The accompanying combined balance sheet of the Board of Education, Township of Nutley, County of Essex and related information summarizing results of operations for the year ended June 30, 1998 have been extracted from the Board's Comprehensive Annual Financial Report.

The entire Comprehensive Annual Financial Report for the year ended June 30, 1998 is on file in the Office of the Secretary and is available for review upon request during business hours.

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS JUNE 30, 1998 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1997)

				Proprietary	Fiduciary	Account Groups			
	Governmental Fund Type		ypes Fund Types Debt		Fund Types Trust and	General	General	Totals (Memorandum Only)	
ASSETS AND OTHER DEBITS	General	Special Revenue	Service	Enterprise	Agency	Fixed Assets	Long-Term Debt	June 30, 1998	June 30, 1997
ASSETS:									
Cash and Cash Equivalents	\$2,884,433	\$157,524	\$ -	<b>\$</b> -	\$ 542,199	\$ -	<b>\$</b> -	\$ 3,584,156	\$ 3,508,717
Intergovernmental Accounts Receivable: State Aid	67,460	-	-	1,168		<u>.</u>	•	68,628	2,269
Federal Aid	-	-	-	11,779	-	-		11,779	12,111
Tuition Receivable	41,222	-	-	-	-	•	· -	41,222	40,893
Transportation Fees Receivable	17,478	-	-	-	-	-	-	17,478	20,636
Other Accounts Receivable (net of allowance									
for uncollectibles):	( 250							( 250	17,883
Other Inventory	6,250	-	-	8,030	-	•	-	6,250 <b>8,</b> 030	9,341
Fixed Assets (Net, where applicable of	•	-	-	0.030	-	- -	-	6,030	2,541
accumulated depreciation of \$113,470)	-			1,681		9,542,160		9,543,841	8,932,607
Total Assets	3,016,843	157,524		22,658	542,199	9,542,160		13,281,384	12,544,457
OTHER DEBITS:									
Amount Available in Debt Service	<del>-</del> .	•	=	-	•	•	· •	-	653
Amount to be Provided for Retirement of General Long-Term			-	-		_	2,791,884	2,791,884	2,876,496
Total Other Debits	· .			-	-	•	2,791,884	2,791,884	2,877,149
TOTAL ASSETS AND OTHER DEBITS	<u>\$3,016,843</u>	\$157,524	<u>\$ -</u>	\$22,658	<u>\$ 542,199</u>	\$9,542,160	<u>\$2,791,884</u>	\$16,073,268	<u>\$ 15,421,606</u>

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS JUNE 30, 1998 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1997)

	Governmental Fund Types		Proprietary	Fiduciary	Account Groups				
			Fund Types	Fund Types		General	Totals		
	General	Special Revenue	Debt Service	Enterprise	Trust and Agency	General Fixed Assets	Long-Term Debt	<u>(Memorai</u> June 30, 1998	dum Only) June 30, 1997
LIABILITIES:									
Cash Overdraft	\$ .	<b>\$</b> -	\$ -	\$12,947	\$ -	\$ -	\$ -	\$ 12,947	\$ 15,968
Intergovernmental Accounts Payable									
State	-	71,081	-	-	-	•	-	71,081	74,893
Federal	-	498	-	-		-	-	498	176
Accounts Payable	180,360	9,410	-	2,980	- '	-	-	192,750	235,414
Due to Student Groups	-	-	-	-	119,063	-	=	119,063	124,783
Deferred Revenue		76,535	-	-	-	-	-	76,535	37,634
Compensated Absences	-	-	-	-	-		1,666,884	1,666,884	1,637,149
Serial Bonds Payable		-					1,125,000	1,125,000	1,240,000
Total Liabilities	180,360	157,524	_	15,927	119,063	_	2,791,884	3,264,758	3,366,017
EQUITY AND OTHER CREDITS:									
Investment in General Fixed Assets		-		-	•	9,542,160	-	9,542,160	8,930,215
Contributed Capital			-	2,135	-	-	-	2,135	2,135
Retained Earnings	-	-	-	4.596	•		•	4,596	6,618
Fund Balances:									
Reserve for Unemployment Claims		-		-	423,136		-	423,136	404,291
Reserve for Encumbrances	132,547	-	-			-	-	132,547	196,797
Reserve for Excess Surplus	69,152	-	-	-	-	-	-	69,152	-
Fund Balance:									
Designated for Subsequent Year's Expenditures	750,000	-	-	-		-	-	750,000	750,653
Undesignated	1,884,784	•	<u></u>	<u> </u>		_	-	1,884,784	1,764,880
Total Equity and Other Credits	2,836,483			6,731	423,136	9,542,160		12,808,510	12,055,589
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$3,016,84 <u>3</u>	<u>\$157,524</u>	<u>\$ -</u>	<u>\$22,658</u>	<u>\$ 542,199</u>	<u>\$9,542,160</u>	<u>\$ 2,791,884</u>	<u>\$16,073,268</u>	<u>\$ 15,421,606</u>

# COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES YEAR ENDED JUNE 30, 1998 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1997)

	General Fund	Special Revenue Fund	Debt Service Fund		tals dum Only) 1997
REVENUES:	runu	runu	runu	1770	1777
Local Sources:					
Local Tax Levy	\$28,633,379	\$ -	\$177,397	\$28,810,776	\$28,518,923
Tuition Interest on Investments	297,888			297,888	257,353
Miscellaneous	211,628 157,133			211,628 157,133	185,193
Wilscendifeous	157,133			137,133	149,844
Total Revenues -					
Local Sources	29,300,028		177,397	29,477,425	29,111,313
Charles Commercial	4.055.105	252 225			
State Sources Federal Sources	4,075,195	353,227	6,255	4,434,677	4,253,521
redetal Sources		454,874		454,874	415,789
Total Revenues	33,375,223	808,101	183,652	34,366,976	33,780,623
EXPENDITURES:					
Instruction:					
Regular	13,814,801	518,122		14,332,923	14,109,314
Special Education	1,296,002			1,296,002	1,851,178
Other Instruction	1,043,069	14,359		1,057,428	569,925
Tuition Paid to Other Districts	1,615,882			1,615,882	1,474,291
Support Services	14,744,207	147,596		14,891,803	15,013,348
Capital Outlay	555,489	128,024		683,513	380,267
Special Schools	19,110		104005	19,110	23,696
Debt Service	<del></del>		<u>184,305</u>	184,305	189,825
Total Expenditures	33,088,560	808,101	184,305	34,080,966	33,611,844
EXCESS (DEFICIENCY) OF					
REVENUES OVER (UNDER)	•				
EXPENDITURES	286,663		(653)	286,010	168,779
OTHER FINANCING SOURCES					
(USES): TRANSFER OUT	(161 957)			(1.61.057)	(222 (74)
TRANSFER OUT	(161,857)			(161,857)	(223,674)
TOTAL OTHER FINANCING					
USES	(161,857)			(161,857)	(223,674)
DEFICIENCY OF REVENUES AND					
OTHER FINANCING SOURCES					
UNDER EXPENDITURES AND OTHER FINANCING USES	124.006		(652)		(= 1 = 2 = 1
OTHER FINANCING USES	124,806		(653)	124,153	(54,895)
FUND BALANCES, JULY 1	2,711,677		653	2,712,330	2,767,226
				2,7,2,000	
FUND BALANCE, JUNE 30	\$ 2,836,483	<u>\$</u>	<u>\$</u>	<u>\$ 2,836,483</u>	<u>\$ 2,712,331</u>

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE GENERAL, SPECIAL REVENUE AND DEBT SERVICE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 1998

	General Fund				ial Revenu udgetary B		Debt Service Fund		
<b>.</b>	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget		Variance Favorable (Unfavorable)	Final Budget		Variance Favorable (Unfavorable)
REVENUES: Local Sources: Local Tax Levy Tuition Interest on Investments Miscellaneous	\$28,633,379 204,421 125,000 95,000	\$28,633,379 297,888 211,628 157,133	\$ - 93.467 86.628 	\$ -	\$ -	<b>\$</b> -	\$ 177,397	177,397	
Total - Local Sources Revenues	29,057,800	29,300,028	242,228			<u>-</u>	177,397	177,397	
State Sources Federal Sources	2,363,950	4,075,195	1,711,245	356,441 486,474	356,441 486,474		6,255	6,255	
	2,363,950	4,075,195	1,711,245	842,915	842,915		6,255	6,255	
Total Revenues	31,421,750	33,375,223	1,953,473	842,915	842,915		183,652	183,652	
EXPENDITURES: Current Expense: Instruction Undistributed Expenditures Capital Outlay Special Schools Debt Service	16,371,715 15,325,397 647, <b>828</b> 19,365	16,153,872 14,684,601 555,489 19,110	217,843 (1,034,692) 92,339 255	543,662 170,041 129,212	543,662 170,041 129,212		184,305	184,305	
Total Expenditures	32,364,305	33,088,560	(724,255)	842,915	842,915		184,305	184,305	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(942,555</u> )	286,663	1,229,218				(653)	(653	)
OTHER FINANCING (USES): TRANSFER OUT	(205,000)	(161,857)	43,143						
TOTAL OTHER FINANCING SOURCES (USES)	(205,000)	(161,857)	43,143						
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	_(1,147,555)	124,806	1,272,361				(653)	(653	)
FUND BALANCES, JULY 1	2,711,677	2,711,677	-				653	653	
FUND BALANCE, JUNE 30	\$ 1,564,122	\$ 2,836,483	\$1,272,361	\$ -	<b>\$</b> -	\$ <u>-</u>	\$ -	<b>\$</b>	<b>\$</b> -

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#### RECOMMENDATIONS

Listed below are recommendations which the Board should consider implementing. They are suggestions for operating improvements and strengthening the system of internal controls.

#### **Student Body Activities**

Cash disbursements at the Yantacaw School must be approved by a person other than the person receiving the funds and signing the check.

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