<u>(61,113)</u>
	 <u>\$ 1,611,479</u>	 <u>\$ 56,236,409</u>	 <u>\$ 56,567,477</u>	 <u>\$ 1,280,411</u>

LONG-TERM DEBT

**LAKWOOD BOARD OF EDUCATION
LONG-TERM DEBT
STATEMENT OF SERIAL BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2016</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2017</u>
2015 Referendum	2/17/2015	34,695,000	9/15/2017	\$ 1,300,000	2.75%				
			9/15/2018	1,350,000	2.75%				
			9/15/2019	1,400,000	2.75%				
			9/15/2020	1,470,000	2.75%				
			9/15/2021	1,525,000	2.75%				
			9/15/2022	1,590,000	2.75%				
			9/15/2023	1,650,000	3.00%				
			9/15/2024	1,725,000	3.00%				
			9/15/2025	1,785,000	3.00%				
			9/15/2026	1,850,000	3.00%				
			9/15/2027	1,925,000	3.00%				
			9/15/2028	2,015,000	3.00%				
			9/15/2029	2,100,000	3.00%				
			9/15/2030	2,175,000	3.00%				
			9/15/2031	2,270,000	3.00%				
			9/15/2032	2,365,000	3.00%				
			9/15/2033	2,450,000	3.00%				
9/15/2034	2,500,000	3.00%							
						\$ 34,695,000	\$ -	\$ 1,250,000	\$ 33,445,000
						<u>\$ 34,695,000</u>	<u>\$ -</u>	<u>\$ 1,250,000</u>	<u>\$ 33,445,000</u>

LAKWOOD BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Date of Lease</u>	<u>Term of Lease (in Months)</u>	<u>Amount of Original Issue</u>		<u>Balance, July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2017</u>
			<u>Principal</u>	<u>Interest</u>				
School Buses	5/25/2015	36	\$ 424,200	\$ 20,400	\$ 276,000		\$ 74,100	\$ 201,900
Textbooks	7/25/2015	48	555,000	28,886	437,000		141,006	295,994
School Buses	3/10/2016	60	343,919	24,398	282,533		53,402	229,131
School Buses	6/15/2016	84	2,124,294	234,803	2,124,294		212,790	1,911,504
School Buses	6/15/2017	60	476,248	30,437	-	\$ 476,248	-	476,248
					<u>\$ 3,119,827</u>	<u>\$ 476,248</u>	<u>\$ 481,298</u>	<u>\$ 3,114,777</u>

**LAKWOOD BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,286,269		\$ 1,286,269	\$ 1,286,269	
State Sources					
Debt Service Aid - Type II	961,119	-	961,119	961,119	-
Total Revenues	<u>2,247,388</u>	<u>-</u>	<u>2,247,388</u>	<u>2,247,388</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest on Debt	997,388		997,388	997,388	-
Redemption of Principal	1,250,000		1,250,000	1,250,000	-
Total Regular Debt Service	<u>2,247,388</u>	<u>-</u>	<u>2,247,388</u>	<u>2,247,388</u>	<u>-</u>
Total Expenditures	<u>2,247,388</u>	<u>-</u>	<u>2,247,388</u>	<u>2,247,388</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	<u>1</u>		<u>1</u>	<u>1</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>
Recapitulation of Fund Balance:					
Restricted for Debt Service				<u>\$ 1</u>	

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
Net Investment in Capital Assets	\$ 6,972,812	\$ 8,455,577	\$ 10,326,554	\$ 11,536,711	\$ 12,110,017	\$ 12,022,392	\$ 13,072,369	\$ 11,469,917	\$ 10,770,458	\$ 11,619,710
Restricted	270,000		2	45	43	4,123,316	910,733	874,494	1	1
Unrestricted	(11,363,364)	(6,838,288)	(3,632,854)	(89,679)	(3,655,333)	(11,913,721)	(35,682,116)	(36,007,783)	(39,836,847)	(45,928,830)
Total Governmental Activities Net Position	<u>\$ (4,120,552)</u>	<u>\$ 1,617,289</u>	<u>\$ 6,693,702</u>	<u>\$ 11,447,077</u>	<u>\$ 8,454,727</u>	<u>\$ 4,231,987</u>	<u>\$ (21,699,014)</u>	<u>\$ (23,663,372)</u>	<u>\$ (29,066,388)</u>	<u>\$ (34,309,119)</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 386,822	\$ 386,586	\$ 369,726	\$ 368,458	\$ 427,816	\$ 397,052	\$ 237,632	\$ 537,704	\$ 547,223	\$ 685,681
Unrestricted	253,147	537,808	870,243	1,288,067	1,533,546	1,075,278	2,917,582	2,549,599	2,529,455	2,619,983
Total Business-Type Activities Net Position	<u>\$ 639,969</u>	<u>\$ 924,394</u>	<u>\$ 1,239,969</u>	<u>\$ 1,656,525</u>	<u>\$ 1,961,362</u>	<u>\$ 1,472,330</u>	<u>\$ 3,155,214</u>	<u>\$ 3,087,303</u>	<u>\$ 3,076,678</u>	<u>\$ 3,305,664</u>
District-Wide										
Net Investment in Capital Assets	\$ 7,359,634	\$ 8,842,163	\$ 10,696,280	\$ 11,905,169	\$ 12,537,833	\$ 12,419,444	\$ 13,310,001	\$ 12,007,621	\$ 11,317,681	\$ 12,305,391
Restricted	270,000	-	2	45	43	4,123,316	910,733	874,494	1	1
Unrestricted	(11,110,217)	(6,300,480)	(2,762,611)	1,198,388	(2,121,787)	(10,838,443)	(32,764,534)	(33,458,184)	(37,307,392)	(43,308,847)
Total District Net Position	<u>\$ (3,480,583)</u>	<u>\$ 2,541,683</u>	<u>\$ 7,933,671</u>	<u>\$ 13,103,602</u>	<u>\$ 10,416,089</u>	<u>\$ 5,704,317</u>	<u>\$ (18,543,800)</u>	<u>\$ (20,576,069)</u>	<u>\$ (25,989,710)</u>	<u>\$ (31,003,455)</u>

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 25,541,840	\$ 25,719,177	\$ 26,958,899	\$ 26,163,927	\$ 31,814,644	\$ 34,508,655	\$ 35,477,157	\$ 31,984,035	\$ 40,225,349	\$ 49,774,796
Special Education	8,122,586	6,475,575	5,656,990	6,429,849	25,797,869	30,646,304	32,723,399	38,847,354	37,683,700	44,558,540
Other Special Instruction	1,332,596	2,946,097	2,429,689	3,744,551	4,847,231	6,064,313	5,658,237	11,797,288	10,162,063	11,774,822
School Sponsored Activities/Athletics	592,827	835,774	843,857	905,868	1,266,845	1,195,455	1,399,341	1,376,304	1,606,735	1,588,104
Community Service Programs/Operations	300,479	218,100	78,174	108,989						
Support Services:										
Tuition	10,663,217	15,271,616	15,497,723	15,798,337						
Student & Instruction Related Services	34,554,016	32,638,706	40,175,072	39,011,375	44,968,464	46,725,353	49,368,421	45,616,152	51,684,343	53,439,607
General Administrative Services	2,553,326	2,462,247	2,291,859	1,986,601	2,144,616	2,169,366	2,590,492	3,232,042	2,632,224	3,261,815
School Administrative Services	3,825,951	3,688,697	3,707,747	3,443,966	4,033,453	3,766,792	3,797,677	4,440,359	5,523,041	6,057,411
Central Services					1,639,754	1,765,810	2,069,456	2,392,174	2,550,977	2,970,516
Plant Operations and Maintenance	6,193,663	6,993,299	6,994,554	7,307,360	6,231,930	6,786,985	7,376,514	6,409,213	8,217,595	9,560,255
Pupil Transportation	14,849,926	15,356,692	16,560,794	16,022,884	18,284,409	20,316,662	22,160,268	23,926,991	27,225,354	29,373,313
Unallocated Benefits	19,050,792	16,108,033	17,512,777	12,454,456						
Special Schools	60,616	126,884	152,783							
Interest on Long-Term Debt	396,227	316,752	238,609	147,822	61,347	54,973	103,829	295,818	1,094,793	1,152,780
Adjustment to Budgetary Revenues and Expenditures	165,654									
Unallocated Loss on Disposal of Capital Assets		253,469								
Unallocated Depreciation and Amortization	733,204	666,788	615,066	576,769	691,091	773,373	773,373	580,484	703,668	862,105
Total Governmental Activities Expenses	128,936,920	130,077,906	139,714,593	134,102,754	141,781,653	154,774,041	163,498,164	170,898,214	189,309,842	214,374,064
Business-Type Activities:										
Food Service	2,548,069	2,633,301	2,750,516	3,029,670	3,362,501	3,250,287	3,680,840	5,112,822	5,221,912	5,193,423
Latchkey Program	203,774	186,019	158,480	2,087						
Community School	377,244	524,533	277,611	209,086	263	205	18	-	-	-
Total Business-Type Activities Expense	3,129,087	3,343,853	3,186,607	3,240,843	3,362,764	3,250,492	3,680,858	5,112,822	5,221,912	5,193,423
Total District Expenses	\$ 132,066,007	\$ 133,421,759	\$ 142,901,200	\$ 137,343,597	\$ 145,144,417	\$ 158,024,533	\$ 167,179,022	\$ 176,011,036	\$ 194,531,754	\$ 219,567,487
Program Revenues										
Governmental Activities:										
Charges for Services	\$ 91,790	\$ 74,173	\$ 98,025	\$ 52,832	\$ 125,040	\$ 93,062	\$ 51,619			
Operating Grants and Contributions	39,649,935	32,050,733	42,369,166	41,307,926	53,293,584	61,149,101	62,666,142	\$ 66,119,440	\$ 74,320,059	\$ 94,961,199
Capital Grants and Contributions	7,618	37,118	579,798	180,961		649,855	840,909	628,057	52,277	164,625
Total Governmental Activities Program Revenues	39,749,343	32,162,024	43,046,989	41,541,719	53,418,624	61,892,018	63,558,670	66,747,497	74,372,336	95,125,824
Business-Type Activities:										
Charges for Services										
Food Service	521,454	523,747	488,489	480,231	459,731	426,725	562,259	465,169	324,594	376,242
Latchkey Program	169,745	152,082	111,133	3						
Community School	328,528	339,879	120,967	81,372	4,574	-	2,674			
Operating Grants and Contributions	2,162,386	2,413,234	2,687,649	2,874,260	3,201,542	3,532,551	3,753,537	4,578,882	4,885,735	5,039,663
Capital Grants and Contributions				17,525						
Total Business Type Activities Program Revenues	3,182,113	3,428,942	3,408,238	3,453,391	3,665,847	3,959,276	4,318,470	5,044,051	5,210,329	5,415,905
Total District Program Revenues	\$ 42,931,456	\$ 35,590,966	\$ 46,455,227	\$ 44,995,110	\$ 57,084,471	\$ 65,851,294	\$ 67,877,140	\$ 71,791,548	\$ 79,582,665	\$ 100,541,729
Net (Expense)/Revenue										
Governmental Activities	\$ (89,187,577)	\$ (97,915,882)	\$ (96,667,604)	\$ (92,561,035)	\$ (88,363,029)	\$ (92,882,023)	\$ (99,939,494)	\$ (104,150,717)	\$ (114,937,506)	\$ (119,248,240)
Business-Type Activities	53,026	85,089	221,631	212,548	303,083	708,784	637,612	(68,771)	(11,583)	222,482
Total District-Wide Net Expense	\$ (89,134,551)	\$ (97,830,793)	\$ (96,445,973)	\$ (92,348,487)	\$ (88,059,946)	\$ (92,173,239)	\$ (99,301,882)	\$ (104,219,488)	\$ (114,949,089)	\$ (119,025,758)

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 64,722,523	\$ 69,597,133	\$ 71,593,625	\$ 71,593,625	\$ 70,238,004	\$ 70,630,210	\$ 77,097,641	\$ 84,693,837	\$ 90,350,168	\$ 94,088,028
Taxes Levied for Debt Service	1,258,914	1,250,715	1,242,075	1,952,532	867,074	1,615,847	217,615	207,260	543,639	1,286,269
Federal and State Aid - Unrestricted	17,683,372	27,722,354	28,487,610	25,058,275	14,783,483	14,970,375	15,268,983	15,354,175	15,401,026	15,313,946
Federal and State Aid - Restricted	79,232	82,635	86,065	75,849	74,461	18,225	18,225	18,225	15,648	534,576
Federal Grants for School Based Budgets									1,656,635	2,601,215
Unrestricted Interest Earnings	178,260	104,271	12,805	22,400	5,030	26,862	30,825	73,203	82,102	69,231
Miscellaneous Income	1,378,476	395,258	321,837	332,304	529,517	197,576	1,161,896	1,839,659	1,485,272	1,372,306
Special Items:										
Disallowed Federal Grant Program Costs							(3,185,605)			
Gain from Sale of Capital Assets	6,076,001									
Transfers		950,000		(93,158)		1,200,000	(1,176,774)	-	-	-
Total Governmental Activities	91,376,778	100,102,366	101,744,017	98,941,827	86,497,569	88,659,095	89,432,806	102,186,359	109,534,490	115,265,571
Business-Type Activities:										
Unrestricted Interest Earnings	25,031	2,329	1,014	1,800	1,754	2,184	899	860	958	6,504
Miscellaneous Income										
Contributions	142,266	178,496	92,932	101,249						
Loss on Disposal of Capital Assets	(1,502)									
Transfers				93,158		(1,200,000)	1,176,774	-	-	-
Total Business-Type Activities	165,795	180,825	93,946	196,207	1,754	(1,197,816)	1,177,673	860	958	6,504
Total District-Wide	\$ 91,542,573	\$ 100,283,191	\$ 101,837,963	\$ 99,138,034	\$ 86,499,323	\$ 87,461,279	\$ 90,610,479	\$ 102,187,219	\$ 109,535,448	\$ 115,272,075
Change in Net Position										
Governmental Activities	\$ 2,189,201	\$ 2,186,484	\$ 5,076,413	\$ 6,380,792	\$ (1,865,460)	\$ (4,222,928)	\$ (10,506,688)	\$ (1,964,358)	\$ (5,403,016)	\$ (3,982,669)
Business-Type Activities	218,821	265,914	315,577	408,755	304,837	(489,032)	1,815,285	(67,911)	(10,625)	228,986
Total District	\$ 2,408,022	\$ 2,452,398	\$ 5,391,990	\$ 6,789,547	\$ (1,560,623)	\$ (4,711,960)	\$ (8,691,403)	\$ (2,032,269)	\$ (5,413,641)	\$ (3,753,683)

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable								\$ 1,741,177		
Committed									\$ 2,124,294	\$ 476,248
Restricted	\$ 12,655				\$ 954,752	\$ 698,252				
Assigned		\$ 151,227	\$ 2,972,622	\$ 3,108,209	2,982,437	326,488	\$ 100,462		\$ 908,484	374,546
Unassigned			273,342	176,875	(3,089,293)	(4,165,721)	(12,002,925)	(14,700,589)	(17,362,880)	(11,163,135)
Total General Fund	<u>\$ 12,655</u>	<u>\$ 151,227</u>	<u>\$ 3,245,964</u>	<u>\$ 3,285,084</u>	<u>\$ 847,896</u>	<u>\$ (3,140,981)</u>	<u>\$ (11,902,463)</u>	<u>\$ (12,959,412)</u>	<u>\$ (14,330,102)</u>	<u>\$ (10,312,341)</u>
All Other Governmental Funds										
Nonspendable	\$ 16,253									
Restricted		\$ 1	\$ 2	\$ 45	\$ 43	\$ 4,123,316	\$ 910,733	\$ 26,819,497	\$ 10,173,759	\$ 1,196,336
Assigned				1,126,703						
Unassigned	(433,022)	(247,130)	(268,566)			\$ (228,210)	\$ (3,313,390)	(3,285,255)	(3,185,605)	(3,185,605)
Total All Other Governmental Funds	<u>\$ (433,022)</u>	<u>\$ (247,129)</u>	<u>\$ (268,564)</u>	<u>\$ 1,126,748</u>	<u>\$ 43</u>	<u>\$ 3,895,106</u>	<u>\$ (2,402,657)</u>	<u>\$ 23,534,242</u>	<u>\$ 6,988,154</u>	<u>\$ (1,989,269)</u>

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues											
Tax Levy	\$ 63,532,102	\$ 65,981,437	\$ 70,847,848	\$ 72,835,700	\$ 73,546,157	\$ 71,105,078	\$ 72,246,057	\$ 77,315,256	\$ 84,901,097	\$ 90,893,807	\$ 95,374,297
Tuition Charges	20,913	91,790	74,173	98,025	52,832	125,040	93,062	51,619			
Textbooks Sales and Rentals	1,676,620					5,030	-	-			
Unrestricted Miscellaneous Revenues	664,292	8,074,737	1,449,529	330,346	352,047	549,109	224,438	1,192,721	1,925,251	2,572,237	3,473,759
Federal Sources	10,873,410	11,561,269	12,158,436	24,085,496	18,695,167	18,891,155	22,151,571	22,666,199	19,220,615	22,822,594	28,787,734
State Sources	40,710,856	45,842,092	47,658,605	46,862,942	47,808,034	49,240,781	54,635,985	56,128,060	57,130,959	58,132,363	68,509,588
Local Sources		16,795	75,800								
Total revenue	117,478,193	131,568,120	132,264,391	144,212,509	140,454,237	139,916,193	149,351,113	157,353,855	163,177,922	174,421,001	196,145,378
Expenditures											
Instruction											
Regular Instruction	21,714,431	25,556,448	25,096,788	26,921,964	27,019,482	31,757,162	34,181,671	35,683,752	29,266,699	35,988,819	43,413,397
Special Education Instruction	8,149,000	8,122,586	6,310,871	5,674,237	6,731,756	25,792,359	30,537,677	32,817,339	38,032,953	36,252,727	42,121,812
Other Special Instruction	1,097,091	1,332,596	2,871,388	2,437,229	3,899,099	4,843,836	5,993,143	5,718,477	11,115,694	9,086,343	9,847,109
Other Instruction	768,883	592,827	819,944	845,877	939,903	1,266,166	1,182,770	1,410,891	1,381,136	1,541,074	1,415,714
Community Services Programs/Operations	153,520	300,479	212,548	78,412	114,053						
Support Services and Undistributed Costs:											
Tuition	10,824,614	10,663,217	15,271,616	15,497,723	15,798,337						
Student & Inst. Related Services	29,281,871	34,554,016	32,415,576	40,196,303	39,368,059	44,961,670	46,597,487	49,489,601	44,354,908	49,641,693	50,025,039
Other Administrative Services	3,238,245	2,550,367	2,181,602	2,267,554	1,989,085	3,730,420	3,876,377	4,649,364	4,487,295	4,835,729	5,608,548
School Administrative Services	3,649,353	3,913,858	3,643,345	3,698,403	3,542,117	3,964,770	3,638,398	3,756,320	4,117,425	4,889,223	4,988,322
Plant Operations and Maintenance	5,962,712	6,147,872	6,691,773	6,914,771	7,202,621	6,123,788	6,640,966	6,828,485	6,324,001	8,037,819	9,230,501
Pupil Transportation	13,061,860	14,849,926	15,350,587	16,561,671	16,035,448	18,284,218	20,312,121	22,590,184	23,931,396	27,156,552	28,797,644
Unallocated Benefits	17,606,895	19,050,792	15,911,604	17,512,777	12,454,456	-	-	-	-	-	-
Capital Outlay	4,623,616	687,542	1,588,718	956,872	137,188	643,081	3,142,878	4,461,820	4,373,366	16,330,062	11,877,356
Special Schools	153,918	60,616	123,778	153,233							
Debt Service:											
Principal	1,010,000	1,040,000	1,085,000	1,135,000	1,859,513	873,043	226,676	973,297	5,304,026	478,375	2,902,800
Interest and Other Charges	373,904	323,166	269,009	209,532	179,168	112,871	59,763	95,391	1,110,838	1,122,476	1,043,229
Total Expenditures	121,669,913	129,746,308	129,844,147	141,061,558	137,270,285	142,353,384	156,389,927	168,474,921	173,799,737	195,360,892	211,271,471
Excess (Deficiency) of Revenues											
Over (Under) Expenditures	(4,191,720)	1,821,812	2,420,244	3,150,951	3,183,952	(2,437,191)	(7,038,814)	(11,121,066)	(10,621,815)	(20,939,891)	(15,126,093)
Other Financing sources (uses)											
Serial Bond Proceeds (Incl. Premium)									35,501,765		
Capital Leases (Non-Budgeted)	3,600,000				35,589		5,745,000	424,200		3,023,113	476,248
State Aid Advance Loan											5,640,183
Cancellation of Accounts Receivable	(29,241)		(552,543)	(81,944)	(67,194)						
Cancellation of Accounts Payable	5,022			4,296	2,657						
Adjustment to Budgetary Expenditures	(1,223,384)	(143,763)									
Adjustment to Budgetary Revenues		(21,891)									
Disallowed Federal Grant Program Costs								(3,185,605)			
Operating Transfers	439,441				(93,158)		1,200,000	(1,176,774)			
Total Other Financing Sources (Uses)	2,791,838	(165,654)	(552,543)	(77,648)	(122,106)	-	6,945,000	(3,938,179)	35,501,765	3,023,113	6,116,431
Net Change in Fund Balances	\$ (1,399,882)	\$ 1,656,158	\$ 1,867,701	\$ 3,073,303	\$ 3,061,846	\$ (2,437,191)	\$ (93,814)	\$ (15,059,245)	\$ 24,879,950	\$ (17,916,778)	\$ (9,009,662)
Debt Service as a Percentage of											
Noncapital Expenditures	1.18%	1.06%	1.06%	0.96%	1.49%	0.70%	0.19%	0.65%	3.79%	0.89%	1.98%

* Noncapital expenditures are total expenditures less capital outlay.

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

<u>Fiscal Year Ended June 30,</u>	<u>Interest Earned</u>	<u>Tuition</u>	<u>Sale of Assets</u>	<u>Textbook Sales/Rentals</u>	<u>Insurance/ Other Refunds</u>	<u>Facility Rental</u>	<u>E-Rate</u>	<u>Cancelled Prior Year Payables</u>	<u>Indirect Costs</u>	<u>Municipal Contribution</u>	<u>LSTA Credit</u>	<u>Miscellaneous</u>	<u>Total</u>
2008	178,260		\$ 6,518,000	\$ 321,250	209,094	36,755	133,464					677,914	8,074,737
2009	104,271			950,000	171,081	2,904	185,857					35,416	1,449,529
2010	12,805				84,937		168,139					64,465	330,346
2011	22,400				27,633	48,672	225,124					28,218	352,047
2012	5,030	\$ 125,040	15,919		69,811	56,292	252,054					135,441	659,587
2013	26,862	93,062			18,074	4,711	37,640					137,151	317,500
2014	30,825	51,619			710,734	3,964						447,198	1,244,340
2015	43,529				974,316	20,654		\$ 268,352	\$ 511,565			64,772	1,883,188
2016	33,578				117,013	17,834	178,090	52,678	966,712	\$ 1,000,000		152,945	2,518,850
2017	51,757				133,745	9,000	244,783	551,511	370,622		\$ 361,598	62,645	1,785,661

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2008	468,468,400	5,633,818,300	4,932,900	762,189,400	602,901,700	374,283,300	7,846,594,000	15,623,200	7,862,217,200	8,249,195,078	0.871
2009	443,346,300	5,697,250,600	4,933,100	753,075,100	602,732,400	356,218,000	7,857,555,500	16,378,436	7,873,933,936	8,189,413,073	0.925
2010	306,386,400	4,510,548,500	4,069,100	674,025,700	508,339,000	334,258,700	6,337,627,400	17,183,651	6,354,811,051	7,982,028,944	1.160
2011	306,386,400	4,510,548,500	4,069,100	674,025,700	508,339,000	334,258,700	6,337,627,400	12,896,952	6,350,524,352	7,600,686,664	1.120
2012	279,418,600	4,597,947,200	4,069,200	649,029,000	534,281,600	307,424,400	6,372,170,000	12,896,952	6,385,066,952	7,510,502,900	1.114
2013	235,722,600	4,648,485,100	4,128,400	611,549,700	477,750,200	276,114,903	6,253,750,903	11,813,766	6,265,564,669	7,482,887,100	1.190
2014	244,960,100	4,523,966,500	3,715,500	629,335,100	464,296,800	285,645,800	6,151,919,800	11,728,940	6,163,648,740	7,171,837,814	1.307
2015	256,079,600	4,625,968,400	3,716,700	630,153,600	470,101,100	285,946,300	6,271,965,700		6,271,965,700	7,742,833,837	1.307
2016	286,546,300	4,789,711,800	3,221,100	624,452,600	459,750,800	287,776,600	6,451,459,200		6,451,459,200	8,511,271,738	1.449
2017 *	561,132,800	6,875,176,623	4,331,400	1,051,798,750	772,859,700	412,008,622	9,677,307,895		9,677,307,895	9,470,843,507	1.004

Source: County Abstract of Ratables

a Tax rates are per \$100

* Revaluation

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

Calendar Year	<u>Overlapping Rates</u>				Total Direct and Overlapping Tax Rate
	<u>Total Direct School Tax Rate</u>	<u>Fire District</u>	<u>Municipality</u>	<u>County</u>	
2008	0.871	0.048	0.504	0.316	1.739
2009	0.925	0.460	0.554	0.319	2.258
2010	1.160	0.057	0.686	0.339	2.242
2011	1.120	0.050	0.686	0.420	2.276
2012	1.114	0.050	0.686	0.349	2.199
2013	1.190	0.044	0.783	0.452	2.469
2014	1.307	0.055	0.861	0.466	2.689
2015	1.403	0.058	0.861	0.513	2.835
2016	1.449	0.070	0.861	0.550	2.930
2017	* 1.004	not available	0.592	0.407	2.003

* Revaluation

Source: County Abstract of Ratables

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

Taxpayer	2017		2008	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
1900 Rte 70 Associates LLC	\$ 43,000,000	0.44%		
Lakewood Plaza 9 Assoc LP	38,000,000	0.39%		
Harrogate Inc	35,000,000	0.36%		
New Hampshire Commons	31,393,900	0.32%		
Leisure Park Venture LTD	28,199,400	0.29%		
Lakewood Cogeneration LP	27,003,700	0.28%		
Parkway Lodging Realty LLC	26,025,600	0.27%		
Washington Square Investments	23,481,900	0.24%		
Crossroads Realty Group LLC	21,744,800	0.22%		
BCR Pinewood Realty LLC	19,648,200	0.20%		
	\$ 293,497,500	3.03%		
			Information Not Available	

Source: Municipal Tax Assessor

**LAKWOOD 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	
2008	65,981,437	65,981,437	100.00%	N/A
2009	70,847,848	70,847,848	100.00%	N/A
2010	72,835,700	72,835,700	100.00%	N/A
2011	73,546,157	73,546,157	100.00%	N/A
2012	71,105,078	71,105,078	100.00%	N/A
2013	72,246,057	72,246,057	100.00%	N/A
2014	77,315,256	77,315,256	100.00%	N/A
2015	84,901,097	84,901,097	100.00%	N/A
2016	90,893,807	90,893,807	100.00%	N/A
2017	95,374,297	95,374,297	100.00%	N/A

**LAKWOOD BOARD OF EDUCATION
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities		Business- Type Activities	Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases / Lease Purchase				
2008	5,012,000	2,206,747		7,218,747	70,960	102
2009	2,792,000	1,499,721		4,291,721	71,359	60
2010	2,792,000	764,513		3,556,513	93,548	38
2011	1,697,000			1,697,000	93,879	18
2012	839,000	25,047		864,047	95,062	9
2013	629,000	5,763,117		6,392,117	96,493	66
2014	419,000	5,434,920		5,853,920	98,134	60
2015	34,904,000	352,926		35,256,926	99,262	355
2016	34,695,000	3,119,827		37,814,827	100,758	375
2017	33,445,000	3,114,777		36,559,777	100,758 *	363

* - Estimated

Source: District records

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

Fiscal Year Ended June 30,	<u>General Bonded Debt Outstanding</u>		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2008	5,012,000		5,012,000	0.06%	71
2009	3,927,000		3,927,000	0.05%	55
2010	2,792,000		2,792,000	0.04%	30
2011	1,697,000		1,697,000	0.03%	18
2012	839,000		839,000	0.01%	9
2013	629,000		629,000	0.01%	7
2014	419,000		419,000	0.01%	4
2015	34,904,000		34,904,000	0.56%	352
2016	34,695,000		34,695,000	0.54%	344
2017	33,445,000		33,445,000	0.35%	332

Source: District records

**LAKWOOD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2016
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Lakewood Township Public Schools	\$ 33,447,241	\$ 33,447,241	
Township of Lakewood	<u>51,310,213</u>	<u>756,339</u>	<u>\$ 50,553,874</u>
	<u>\$ 84,757,454</u>	<u>\$ 34,203,580</u>	<u>50,553,874</u>
Overlapping Debt Apportioned to the Municipality:			
County of Ocean (A)			<u>41,085,790</u>
			<u>41,085,790</u>
Total Direct and Overlapping Debt			<u>\$ 91,639,664</u>

Source:

(1) Township's 2016 Annual Debt Statement

(A) The debt for this entity was apportioned to Lakewood Township Public Schools by dividing the municipality's 2016 equalized value by the total 2016 equalized value for Ocean County. (Information not available).

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 28,524,901	\$ 312,207,174	\$ 321,768,990	\$ 323,255,691	\$ 316,342,262	\$ 304,964,374	\$ 295,499,011	\$ 295,320,352	\$ 307,744,454	\$ 331,268,354
Total net debt applicable to limit	5,012,000	2,792,000	2,792,000	1,697,000	839,000	629,000	419,000	34,906,241	34,697,241	33,447,241
Legal debt margin	<u>\$ 23,512,901</u>	<u>\$ 309,415,174</u>	<u>\$ 318,976,990</u>	<u>\$ 321,558,691</u>	<u>\$ 315,503,262</u>	<u>\$ 304,335,374</u>	<u>\$ 295,080,011</u>	<u>\$ 260,414,111</u>	<u>\$ 273,047,213</u>	<u>\$ 297,821,113</u>
Total net debt applicable to the limit as a percentage of debt limit	17.57%	0.89%	0.87%	0.52%	0.27%	0.21%	0.14%	11.82%	11.27%	10.10%

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized valuation basis	
2016	\$ 9,019,235,565
2015	8,251,500,724
2014	7,574,390,298
	<u>\$ 24,845,126,587</u>
Average equalized valuation of taxable property	<u>\$ 8,281,708,862</u>
Debt limit (4% of average equalization value)	\$ 331,268,354
Total Net Debt Applicable to Limit	<u>33,447,241</u>
Legal debt margin	<u>\$ 297,821,113</u>

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2008	70,960	41,329	5.9%
2009	71,359	39,746	8.9%
2010	93,548	39,900	9.1%
2011	93,879	41,460	7.5%
2012	95,062	42,499	7.8%
2013	96,493	42,573	6.5%
2014	98,134	44,381	6.3%
2015	99,262	46,109	5.1%
2016	100,758	not available	4.2%
2017	100,758 *	not available	not available

* - Estimate

Source: New Jersey State Department of Education

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

Employer	2017		2008	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

INFORMATION NOT AVAILABLE

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

<u>Function/Program</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013*</u>	<u>2014*</u>	<u>2015*</u>	<u>2016*</u>	<u>2017*</u>
Instruction										
Regular	262	248	250	257	291	-	-	-	-	-
Special education	137	136	136	138	154	-	-	-	-	-
Other Special Instruction	18	18	20	22	40	-	-	-	-	-
Other instruction	13	12	12	12	12	-	-	-	-	-
Community Services Programs/Operations	3	3	2	2	2	-	-	-	-	-
Support Services:										
Student & instruction related services	240	230	214	217	189	-	-	-	-	-
Other Administrative Services	28	27	27	31	35	-	-	-	-	-
School administrative services	55	54	54	54	57	-	-	-	-	-
Plant operations and maintenance	1	1	1	1	3	-	-	-	-	-
Pupil Transportation	5	5	5	4	5	-	-	-	-	-
Special Schools	3	3	3	3	-	-	-	-	-	-
Total	<u>765</u>	<u>737</u>	<u>724</u>	<u>741</u>	<u>788</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Source: District Personnel Records

* 2013-2017 Information Not Provided

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2007	5,231	115,662,393	22,111	5.42%	485	18.1:1	11.1:1	13.1:1	5,313	4,930	2.06%	92.79%
2008	5,541	127,695,600	23,046	4.23%	491	18.1:1	11.1:1	13.1:1	5,249	4,906	-1.20%	93.47%
2009	5,162	126,901,420	24,584	6.67%	517	18.1:1	11.1:1	13.1:1	5,298	4,965	0.93%	93.71%
2010	5,261	138,760,154	26,375	7.29%	456	18.1:1	11.1:1	13.1:1	5,076	4,715	-4.19%	92.89%
2011	5,140	135,094,416	26,283	-0.35%	467	12.4:1	9.7:1	9.8:1	5,436	4,697	7.09%	86.41%
2012	5,290	140,724,389	26,602	1.21%	493	11.3:1	10.1:1	12.8:1	5,362	4,960	-1.36%	92.50%
2013*	5,186	152,960,610	29,495	10.87%		Information not Available			5,468	not available	1.98%	not available
2014*	5,649	162,944,413	28,845	-2.20%		Information not Available			5,752	not available	5.19%	not available
2015*	5,807	163,011,507	28,072	-2.68%		Information not Available			6,184	not available	7.51%	not available
2016*	6,032	177,429,979	29,415	4.79%		Information not Available				not available	not available	not available
2017*		195,448,086										

Sources: District records

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

* 2013 and 2017 Certain information not provided.

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

	2008	2009	2010	2011	2012	2013*	2014*	2015*	2016*	2017*
District Building										
Elementary										
<u>Ella G. Clarke School (1946)</u>										
Square Feet	74,000	74,000	74,000	74,000	74,000	61,370	61,370	61,370	61,370	61,370
Capacity (students)	432	432	432	432	432	432	432	432	432	432
Enrollment	911	863	863	864	864	-	-	-	-	-
<u>Clifton Avenue School (1923)</u>										
Square Feet	75,000	75,000	75,000	75,000	75,000	79,039	79,039	79,039	79,039	79,039
Capacity (students)	782	782	782	782	782	782	782	782	782	782
Enrollment ^a	780	881	881	830	830	-	-	-	-	-
<u>Oak Street School (1983)</u>										
Square Feet	114,000	114,000	114,000	114,000	114,000	70,659	70,659	70,659	70,659	70,659
Capacity (students)	799	799	799	799	799	799	799	799	799	799
Enrollment	997	886	886	1,049	1,049	-	-	-	-	-
<u>Spruce Street School (1960)</u>										
Square Feet	54,672	54,672	54,672	54,672	54,672	49,724	49,724	49,724	49,724	49,724
Capacity (students)	443	443	443	443	443	443	443	443	443	443
Enrollment ^a	647	762	762	716	716	-	-	-	-	-
Middle School										
<u>Lakewood Middle School (1957)</u>										
Square Feet	83,272	91,272	91,272	91,272	91,272	102,080	102,080	102,080	102,080	102,080
Capacity (students)	537	537	537	537	537	537	537	537	537	537
Enrollment	895	776	776	624	624	-	-	-	-	-
High School										
<u>Lakewood High School (1971)</u>										
Square Feet	295,000	295,000	295,000	295,000	295,000	276,916	276,916	276,916	276,916	276,916
Capacity (students)	714	714	714	714	714	714	714	714	714	714
Enrollment	1,112	1,135	1,135	1,057	1,057	-	-	-	-	-
Other										
<u>Ella G. Clarke Annex (2001)</u>										
Square Feet	8,000	8,000	8,000	8,000	8,000	6,000	6,000	6,000	6,000	6,000
Capacity (students)	200	200	200	200	200	200	200	200	200	200
Enrollment										
Administration Building										
Square Feet						49,483	49,483	49,483	49,483	49,483
Capacity (students)						N/A	N/A	N/A	N/A	N/A
Enrollment						N/A	N/A	N/A	N/A	N/A

Number of Schools at June 30, 2017

- Elementary = four
- Middle School = one
- High School = one

Source: District Records

* 2013 through 2017 Certain information not provided.

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>School Facilities</u>										
Ella G. Clarke School	\$ 55,689	\$ 86,413	\$ 124,374	\$ 146,377	\$ 119,607	\$ 134,707	\$ 110,392	\$ 118,370	\$ 109,787	\$ 122,614
Clifton Avenue School	71,723	111,293	160,183	179,417	146,605	173,400	142,152	152,424	141,323	157,834
Oak Street School	64,119	99,493	143,199	163,747	133,801	155,048	127,158	136,347	126,366	141,129
Spruce Street School	45,121	70,015	100,772	124,599	101,813	109,103	89,494	95,961	88,920	99,309
Middle School	92,631	143,736	206,878	222,505	181,813	224,038	183,712	196,988	196,528	219,489
High School	251,282	397,488	577,579	549,448	448,964	607,534	498,359	534,372	582,527	650,586
Princeton Avenue	44,903	69,676								
Ella G. Clarke Annex	5,445	8,448	12,160	42,835	35,001	13,229	10,744	11,508	10,782	12,041
White House	2,269	3,520	5,067	36,290	29,653	5,549	4,487	4,811	4,521	5,049
Total School Facilities	<u>633,182</u>	<u>990,082</u>	<u>1,330,212</u>	<u>1,465,218</u>	<u>1,197,257</u>	<u>1,422,608</u>	<u>1,166,498</u>	<u>1,250,781</u>	<u>1,260,754</u>	<u>1,408,052</u>
Other Facilities	<u>2,269</u>	<u>3,520</u>	<u>5,067</u>	<u>36,290</u>	<u>29,653</u>	<u>16,666</u>	<u>14,168</u>	<u>15,207</u>	<u>114,029</u>	<u>127,351</u>
Grand Total	<u>\$ 635,451</u>	<u>\$ 993,602</u>	<u>\$ 1,335,279</u>	<u>\$ 1,501,508</u>	<u>\$ 1,226,910</u>	<u>\$ 1,439,274</u>	<u>\$ 1,180,666</u>	<u>\$ 1,265,988</u>	<u>\$ 1,374,783</u>	<u>\$ 1,535,403</u>

Source: District Records

**LAKESWOOD BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2016
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
Property and Inland Marine		
Building and Business Personal Property	\$ 190,410,808	\$ 2,500
Blanket Business Income and Extra Expense	5,000,000	
Earthquake	5,000,000	
Electronic Data Processing	2,500,000	
Flood		
Zone C or X	10,000,000	
Zone A, D or V	25,000,000	
Zone B	10,000,000	
Crime		
Computer Fraud	50,000	1,000
Employee Theft including Faithful Performance	500,000	5,000
Forgery/Alteration	50,000	1,000
Theft of Money and Securities	50,000	1,000
General Liability		
Commercial General Liability	5,000,000	
Employee Benefit Liability	5,000,000	
Abusive Act Liability	10,000,000	
Automobile		
Uninsured Motorist	15,000/30,000	
Umbrella Liability	15,000,000	
Boiler and Machinery	100,000,000	2,500
Public Official Bond		
Kenneth Jannarone, School District Treasurer	600,000	

Source: District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SCAO, CPA
SHERYL M. NICOLosi, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Lakewood Board of Education
Lakewood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Lakewood Board of Education's basic financial statements and have issued our report thereon dated November 29, 2017.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2017-001 and 2017-002 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lakewood Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 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 and which are described in the accompanying schedule of findings and questioned costs as items 2017-001 and 2017-002.


We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Lakewood Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings -- Financial, Compliance and Performance" dated November 29, 2017.


Lakewood Board of Education's Responses to Findings

The Lakewood Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Lakewood Board of Education's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lakewood Board of Education's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Lakewood Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 29, 2017



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLosi, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Lakewood Board of Education
Lakewood, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Lakewood Board of Education's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/ Grant Compliance Supplement that could have a direct and material effect on each of Lakewood Board of Education's major federal and state programs for the fiscal year ended June 30, 2017. The Lakewood Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Lakewood Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Lakewood Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Lakewood Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as items 2017-003 through 2017-005. Our opinion on each major federal and state program is not modified with respect to these matters.

The Lakewood Board of Education's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Lakewood Board of Education's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the Lakewood Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Lakewood Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08, 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 Lakewood Board of Education's internal control over compliance.

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

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2017-004 to be a material weakness.

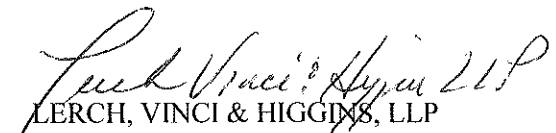
A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2017-005 to be a significant deficiency.

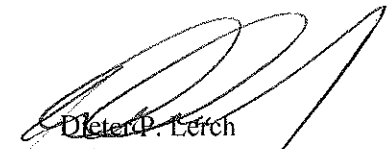
The Lakewood Board of Education's responses to the internal control over compliance findings identified in our audit is/are described in the accompanying schedule of findings and questioned costs. The Lakewood Board of Education's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education, as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated November 29, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 29, 2017

LAKELWOOD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Federal Program Title	Federal CFDA Number	FAN Number	Grant or State Project Number	Grant Expend	Award Amount	Balance Job 1-2016	Carryover Amount	Cash Received	Budgetary Expenditures	Accounts Receivable Carryover	Adjustment	Refund of Prior Year Balance	Accounts Receivable	Balance, June 30, 2017 Unearned Revenue	Due to Grantor	MEMO GAAP Receivable	Cumulative Expenditures		
U.S. Department of Health and Human Services																			
(Passed through State Department of Education)																			
Special Education - Fund																			
IDEA Part B - Basic	93.778	170NSMAP	N/A	7/11/16-6/30/17	\$ 625,296	\$	\$ 625,296	\$ 625,296	\$ 625,296	\$ (59,130)	\$	\$	\$	\$ 26,326		1,776,349	6,764,297		
IDEA Part B - Special	93.778	160NSMAP	N/A	7/11/16-6/30/17	\$ 566,410	\$	\$ 566,410	\$ 566,410	\$ 566,410	\$ 39,130	\$	\$	\$	\$		51,428	284,482		
Medical Assistance Program (Medicaid)	93.778	160NSMAP	N/A	7/11/16-6/30/17	65,802		65,802	65,802	65,802										
Medical Assistance Program (Medicaid)	93.778	160NSMAP	N/A	7/11/16-6/30/17	633,740		633,740	633,740	633,740										
ARBA - Medical Assistance Program (Medicaid)	93.778	160NSMAP	N/A	4/1/09-12/31/09	50,186		50,186	50,186	50,186										
Total General Fund						(123,843)	1,498,867	1,375,024								1,827,777	7,048,779		
U.S. Department of Education																			
(Passed-through State Department of Education)																			
Special Education - Fund																			
IDEA Part B - Basic	84.027	H027A16010	IDEA252017	7/11/16-6/30/17	6,751,495		\$ 59,130	4,987,528	6,764,297	\$ (49,130)	\$ 2,526		(1,802,575)	\$ 26,326		6,831,454	16,397,154		
IDEA Part B - Special	84.010	H027A16010	IDEA252017	7/11/16-6/30/17	14,362,125		(4,957,220)	5,688,814	16,397,174	(4,957,220)	\$ 2,526		(11,037,112)	4,205,658		11,658	11,658		
IDEA Part B - Preschool	84.173	H173A160114	IDEA252017	7/11/16-6/30/17	284,482			284,482	284,482				(51,428)			186,104	282,121		
IDEA Part B - Preschool	84.173	H173A160114	IDEA252016	7/11/16-6/30/17	274,779			20,933	7,048,779				(1,854,103)			21,757	353,882		
Total Special Education Cluster						(2,170,537)	7,391,599	7,048,779								13,411	13,411		
Title I - Part A	84.010	S010A16030	NCLB252017	7/11/16-6/30/17	15,603,066		4,957,220	9,523,174	16,397,154	(4,957,220)	\$ 2,526		(11,037,112)	4,205,658		13,411	13,411		
Title I - Part A	84.010	S010A16030	NCLB252016	7/11/16-6/30/17	14,362,125		(4,957,220)	5,688,814	16,397,174	(4,957,220)	\$ 2,526		(11,037,112)	4,205,658		13,411	13,411		
Title I - Part A	84.010	S377A160031	NCLB252013	9/11/16-9/31/12	8,127,354		3,909,180	5,688,814	16,397,174	(4,957,220)	\$ 2,526		(11,037,112)	4,205,658		13,411	13,411		
Title I - School Improvement Accountability	84.377	S377A160031	NCLB252017	7/11/16-6/30/17	141,000		53,154	11,658	11,658	(53,154)			(94,154)	182,498	\$ 3,909,180	11,658	11,658		
Title I - School Improvement Accountability	84.377	S377A160031	NCLB252016	7/11/16-6/30/17	81,000		(53,154)	31,113	11,658	53,154			(94,154)	182,498		186,104	282,121		
Title I - School Improvement Accountability - Part G	84.377	S377A160031	NCLB252013	9/11/16-9/31/12	206,000		29,915	29,915	11,658	53,154			(94,154)	182,498	20,915	186,104	282,121		
Title II - Part A	84.367A	S367A160029	NCLB252017	7/11/16-6/30/17	667,255		442,040	533,476	919,037	(442,040)	83,440		(196,103)	274,198		21,757	353,882		
Title II - Part A	84.367A	S367A160029	NCLB252016	7/11/16-6/30/17	794,602		(442,040)	423,869	919,037	(442,040)	83,440		(196,103)	274,198		21,757	353,882		
Title III - Part A - English Language	84.365A	S365A160030	NCLB252017	7/11/16-6/30/17	456,154		209,850	333,882	353,882	(209,850)	819		(354,688)	312,941		13,411	13,411		
Title III - Part A - English Language	84.365A	S365A160030	NCLB252016	7/11/16-6/30/17	420,596		(209,850)	32,152	353,882	(209,850)	819		(354,688)	312,941		13,411	13,411		
Title III - Immigrant	84.365A	S365A160030	NCLB252017	7/11/16-6/30/17	35,933		13,411	13,411	13,411				(35,933)	22,322		13,411	13,411		
Rise to the Top - Preschool Expansion	84.419B	S419B150020			1,996,164		2,273,685	2,417,714	2,417,714		6,544		(302,479)	184,994		137,485	2,417,714		
Rise to the Top - Preschool Expansion	84.419B	S419B150020			297,500		(297,500)									70,367	330,627		
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary	84.048A	V048A140030	PERK252017	7/11/16-6/30/17	366,492		240,200	330,627	330,627		60		(106,292)	31,925		70,367	330,627		
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary	84.048A	V048A140030	PERK252016	7/11/16-6/30/17	255,038		125,087												
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary	84.048A	V048A140030	PERK252015	7/11/16-6/30/17	350,596		(95)												
SWD Grant	84.213X	U213X00079	U213X00079	7/11/16-6/30/17	207,624		2,040												
Teaching American History	84.213X	U213X00079	U213X00079	7/11/16-6/30/17	364,724		323,332												
Teaching American History	84.213X	U213X00079	U213X00079	7/11/16-6/30/17	969,996		(19,778)												
U.S. Department of Health and Human Services																			
(Passed through State Department of Children and Families)																			
Special Services Block Grant	93.667	10AEP	71109-6/30/10		200,000		1,371				(1,371)								
Total Special Revenue Fund						(5,652,849)	27,326,307	27,452,262			123,765		(14,637,194)	5,245,060		9,392,134	27,452,262		
U.S. Department of Agriculture																			
(Passed-through State Department of Education)																			
School Breakfast Program	10.553	171N04N1099	N/A	7/11/16-6/30/17	1,483,131		1,349,044	1,483,131	1,483,131				(134,067)			134,067	1,483,131		
School Breakfast Program	10.553	16161N04N1099	N/A	7/11/16-6/30/17	1,483,131		1,349,044	1,483,131	1,483,131				(134,067)			134,067	1,483,131		
Food Distribution Program	10.555	171N04N1099	N/A	7/11/16-6/30/17	206,761		200,761	271,482	271,482					9,279		235,697	271,482		
Food Distribution Program	10.555	16161N04N1099	N/A	7/11/16-6/30/17	271,482		260,761	271,482	271,482					9,279		235,697	271,482		
Food-Cash Assistance	10.555	171N04N1099	N/A	7/11/16-6/30/17	2,854,465		2,621,768	2,854,465	2,854,465							235,697	2,854,465		
Food-Cash Assistance	10.555	16161N04N1099	N/A	7/11/16-6/30/17	2,854,465		2,621,768	2,854,465	2,854,465							235,697	2,854,465		
Cash Assistance	10.555	16161N04N1099	N/A	7/11/16-6/30/17	230,337		(230,337)												
After School Snack Program	10.555	171N04N1099	N/A	7/11/16-6/30/17	52,317		49,626	52,317	52,317							2,691	52,317		
After School Snack Program	10.555	16161N04N1099	N/A	7/11/16-6/30/17	44,785		(2,661)												
Summer Food Program	10.559	171N04N2020	N/A	7/11/16-6/30/17	146,604		158,638	158,638	158,638										
Total Child Nutrition Program Cluster						(353,464)	4,816,494	4,823,226								369,475	4,823,226		
Fresh Fruit and Vegetable Program	10.582	171N04N1603	N/A	7/11/16-6/30/17	167,977		157,561	167,977	167,977							10,416	167,977		
Fresh Fruit and Vegetable Program	10.582	16161N04N1603	N/A	7/11/16-6/30/17	175,309		(44,036)												
Total Enterprise Fund						(937,520)	5,018,091	4,991,203								379,891	4,991,203		
Total Federal Financial Awards						(5,974,192)	33,843,265	33,818,489			123,765		(15,817,085)	5,245,060		9,772,025	33,818,489		

LAKELAND BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Deferred Revenues/ (Accr. Recs.)	Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Year Balances	(Accounts Receivable)	Balance, June 30, 2017 Unearned Revenue	Due to Grantor	MEMO GAAP Receivable	Cumulative Total Expenditures
State Department of Education															
Equalization Aid	495-034-5120-078	7/1/16-6/30/17	15,070,904				\$ 13,687,558	\$ 15,070,904			\$ (1,383,346)				\$ 15,070,904
Equalization Aid	495-034-5120-078	7/1/15-6/30/16	15,263,034	(1,451,842)		1,451,842	1,451,842	3,053,082			(280,240)				3,053,082
Special Education Aid	495-034-5120-089	7/1/16-6/30/17	2,975,869				2,975,869	2,186,868			(200,731)				2,186,868
Securities Aid	495-034-5120-084	7/1/16-6/30/17	2,161,335				2,161,335	63,220			(5,802)				63,220
Securities Aid	495-034-5120-084	7/1/15-6/30/16	2,161,335				2,161,335	58,370			(6,338)				58,370
Per Pupil Growth Aid	495-034-5120-098	7/1/16-6/30/17	58,370				58,370	58,370			(5,338)				58,370
Per Pupil Growth Aid	495-034-5120-097	7/1/16-6/30/17	58,370				58,370	58,370			(5,338)				58,370
Per Pupil Growth Aid	495-034-5120-097	7/1/15-6/30/16	58,370	(5,552)			5,552								
Total State Aid Public Cluster			4,199,793	(1,951,652)			20,561,651	20,560,314			(1,880,853)				20,560,314
Transportation Aid	495-034-5120-014	7/1/16-6/30/17	3,994,658				3,814,297	4,199,793			(385,496)				4,199,793
Transportation Aid	495-034-5120-014	7/1/15-6/30/16	3,334,884	(74,270)			374,270	3,334,884			(7,334,884)				3,334,884
Reimbursed Non Public Transportation Aid	495-034-5120-015	7/1/16-6/30/17	652,469				652,469								
Reimbursed Non Public Transportation Aid	495-034-5120-015	7/1/15-6/30/16		(652,469)											
Total Transportation Aid Cluster			4,647,127	(1,028,739)			4,486,766	7,534,677			(7,720,380)				7,534,677
Extraordinary Special Education Aid	100-034-5120-473	7/1/16-6/30/17	4,542,966				4,542,966	4,542,966			(4,542,966)				4,542,966
Extraordinary Special Education Aid	100-034-5120-473	7/1/15-6/30/16	2,433,338	(4,162,366)			4,162,366	2,433,338			(233,302)				2,433,338
Reimbursed TPAF Social Security Contributions	495-034-5120-003	7/1/16-6/30/17	2,390,382				2,390,382	118,793							2,390,382
Reimbursed TPAF Social Security Contributions	495-034-5120-003	7/1/15-6/30/16	3,339,370	(118,793)			3,339,370	3,339,370							3,339,370
On-Behalf TPAF Non-Contributory Insurance	495-034-5120-004	7/1/16-6/30/17	120,993				120,993	120,993							120,993
On-Behalf TPAF Non-Contributory Insurance	495-034-5120-004	7/1/15-6/30/16	2,883,270				2,883,270	2,883,270							2,883,270
On-Behalf TPAF Long Term Disability Insurance	495-034-5120-004	7/1/16-6/30/17	15,857				15,857	15,857							15,857
On-Behalf TPAF Long Term Disability Insurance	495-034-5120-004	7/1/15-6/30/16		(7,259,550)			38,253,132	41,361,205			(10,867,623)				31,543,582
Total General Fund			13,075,813	\$ 2,403,326	\$ 343,922	\$ 177,997	13,075,813	12,963,498	\$ 2,403,326	\$ 177,997	(11,213,215)				12,963,498
Special Programs Fund															
Academic Services (Ch. 192)	100-034-5120-067	7/1/16-6/30/17	1,800,887				1,800,887	879,293							879,293
Academic Services (Ch. 192)	100-034-5120-067	7/1/15-6/30/16	1,452,565				1,452,565	22,696							1,452,565
Compensatory Education	100-034-5120-067	7/1/16-6/30/17	3,190,769				3,190,769	2,854,520							2,854,520
Compensatory Education	100-034-5120-067	7/1/15-6/30/16	3,574,995				3,574,995	899,841							899,841
English as a Second Language	100-034-5120-067	7/1/16-6/30/17	818,100				818,100	385,601							385,601
English as a Second Language	100-034-5120-067	7/1/15-6/30/16	720,596				720,596	8,258							8,258
Transportation	100-034-5120-067	7/1/16-6/30/17	208				208								
Transportation	100-034-5120-067	7/1/15-6/30/16	208				208								
Home Instruction	100-034-5120-067	7/1/16-6/30/17	208				208								
Home Instruction	100-034-5120-067	7/1/15-6/30/16	208				208								
Total Chapter 192 Cluster			14,176,210	(208)			14,176,210	13,571,157	\$ 3,251,288	(8,238)	(8,238)				13,571,157
Handicapped Services (Ch. 193)	100-034-5120-066	7/1/16-6/30/17	1,800,887				1,800,887	879,293							879,293
Handicapped Services (Ch. 193)	100-034-5120-066	7/1/15-6/30/16	1,452,565				1,452,565	22,696							1,452,565
Supplemental Instruction	100-034-5120-066	7/1/16-6/30/17	3,190,769				3,190,769	2,854,520							2,854,520
Supplemental Instruction	100-034-5120-066	7/1/15-6/30/16	3,574,995				3,574,995	899,841							899,841
Examination and Classification	100-034-5120-066	7/1/16-6/30/17	2,785,676				2,785,676	2,109,230							2,109,230
Examination and Classification	100-034-5120-066	7/1/15-6/30/16	2,771,372				2,771,372	983,523							983,523
Corrective Speech	100-034-5120-066	7/1/16-6/30/17	2,504,519				2,504,519	58,331							58,331
Corrective Speech	100-034-5120-066	7/1/15-6/30/16	2,504,519				2,504,519	2,504,519							2,504,519
Total Chapter 193 Cluster			17,851,985	194,931			17,851,985	19,864,679	(198,199)	\$ 410,440	(198,199)				19,864,679
Preschool Education Aid	495-034-5120-086	7/1/16-6/30/17	1,464,420				1,464,420	1,448,453							1,448,453
Preschool Education Aid	495-034-5120-086	7/1/15-6/30/16	641,680				641,680	598,433							598,433
Nursing Services Aid	100-034-5120-070	7/1/16-6/30/17	2,236,230				2,236,230	2,143,490							2,143,490
Nursing Services Aid	100-034-5120-070	7/1/15-6/30/16	621,175				621,175	1,224,372							1,224,372
Security Aid	100-034-5120-509	7/1/16-6/30/17	8,782				8,782	2,165							2,165
Security Aid	100-034-5120-509	7/1/15-6/30/16	8,782				8,782	145,037							145,037
Anti-Bullying Bill of Rights Act Implementation	Not Available	7/1/11-6/30/12		5,417							(5,417)				
Total Special Revenue Fund			205,140	6,547,269			30,030,021	26,793,747	(2,779)	6,375,307	(206,457)	410,440			26,793,747
Debt Service Fund	100-034-5120-075	7/1/16-6/30/17	961,119				961,119	961,119							961,119
Debt Service Fund	100-034-5120-075	7/1/15-6/30/16	961,119				961,119	961,119							961,119
Total Debt Service Fund			961,119				961,119	961,119							961,119

LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

State Grants/Programs/Title	Grant or State Project Number	Grant Period	Award Amount	Deferred Revenue (Less: RSI)	Balance, July 1, 2016	Due to Grants	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Year Balance	(Accounts Receivable)	Balance, June 30, 2017 (Unearned Revenue)	Due to Grantor	MEMO	Cumulative Total Expenditures
Enterprise Fund																
New Jersey Department of Agriculture	100-010-3350-023	7/1/16-6/30/17	48,460	(4,022)				44,510	48,460			\$ (3,950)				\$ 48,460
State School Lunch Program	100-010-3350-023	7/1/15-6/30/16	49,416	(4,022)			4,022									
State School Lunch Program									48,460							48,460
Total Enterprise Fund									48,460							48,460
Total State Financial Assistance Subject to Single Audit Determination				(7,043,432)		6,547,269	69,297,804	69,297,804	69,164,531	(2,779)	6,375,307	(10,578,630)	410,440	3,401,614		69,164,531
State Financial Assistance Programs Not Subject to Calculation for Single Audit and Major Program Determination																
On-Behalf TPAF Pension Contributions								(3,339,370)	(3,339,370)							6,339,370
On-Behalf TPAF Non-Contributory Insurance								(120,993)	(120,993)							(120,993)
On-Behalf TPAF Post-Retirement Medical Contributions								(2,883,270)	(2,883,270)							(2,883,270)
On-Behalf TPAF Long Term Disability Insurance								(15,837)	(15,837)							(15,837)
Total State Financial Assistance Subject to Calculation for Major Program Determination				(7,043,432)		6,547,269	69,935,334	69,935,334	62,805,661	(2,779)	6,375,307	(10,578,630)	410,440	3,401,614		62,805,661

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Lakewood Board of Education. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2.. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$320,949 for the general fund and a decrease \$325,086 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 1,375,024	\$ 41,040,256	\$ 42,415,280
Special Revenue Fund	27,412,710	26,508,213	53,920,923
Debt Service Fund		961,119	961,119
Food Service Fund	<u>4,991,203</u>	<u>48,460</u>	<u>5,039,663</u>
Total Awards and Financial Assistance	<u>\$ 33,778,937</u>	<u>\$ 68,558,048</u>	<u>\$ 102,336,985</u>

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 STATE LOANS OUTSTANDING

The District's state loan outstanding at June 30, 2017, which are not required to be reported on the schedule of state financial assistance, are as follows:

<u>Loan Program</u>	<u>Amount</u>
State Aid Advance - 2014/15	\$ 3,600,000
State Aid Advance - 2016/17	<u>5,076,165</u>
	<u>\$ 8,676,165</u>

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,433,338 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2017. The amount reported as TPAF Pension System Contributions in the amount of \$3,460,363, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,883,270 and TPAF Long-Term Disability Insurance in the amount of \$15,837 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2017.

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

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

NOTE 8 SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in U.S. Uniform Guidance; amounts used in schoolwide programs (i.e., school based budgets) are included in the total expenditures of the program contributing the funds in the Schedule of Expenditure of Federal Awards. The following funds by program are included in schoolwide programs in the District.

<u>Federal Program</u>	<u>Amount</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	<u>\$2,601,215</u>

NOTE 9 DE MINIMIS INDIRECT COST RATE

The District has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**LAKWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Were significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Federal Awards Section

Internal Control over major programs:

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

2) Were significant Deficiencies identified that are not considered to be material weaknesses? yes X none reported

Type of auditor's report on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance? X yes no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program
<u>84.010A</u>	<u>S010A150030</u>	<u>Title I</u>
<u>10.553</u>	<u>171NJ304N1099</u>	<u>School Breakfast Program</u>
<u>10.555</u>	<u>171NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.559</u>	<u>171NJ304N020</u>	<u>Summer Food Program</u>
<u>84.027</u>	<u>H027A1600100</u>	<u>IDEA Part B, Basic</u>
<u>84.173</u>	<u>H173A160114</u>	<u>IDEA Preschool</u>
<u>84.419B</u>	<u>S419B150020</u>	<u>Race to the Top-Preschool Expansion</u>
<u>93.778</u>	<u>1705NJ5MAP</u>	<u>Special Education Medicaid Incentive</u>

Dollar threshold used to determine Type A programs: \$ 1,014,555

Auditee qualified as low-risk auditee? yes X no

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Section I – Summary of Auditor's Results

State Awards Section

Auditee qualified as low-risk auditee? _____ yes X no

Internal Control over major programs:

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

2) Were significant deficiencies identified that are not considered to be material weaknesses? X yes _____ none reported

Type of auditor's report on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular Letter 15-08? X yes _____ no

Identification of major programs:

GMIS Number(s)	Name of State Program
<u>495-034-5120-078</u>	<u>Equalization Aid</u>
<u>495-034-5120-089</u>	<u>Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>495-034-5120-014</u>	<u>Transportation Aid/Reimbursed Non-Public Transportation</u>
<u>100-034-5120-075</u>	<u>Debt Service Aid</u>
<u>100-034-5120-067</u>	<u>Nonpublic Auxiliary Services (Ch. 192)</u>
<u>100-034-5120-066</u>	<u>Nonpublic Handicapped Services (Ch 193)</u>

Dollar threshold used to determine between type A and type B programs: \$ 1,884,152

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2017-001:

The District ended the year with cumulative fund deficits in the General and Special Revenue Funds.

Criteria or specific requirement:

GAAP Technical Systems Manual; NJAC 6A:23A-16.10

Condition:

The general fund and special revenue fund ended the year with deficits in fund balance.

Questioned Costs:

None.

Context:

The District's General Fund unassigned budgetary fund balance was in a deficit position of \$4,353,898 at June 30, 2017. In addition, the fund balance of the Special Revenue Fund was in a deficit position of \$3,185,605 at June 30, 2017.

Effect:

The District is in a deficit position as of June 30, 2017.

Cause:

Unknown.

Recommendation:

Continued efforts be made to eliminate the cumulative deficits in the General and Special Revenue Funds.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2017-002:

Our audit of the District's payroll accounts indicated the following:

- The payroll agency bank account ended the year in a deficit position of \$127,331.
- The payroll agency fund reserve balance ended the year in a deficit position of \$61,113.
- An overpayment in the amount of \$349,427 was made to the State of New Jersey for pension remittances. A refund was received by the District for this overpayment.
- Employee salaries and withholdings for pension contributions, as reported in the District's payroll system, were not always in agreement with amounts reported to the State of New Jersey.
- Duplicate payments of employee payroll deductions were made.
- Disbursements made from the net payroll bank account only require one (1) authorization signature.
- A report of the value of employee accruals accumulated sick and vacation amounts earned was not able to be provided for audit.
- Three (3) instances were noted where individuals no longer employed by the District continued to receive medical benefits subsequent to the date of termination.

Criteria or specific requirement:

GAAP Technical Systems Manual; NJAC 6A:23A-16.10

Condition:

The payroll agency reconciled cash account and fund reserve balances were in deficit positions at year end. Duplicate payments and overpayments of employee payroll withholdings were noted during the 2016/17 fiscal year. Salaries and related deductions for employee pensions reported to the State of New Jersey were not in agreement with amounts reported in the District payroll system. Disbursements from the net payroll bank account require only one (1) check authorization signature. A report of employee accruals of sick and vacation time could not be provided for audit.

Questioned Costs:

None.

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2017-002 (Continued):

Context:

- The reconciled cash balance of the payroll agency bank account at year end was a deficit of \$127,331.
- The reserve for payroll deductions and withholding balance was in a deficit position of \$61,113 at year end.
- An overpayment of pension was made to the State of New Jersey in December 2016 in the amount of \$349,427. A refund was received by the District in March 2017.
- Employee pension withholdings for the second quarter of 2017, as reflected in the payroll system, were \$192,178 for PERS and \$727,594 for TPAF. The District reported to the State of New Jersey pension withholdings of \$203,414 for PERS and \$741,373 for TPAF.
- Duplicate payments of employee withholdings were made in June 2017 in the amount of \$168,171. Refunds have been subsequently received by the District.
- The net payroll bank account includes only one (1) authorized signature on checks for disbursement.
- A report of employee accruals for accumulated sick and vacation time was not provided for the audit.
- Three (3) instances were noted where individuals no longer employed by the District continued to receive medical benefits subsequent to the date of termination.

Effect:

Funds were not available at year end meet the District's payroll deduction liabilities.

Cause:

Unknown.

Recommendation:

Internal controls over the District's payroll department be reviewed and enhanced.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

CURRENT YEAR FEDERAL AWARDS

Finding 2017-003:

Our audit of the District's NCLB Title I Program revealed the following:

- Employees whose salaries were charged to the Title I grant program were not always approved in the minutes as a designated Title I employee.
- The required bi-annual certification by employees performing Title I services were not maintained and made available for audit.

Information on the Federal Program

84.010A NCLB Title I

Criteria or specific requirement:

Uniform Guidance - Allowable Costs / Cost Principles

Condition:

Expenditures for employee salaries were allocated to the Title I grant program without specific approval and certification of service performed.

Questioned Costs:

None.

Context:

The District expended \$1,978,901 of Title I funds on employee salaries. Five (5) employees were selected for testing. Three (3) were not specifically approved in the minutes as Title I employees. The District was not able to provide the bi-annual certification of Title I services for each of the five (5) employees tested.

Effect:

The District is not in compliance with the documentation of time and effort requirement of the Title I grant program.

Cause:

Unknown.

Recommendation:

Employee salaries funded by the Title I grant program be specifically approved in the minutes and the required bi-annual certification of Title I services performed be filed by the respective employees.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

CURRENT YEAR STATE AWARDS

Finding 2017-004:

The District ended the year with cumulative fund deficits in the General and Special Revenue Funds.

State Program Information:

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084
PARCC Readiness Aid	495-034-5120-098
Per Pupil Growth Aid	495-034-5120-097
Professional Learning Community Aid	495-034-5120-101

Criteria or Specific Requirement:

State Grant Compliance Supplement

Condition:

The general fund and special revenue fund ended the year with deficits in fund balance.

Questioned Costs:

None.

Context:

The District's General Fund unassigned budgetary fund balance was in a deficit position of \$4,353,898 at June 30, 2017. In addition, the fund balance of the Special Revenue Fund was in a deficit position of \$3,185,605 at June 30, 2017.

Cause:

Unknown.

Effect:

The District is in a deficit position as of June 30, 2017 resulting in non-compliance with state aid grant requirements.

Recommendation:

Continued efforts be made to eliminate the cumulative deficits in the General and Special Revenue Funds.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

LAKESWOOD BOARD OF EDUCATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

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

CURRENT YEAR STATE AWARDS

Finding 2017-005:

On-Roll

Student counts on the ASSA were not in agreement with supporting workpapers provided for audit.

Certain students were not able to be verified to class registers provided for audit.

Private School for the Disabled

Certain IEP’s were not able to be provided for audit.

Students reported were not always able to be verified to a tuition bill.

Tuition contracts were not always able to be provided for audit.

Low Income

Student counts for Low Income reported on the ASSA were not in agreement with supporting workpapers provided for audit.

Meal applications and/or household information surveys were not always able to be provided for audit.

Certain students were not able to be verified to class registers.

State program Information:

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084
PARCC Readiness Aid	495-034-5120-098
Per Pupil Growth Aid	495-034-5120-097
Professional Learning Community Aid	495-034-5120-101

Criteria or Specific Requirement:

State of New Jersey State Aid/Grant Compliance Supplement.

Condition:

Student counts claimed on the ASSA as On-Roll, Private School for the Disabled and Low Income were not always able to be supported by the respective required documentation.

Questioned Costs:

Unknown.

**LAKWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

CURRENT YEAR STATE AWARDS

Finding 2017-005 (Continued):

Context:

Variations noted can be found on the Schedule of Audited Enrollments in the Auditor's Management Report.

Cause:

Unknown.

Effect:

Student counts reported on the ASSA were not always able to verified to actual student counts and related documentation.

Recommendation:

Internal controls be enhanced to ensure that documentation to support students reported on the ASSA is retained for audit.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKEWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2016-001:

The District ended the year with fund balance deficits in the General and Special Revenue Funds. In addition, general fund budgetary line items for transportation and unallocated benefits incurred expenditures which exceeded available appropriations.

Current Status

Partial corrective action has been taken. See finding 2017-001.

Finding 2016-002:

Contract balances due to vendors for capital improvement projects exceeded the amount of referendum funds available as of June 30, 2016.

Current Status

Corrective action has been taken.

Finding 2016-003:

The District ended the year with cumulative fund deficits in the General and Special Revenue funds.

Current Status

See finding 2017-004.

Finding 2016-004:

Our audit of the District's Chapter 192-Non-Public Auxiliary Service program revealed that the required forms 407-1 were not always signed by appropriate District personnel and did not always include the date of the services provided.

Current Status

Corrective action has been taken.

**LAKWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2016-005:

Student count claimed on the ASSA as On-Roll, Private School for the Special Education were not always able to be supported by the respective required documentation.

Current Status

See finding 2017-005.