SCHOOL DISTRICT
OF

GLOUCESTER CITY

Gloucester City Board of Education
Gloucester City, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

Comprehensive Annual Financial Report

of the

Gloucester City Board of Education

Gloucester City, New Jersey

For the Fiscal Year Ended June 30, 2011

Prepared by
Gloucester City Board of Education
Finance Department

GLOUCESTER CITY SCHOOL DISTRICT

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Introductory Section

Gloucester City Board of Education

520 Cumberland Street
Gloucester City, New Jersey 08030

Paul A. Spaventa
Superintendent

Margaret M. McDonnell
Board Secretary/Business Administrator

September 30, 2011

Honorable President and
Members of the Board of Education
Gloucester City Public Schools
Camden County, New Jersey 08030

Dear Board Members:

The comprehensive annual financial report of the Gloucester City School District (District) for the fiscal year ended June 30, 2011 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (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 operations of the various funds and accounting groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 04-04 OMB, "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 and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES:

Gloucester City Public School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Gloucester City Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Preschool 3 year old through Adult High School. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2010-11 fiscal year with a PK-12 enrollment of 2041 students. The following details the changes in student enrollment of the District over the last ten years:

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2001-02	2158	+1.1
2002-03	2169	+0.5
2003-04	2099	-3.2
2004-05	2088	-0.5
2005-06	2128	+1.9
2006-07	2097	-1.5
2007-08	2115	+0.9
2008-09	2080	-1.6
2009-10	2137	+1.0
2010-11	2034	-4.8

2) ECONOMIC CONDITION AND OUTLOOK:

The City of Gloucester has a major marine terminal and is populated with many small businesses. The City is aggressive in its efforts to redevelop its former industrial area known as Southport. Gloucester City and the surrounding communities are essentially developed with regard to housing. Over the past decade, Gloucester City real estate values increased substantially as is reflected in the equalized value of property.

3) MAJOR INITIATIVES:

The district's Long Range Facilities Plan includes approval of the new middle school. The district was excited when the previous Governor and the State of New Jersey approved funding of the new middle school. The district and citizens of Gloucester City are now disappointed that the project, which has been in the planning stage for some years, has been put on hold by the current administration of the State of New Jersey with no information on when continuation of planning and construction and completion of the project may occur, but hopeful the project will commence sometime soon since funding is approved.

The major issue facing the Gloucester City School District, and all other school districts, especially Abbott Districts, is the future funding stream. In the Spring of 2008, the State of New Jersey approved the 'School Funding Reform Act of 2008'. Under the new funding formula, school aid is distributed through a foundation formula. Calculations are based on a per-pupil adequacy budget, which represents the amount necessary to allow each student to attain New Jersey's educational standards. The base amount is set for elementary school students and

increased for middle school students, high school students and vocational school students because it grows more expensive to meet student's needs as they progress through school. Additional weights are added to the basic formula for at-risk students and students with limited English proficiency. A number of other factors are recognized in the formula including poverty concentration, geographic cost differences, special education costs and providing of kinder-garden. In order to get legislative approval for the new funding formula, all districts were to receive at least a 2% increase in aid relative to 2007-2008 for the 2008-2009 and the 2009-2010 budget years even if calculations under the new formula resulted in a lower "adequacy budget". Gloucester City School District received the minimum state aid proposed for 2008-2009 and 2009-2010, though 2009-2010 state aid was later reduced about $754 thousand by Governor Christie's Administration. It was anticipated that beginning with the 2010-2011 budget year, the State would provide aid in accordance with its new funding formula, however with the current state financial difficulties, the Christie Administration reduced funding for the 2010-2011 school year by about $2 million. During the 2010-2011 budget year, the Educational Law Center sued the State of New Jersey and the court's decision was to restore to the former Abbott Districts, including Gloucester City, the funding which had been reduced. No information has been provided from the state on projected school funding for the 2012-2013 school year.

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 generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by 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 Department 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.

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 approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Approved Capital Projects are 100% funded by the State through the Schools Development

Authority.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2010.

6) **ACCOUNTING SYSTEM AND REPORTS**:

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

7) **RISK MANAGEMENT**:

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, an umbrella policy, fidelity bonds, student accident and workmen's compensation.

8) **OTHER INFORMATION**:

A) **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso & Stewart was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Respectfully submitted,

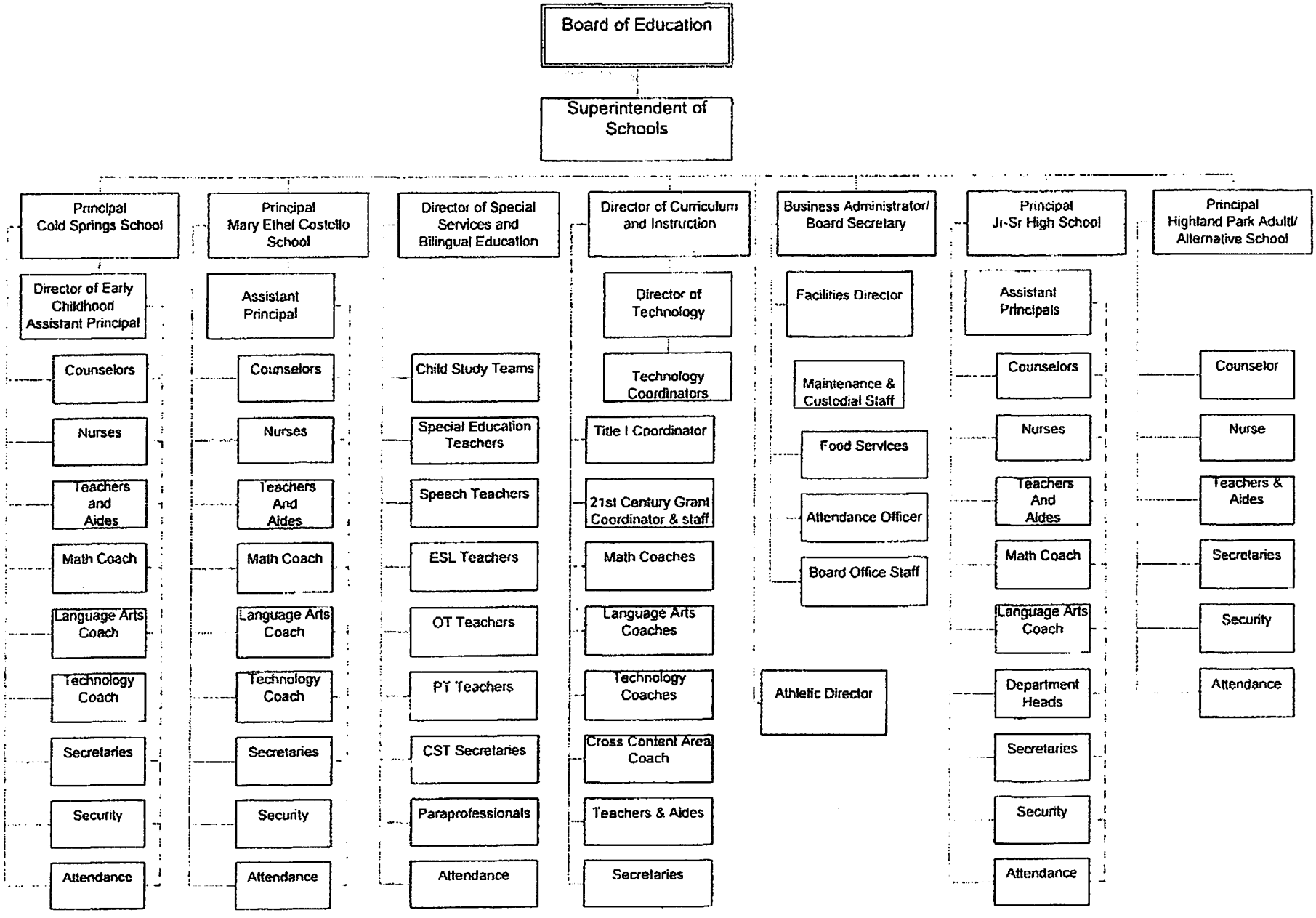
Paul A. Spaventa
Superintendent

Margaret M. McDonnell
Board Secretary/Business Administrator

MARCH 2011

Gloucester City Public Schools

Organizational Chart



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GLOUCESTER CITY SCHOOL DISTRICT

Roster of Officials
June 30, 2011

Members of the Board of Education:	**Term Expires**
Louisa W. Llewellyn, President	2012
Edward C. Hubbs, Vice President	2012
Adam Baker	2013
Linda Bittmann	2012
Jacqueline Borger	2014
Patrick R. Hagan	2013
Gina Levins	2014
W. Bruce Marks	2013
Kathleen P. McHugh	2014
Bruce Darrow	Brooklawn Representative

Other Officials:

Paul A. Spaventa, Superintendent
Margaret M. McDonnell, Business Administrator/Board Secretary
Frank Robertson, Treasurer
Parker McCay, P.A., Solicitor

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GLOUCESTER CITY SCHOOL DISTRICT
Consultants and Advisors

Audit Firm
Inverso & Stewart, LLC
12000 Lincoln Drive West, Suite 402
Marlton, NJ 08053

Attorney
Parker McCay, P.A.
7001 Lincoln Drive., WE5
Marlton, NJ 08053

Architects
Regan Young England Butera
456 High Street
Mount Holly, NJ 08060

Official Depository
PNC Bank
Monmouth Street
Gloucester City, NJ 08030

Beneficial Bank
3002 Route 130
Delran, NJ 08075

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Financial Section

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Registered Municipal Accountants

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New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Gloucester City School District
County of Camden
Gloucester City, New Jersey

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 Gloucester City School District, in the County of Camden, State of New Jersey (School District), as of and for the fiscal year ended June 30, 2011, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Gloucester City School District, in the County of Camden, State of New Jersey, as of June 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2011 on our consideration of the Gloucester City School District, in the County of Camden, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Gloucester City School District's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants

Robert A. Stewart
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
September 30, 2011

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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*

The Honorable President and Members
of the Board of Education
Gloucester City School District
County of Camden
Gloucester City, New Jersey

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 Gloucester City School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the School District's basic financial statements and have issued our report thereon dated September 30, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Gloucester City School District's internal control over financial reporting as a basis for designing our auditing procedures 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 School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Gloucester City School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

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We noted certain matters that we reported to management of the Gloucester City School District in a separate report entitled, *Auditors Management Report on Administrative Findings - Financial, Compliance and Performance* dated September 30, 2011.

This report is intended solely for the information and use of the management, the Board of Education, others within the School District, the Division of Finance, Department of Education, State of New Jersey, and other federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants

Robert A. Stewart
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
September 30, 2011

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Required Supplementary Information - Part I

Management's Discussion and Analysis

Gloucester City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

As management of the Board of Education of the City of Gloucester, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by $35,969,377 *(net assets)*.

- Governmental activities have an unrestricted net assets deficit of $3,454,668. The June state aid payments deferral and state statutes that prohibit the school district from maintaining more than 2% of its adopted budget as unassigned fund balance are primarily responsible for this deficit balance.

- The total net assets of the School District decreased by $299,810 from the prior fiscal year-end balance. The majority of this decrease is attributable to the net effect limiting budgetary expenditures to 84.96% and the depreciation expense for the year.

- Fund balance of the School District's governmental funds increased by $474,306 resulting in an ending fund balance of $6,629,384. The limitation on budgetary expenditures was the main reason for this increase.

- Business-type activities have unrestricted net assets of $355,263, which may be used to meet the School District's ongoing obligations of the enterprise-related activities.

- The School District's long-term obligations decreased by $535,000, which is the direct result of current year payments on existing debt obligations offset by the additional debt incurred on the refunding of the 2001 bond issue.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net assets and the statement of activities.

The *statement of net assets* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net assets. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net assets of the School District changed during the current fiscal year. Changes in net assets are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues *(governmental activities)* and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities include only the Food Service Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds, proprietary funds* and *fiduciary funds.*

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements and equipment. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2011. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2011.

The assets of the primary government activities exceeded liabilities by $35,485,063 with an unrestricted deficit balance of $3,454,668. As mentioned earlier, deficit unrestricted net assets are primarily due to the accounting treatment for accrued interest payable and the deferral of the June state aid payments. The net assets of the primary government do not include internal balances.

A net investment of $30,047,153 in land, improvements, buildings and equipment which provide the services to the School District's public school students, represents 83.53% of the School District's net assets. Net assets of $9,021,629 have been restricted as follows:

Capital Reserve	$ 1,730,658
Tuition Reserve	198,956
Maintenance Reserve	2,900,000
Emergency Reserve	783,000
Designated for the 2011/12 budget	2,900,000
Reserved for encumbrances	500,031
Debt Service Funds	8,984

Comparative Summary of Net Assets
As of June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		District-Wide	
	2011	2010	2011	2010	2011	2010
Assets:						
Current assets	$ 8,435,744	$ 7,312,020	$ 358,115	$ 286,220	$ 8,793,859	$ 7,598,240
Capital assets	41,603,102	42,987,308	129,051	142,205	41,732,153	43,129,513
Total assets	50,038,846	50,299,328	487,166	428,425	50,526,012	50,727,753
Liabilities:						
Current Liabilities	2,719,994	1,921,573	2,852		2,722,846	1,921,573
Noncurrent Liabilities	11,833,789	12,536,993			11,833,789	12,536,993
Total liabilities	14,553,783	14,458,566	2,852		14,556,635	14,458,566
Net assets	$ 35,485,063	$ 35,840,762	$ 484,314	$ 428,425	$ 35,969,377	$ 36,269,187

	Governmental Activities		Business-Type Activities		District-Wide	
	2011	2010	2011	2010	2011	2010
Net assets consist of:						
Invested in capital Assets	$ 29,918,102	$ 30,767,308	$ 129,051	$ 142,205	$ 30,047,153	$ 30,909,513
Restricted net assets	9,021,629	8,771,351			9,021,629	8,771,351
Unrestricted net assets	(3,454,668)	(3,697,897)	355,263	286,220	(3,099,405)	(3,411,677)
Net assets	$ 35,485,063	$ 35,840,762	$ 484,314	$ 428,425	$ 35,969,377	$ 36,269,187

Comparative Schedule of Changes in Net Assets
As of and for the Fiscal Year Ended June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		District-Wide	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues						
Charges for services			$ 359,973	$ 376,663	$ 359,973	$ 376,663
Operating grants and Contributions	$ 8,421,422	$ 9,164,350	733,612	783,766	9,155,034	9,948,116
General Revenues:						
Property Taxes	3,864,929	3,582,478			3,864,929	3,582,478
Unrestricted State Aid	29,069,758	30,145,563			29,069,758	30,145,563
Tuition	1,326,699	1,108,520			1,326,699	1,108,520
Other Revenues	111,588	220,206			111,588	220,206
Total Revenues	42,794,396	44,221,117	1,093,585	1,160,429	43,887,981	45,381,546
Expenses:						
Governmental Activities:						
Instruction	18,295,474	18,408,579			18,295,474	18,408,579
Tuition	1,703,269	1,082,411			1,703,269	1,082,411
Related Services	5,899,736	5,962,736			5,899,736	5,962,736
Administrative Services	2,449,164	2,524,379			2,449,164	2,524,379
Operations and Maintenance	3,490,285	4,794,795			3,490,285	4,794,795
Transportation	897,120	945,914			897,120	945,914
Unallocated benefits	8,916,116	8,553,156			8,916,116	8,553,156
Special Schools	200,716	207,878			200,716	207,878
Interest on long-term Debt	712,610	557,974			712,610	557,974
Unallocated Depreciation	411,192	311,183			411,192	311,183
Business-Type Activities:						
Food Service Operations			1,037,696	1,125,448	1,037,696	1,125,448
Total Expenses	42,975,682	43,349,005	1,037,696	1,125,448	44,013,378	44,474,453

	Governmental Activities		Business-Type Activities		District-Wide	
	2011	2010	2011	2010	2011	2010
Increase in net assets						
Before transfers	(181,286)	872,112	55,889	34,981	(125,397)	907,093
Donation of Assets				13,886		13,886
Loss on Disposal of Assets	(174,413)	(29,250)			(174,413)	(29,250)
Changes in net assets	(355,699)	842,862	55,889	48,867	(299,810)	891,729
Net assets, July 1,	35,840,762	34,997,900	428,425	379,558	36,269,187	35,377,458
Net assets, June 30,	$ 35,485,063	$ 35,840,762	$ 484,314	$ 428,425	$ 35,969,377	$ 36,269,187

Governmental Activities

Revenues from Governmental activities decreased $1,426,721 compared to last year, while expenditures decreased $373,323, the net effect of current year revenues over current year expenditures is a decrease in operations.

- Unrestricted federal and state aid decreased $1,075,805 or about 3.57%.

Business-type Activities

Business-type activities increased the School District's net assets by $55,889 compared to the previous year. Overall the cafeteria is in sound financial condition. Key elements of the increase in net assets for business-type activities are as follows:

Financial Analysis of the Governmental Funds

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

Governmental Funds - The focus of the School 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 School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of $6,629,384, an increase of $474,306 in comparison with the prior year. The increase in fund balance comes as a result of limiting budgetary expenditures to 84.96% of the total budget. Due to the large amount of fund balance appropriated it is anticipated that fund balance will decrease this year and probably into next year.

The unassigned deficit fund balance for the School District at the end of the fiscal year includes a combination of an unassigned deficit fund balance for the General Fund of $2,103,861, an unassigned deficit fund balance of $288,384 for the Special Revenue

Fund and an unassigned fund balance of $8,984 in the Debt Service Fund. The remainder of the fund balance is assigned to indicate that it is not available for new spending because it has already been committed: 1) to liquidate contracts and purchase orders of the prior period ($500,031), 2) appropriated as a revenue source in the subsequent year's budget ($2,900,000) or 3) reserved for capital expenditures ($1,730,658) or 4) reserved for tuition expenditures ($198,956) or 5) reserved for maintenance expenditures ($2,900,000) or 6) reserved for emergency expenditures ($783,000).

The general fund is the chief operating fund of the School District. As discussed earlier, the deficit balance in the unassigned fund balance is due, in part, to the accounting treatment of the June state aid payments as discussed in the notes to the basic financial statements.

The special revenue fund reflects a deficit fund balance of $288,384, as a result of the accounting treatment for the June state aid payments. See the notes to the basic financial statements for further clarification of this treatment. Revenue is generally recognized at the time that the outlays are identified; therefore no fund balances are normally generated in the special revenue fund.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was $444,972, which is the net effect of prior year encumbrances of $446,085 carried over to this budget year.

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was $656,490, while total fund balance (budgetary basis) was $9,645,644. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to $35,383,335. Unassigned fund balance (budgetary basis) represents 1.85% of expenditures while total fund balance (budgetary basis) represents 27.26% of that same amount.

Capital Asset and Debt Administration

The School District's capital assets for its governmental and business-type activities as of June 30, 2011, totaled $41,732,153 (net of accumulated depreciation). The capital assets of the School District includes land, improvements, buildings and equipment. The total decrease in the School District's investment in capital assets for the current fiscal year was $1,397,360, or a 3.24% decrease. The decrease is primarily due to depreciation expense and the write off of $174,413 worth of assets removed during the year.

Gloucester City School District
Capital Asset (net of accumulated depreciation)
June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		District-Wide	
	2011	2010	2011	2010	2011	2010
Land	$ 2,799,583	$ 2,799,583			$ 2,799,583	$ 2,799,583
Site Improvements	568,494	639,199			568,494	639,199
Buildings and Building Improvements	36,969,987	38,176,797			36,969,987	38,176,797
Equipment	1,216,176	1,307,961	$ 129,051	$ 142,205	1,345,227	1,450,166
Vehicles	48,862	63,768			48,862	63,768
Net assets	$ 41,603,102	$ 42,987,308	$ 129,051	$ 142,205	$ 41,732,153	$ 43,129,513

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2011, the School District had $11,685,000 in serial bonds payable and $1,033,789 in compensated absences.

During the current fiscal year the School District issued $5,835,000 in refunding bonds to equalize its overall debt service payments. The refunding program decreased total debt service costs by $447,400.

State statutes limit the amount of general obligation debt that the School District may issue. At the end of the current fiscal year, the legal debt limit was $26,647,227 with a remaining borrowing capacity of $14,962,227.

The School District continues to maintain its AA rating from Standard & Poor's Corporation for its general obligation bond issues.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2011-2012 fiscal year:

The State of New Jersey approved the 'School Funding Reform Act of 2008 in Spring of 2008. In order to get legislative approval for the new funding formula, all districts were to receive at least a 2% increase in aid relative to 2008 for the 2009 budget year, then flat funding for 2010 and 2011 budget years. Gloucester City School District did receive the minimum state aid increase of 2% for 2009 and the same level of funding for 2010 as was proposed. For Fiscal Year 2011, due to the severe global and domestic economic

crises, the State of New Jersey reduced state aid about $2 million which was far more than the district predicted but the district was able to compensate for the funding gap and minimize loss of staff by budgeting withdrawal from various reserves. For Fiscal Year 2012, the State of New Jersey increased aid to all school districts, with Gloucester City School District's increase about $400 thousand.

The general fund tax rate increased about 2.22% or about $13 per year for a homeowner with a house valued at the district average. This is a function of the amount of money awarded to the School District by the State, an increase in the General Fund tax levy by 2%, and the impact of a slightly lower tax base.

The 2011-2012 Budget includes appropriations for several major facilities projects included in the Long Range Facilities Plan which have not been appropriated in previous years due to insufficient funding from the State.

The amount of State Aid funding for the School District's 2013 school year budget is not yet available. However, in order to get legislative approval for the new funding formula, it was proposed that State Aid Funding to the Gloucester City School District would remain flat at the 2009 funding level through 2011 and then, beginning with the 2012 school year, the new funding formula would be applied. Since the State did not hold to its previous proposal for the 2011 budget year but instead reduced state aid by about $2 million, the Educational Law Center sued the State of New Jersey on behalf of the former Abbott Districts. A court decision in 2011 restored to the former Abbott Districts the amount reduced in 2011. District's with restored funding have the option of using the restored funds in the 2012 school year or deferring to the 2013 school year. Since the district has no information on what to anticipate for budget year 2013 and needs to be prepared in the event of another major decrease in state aid, the district has opted to defer $1.6 million of restored aid from the 2011 school year to the 2013 school year.

The Gloucester City School District has committed itself to strong financial controls. The School District continually monitors its budget and scrutinizes spending requests as well as implementing ever stronger internal controls. The District commits itself to constantly reviewing the ways in which it conducts business, and making improvements whenever possible, in order to operate efficiently and to meet future challenges.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Gloucester City School District Business Administrator, 520 Cumberland Street, Gloucester City, New Jersey, 08030, telephone number (856) 456-4250.

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Basic Financial Statements

District-Wide Financial Statements

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	$ 6,867,005	$ 337,912	$ 7,204,917
Receivables, net	1,483,871	1,671	1,485,542
Inventory		18,532	18,532
Deferred bond issuance costs - net	84,868		84,868
Capital assets, net (Note 5)	41,603,102	129,051	41,732,153
Total Assets	50,038,846	487,166	50,526,012
LIABILITIES:			
Accounts payable	1,626,983	2,852	1,629,835
Intergovernmental payable:			
State	93,107		93,107
Federal	1,402		1,402
Accrued Interest	113,502		113,502
Noncurrent liabilities (Note 7):			
Due within one year	885,000		885,000
Due beyond one year	11,833,789		11,833,789
Total Liabilities	14,553,783	2,852	14,556,635
NET ASSETS:			
Invested in capital assets, net of related debt	29,918,102	129,051	30,047,153
Restricted for:			
Debt Service	8,984		8,984
Other purposes	9,012,645		9,012,645
Unrestricted (Deficit)	(3,454,668)	355,263	(3,099,405)
Total Net Assets	$ 35,485,063	$ 484,314	$ 35,969,377

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-Type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental Activities:							
Instruction:							
Regular	$ 14,254,699		$ 3,444,485		$ (10,810,214)		$ (10,810,214)
Special Education	3,300,584				(3,300,584)		(3,300,584)
Other instruction	740,191				(740,191)		(740,191)
Support Services:							
Tuition	1,703,269				(1,703,269)		(1,703,269)
Student & instruction related services	5,899,736		2,001,924		(3,897,812)		(3,897,812)
General administrative services	502,142				(502,142)		(502,142)
School administrative services	1,414,975				(1,414,975)		(1,414,975)
Central services	532,047				(532,047)		(532,047)
Plant operations and maintenance	3,490,285				(3,490,285)		(3,490,285)
Pupil transportation	897,120				(897,120)		(897,120)
Unallocated benefits	8,916,116		2,302,714		(6,613,402)		(6,613,402)
Special schools	148,797				(148,797)		(148,797)
Transfer to Charter Schools	51,919				(51,919)		(51,919)
Interest on long-term debt	712,610		672,299		(40,311)		(40,311)
Unallocated depreciation and amortization	411,192				(411,192)		(411,192)
Total Governmental Activities	42,975,682		8,421,422		(34,554,260)		(34,554,260)
Business-Type Activities:							
Food service	1,037,696	$ 359,973	733,612			$ 55,889	55,889
Total Business-Type Activities	1,037,696	359,973	733,612			55,889	55,889
Total Primary Government	$44,013,378	$359,973	$9,155,034		(34,554,260)	55,889	(34,498,371)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					3,218,860		3,218,860
Taxes levied for debt service					646,069		646,069
Federal and State aid not restricted					29,069,758		29,069,758
Tuition received					1,326,699		1,326,699
Miscellaneous Income					111,588		111,588
Special items:							
Gain/(Loss) on Disposal of Capital Assets					(174,413)		(174,413)
Transfers							
Total general revenues, special items, extraordinary items and transfers					34,198,561		34,198,561
Change in Net Assets					(355,699)	55,889	(299,810)
Net Assets - July 1, 2010					35,840,762	428,425	36,269,187
Net Assets - June 30, 2011					$ 35,485,063	$ 484,314	$ 35,969,377

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

Fund Financial Statements

GLOUCESTER CITY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2010

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	$ 7,861,766	$ (1,003,745)		$ 8,984	$ 6,867,005
Receivables, net					
State aid	251,760	851			252,611
Federal aid	48,817	757,408			806,225
Other	334,996	90,039			425,035
Total Assets	$ 8,497,339	$ (155,447)	$ -	$ 8,984	8,350,876
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 1,612,046	$ 14,937			1,626,983
Intergovernmental payable:					
State		93,107			93,107
Federal		1,402			1,402
Total Liabilities	1,612,046	109,446			1,721,492
Fund Balances:					
Restricted for:					
Capital reserve	1,730,658				1,730,658
Tuition reserve	198,956				198,956
Maintenance reserve	2,900,000				2,900,000
Emergency reserve	783,000				783,000
Assigned to:					
Year-end encumbrances	476,540	23,491			500,031
Designated for subsequent year's budget	2,900,000				2,900,000
Unassigned	(2,103,861)	(288,384)		8,984	(2,383,261)
Total Fund Balances	6,885,293	(264,893)		8,984	6,629,384
Total Liabilities and Fund Balances	$ 8,497,339	$ (155,447)	$ -	$ 8,984	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $62,509,243 and the accumulated depreciation is $20,906,141.		41,603,102
Bond issuance costs are amortized over the life of the bonds on the statement of net assets.		84,868
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:		
General Obligation Bonds	$ (11,685,000)	
Compensated Absences Payable	(1,033,789)	
Accrued Interest Payable	(113,502)	
		(12,832,291)
Net assets of governmental activities		$ 35,485,063

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	$ 3,218,860			$ 646,069	$ 3,864,929
Tuition	1,326,699				1,326,699
Miscellaneous	102,604			8,984	111,588
Total local sources	4,648,163			655,053	5,303,216
State sources	31,260,988	$ 3,269,521		672,299	35,202,808
Federal sources	111,484	2,176,888			2,288,372
Total Revenues	36,020,635	5,446,409		1,327,352	42,794,396
EXPENDITURES:					
Current expense:					
Regular instruction	9,414,125	3,872,591			13,286,716
Special education instruction	3,300,584				3,300,584
Other instruction	740,191				740,191
Support services and undistributed costs:					
Tuition	1,703,269				1,703,269
Student & instruction related services	3,897,812	2,001,924			5,899,736
General administrative services	428,486				428,486
School administrative services	1,414,975				1,414,975
Central services	458,391				458,391
Plant operations and maintenance	3,375,321				3,375,321
Pupil transportation	897,120				897,120
Unallocated employee benefits	8,916,116				8,916,116
Capital outlay	380,101				380,101
Special schools	148,797				148,797
Transfer to charter schools	51,919				51,919
Debt service:					
Principal				780,000	780,000
Interest and other charges				538,368	538,368
Total Expenditures	35,127,207	5,874,515		1,318,368	42,320,090
Excess (deficiency) of revenues over (under) expenditures	893,428	(428,106)		8,984	474,306
Other Financing Sources (Uses):					
Transfers in		256,128			256,128
Transfers out	(256,128)				(256,128)
Total Other Financing Sources (Uses)	(256,128)	256,128			
Net Change in Fund Balance	637,300	(171,978)		8,984	474,306
Fund balance - July 1, 2010 (Deficit)	6,247,993	(92,915)			6,155,078
Fund balance - June 30, 2011 (Deficit)	$ 6,885,293	$ (264,893)	$ -	$ 8,984	$ 6,629,384

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

GLOUCESTER CITY SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2011

Total net change in fund balances - governmental funds (from B-2)		$ 474,306
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Depreciation expense	$ (1,474,930)	
Fixed assets additions	265,137	(1,209,793)
The net effect of various miscellaneous transactions involving capital assets (I.e. disposals and donations) is to decrease net assets		(174,413)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		535,000
Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.		(114,761)
Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.		70,758
In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+)		63,204
Change in Net Assets of Governmental Activities		$ (355,699)

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-Type Activities Enterprise Funds Food Service
ASSETS:	
Current Assets:	
Cash and cash equivalents	$ 337,912
Intergovernmental receivables:	
Other	1,671
Inventories	18,532
Total Current Assets	358,115
Noncurrent Assets:	
Machinery and equipment (net of accumulated depreciation)	129,051
Total Noncurrent Assets	129,051
Total Assets	487,166
LIABILITIES:	
Current Liabilities:	
Accounts payable	2,852
Total Current Liabilities	2,852
NET ASSETS:	
Invested in capital assets	129,051
Unrestricted	355,263
Total Net Assets	$ 484,314

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

	Business-Type Activities Enterprise Funds Food Service
Operating Revenues:	
Charges for services:	
Daily sales - reimbursable programs	$ 162,579
Daily sales - non-reimbursable programs	197,394
Total Operating Revenues	359,973
Operating Expenses:	
Cost of sales	470,159
Salaries	433,194
Management fee	47,835
Maintenance and repairs	9,293
Supplies	41,288
Other costs	22,773
Depreciation	13,154
Total Operating Expenses	1,037,696
Operating Income (Loss)	(677,723)
Non-Operating Revenues (Expenses):	
State sources:	
State school lunch program	12,067
Federal sources:	
National school lunch program	517,682
National school breakfast program	142,175
After school snack program	23,340
Food distribution program	38,348
Total Non-Operating Revenues	733,612
Income (Loss) before Contributions and Transfers	55,889
Contribution of capital assets	
Change in Net Assets	55,889
Net Assets - July 1, 2010	428,425
Net Assets - June 30, 2011	$ 484,314

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

	Business-Type Activities Enterprise Funds Food Service
Cash Flows from Operating Activities:	
Cash receipts from customers	$ 359,973
Cash payments to employees for services	(433,194)
Cash payments to suppliers for goods and services	(580,488)
Net cash used by operating activities	(653,709)
Cash Flows from Noncapital Financing Activities:	
Cash received from state sources	14,422
Cash received from federal sources	770,325
Cash received from operating transfer in	
Net cash provided by noncapital financing activities	784,747
Cash Flows Used by Capital and Related Financing Activites:	
Purchase of equipment	
Cash Flow Provided by Investing Activities:	
Interest on cash equivalents	
Net increase (decrease) in cash and cash equivalents	131,038
Cash and cash equivalents - July 1, 2010	206,874
Cash and cash equivalents - June 30, 2011	$ 337,912
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	$ (677,723)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	13,154
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	6,403
(Increase) decrease in inventory	1,605
Increase (decrease) in accounts payable	2,852
Net cash provided by (used for) operating activities	$ (653,709)

Noncash Noncapital Financing Activities:
During the year the District received $38,348 of food commodities from the U.S. Department of Agriculture.

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Trust Funds		
	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Agency Funds
ASSETS:			
Cash and cash equivalents	$ 1,072,640	$ 73,851	$ 315,130
Total Assets	1,072,640	73,851	$ 315,130
LIABILITIES:			
Payroll deductions and withholdings			$ 267,820
Due to student groups			47,310
Total Liabilities			$ 315,130
NET ASSETS:			
Held in trust for unemployment claims and other purposes	$ 1,072,640		
Reserved for scholarships		$ 73,851	

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2011

	Unemployment Compensation Trust	Private Purpose Scholarship Fund
ADDITIONS:		
Contributions:		
Board contributions	$ 300,000	
Employee	35,907	
Donations		635
Total Contributions	335,907	635
Investment earnings:		
Interest	1,640	255
Total Additions	337,547	890
DEDUCTIONS:		
Unemployment claims	66,093	
Scholarships awarded		10,000
Total Deductions	66,093	10,000
Change in Net Assets	271,454	(9,110)
Net Assets - July 1, 2010	801,186	82,961
Net Assets - June 30, 2011	$ 1,072,640	$ 73,851

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The City of Gloucester School District ("School District") is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. In addition, the School District provides educational services for students in grades 9 through 12 received from the Brooklawn School District, on a tuition basis. The Gloucester City School District has an approximate enrollment at June 30, 2011 of 1,754 students.

Criteria for determining if other entities are potential component units which should be reported within the School District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 and 2600. The application of these criteria provides for identification of any entities for which the School District is financially accountable and other organizations that the nature and significance of their relationship with the School District are such that exclusion would cause the School District's basic financial statements to be misleading or incomplete.

Based on the application of these criteria, there were no organizations that are considered to be component units.

Basis of Presentation

The basic financial statements of the Gloucester City School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989 to its governmental and business-type activities and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

The School District's basic financial statements consists of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Statements - The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenues from the state and federal governments, other than major capital projects, debt service, or the enterprise funds, and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of, general-long-term debt principal, interest and related costs.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

Enterprise Funds – The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District's enterprise funds are:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net assets) is segregated into investment in capital assets, net of related debt, and unrestricted net assets, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds (Continued) - Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds; an unemployment compensation trust fund, a private purpose scholarship fund, a student activity fund, and a payroll fund.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e. revenues) and decreases (i.e. expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within thirty days of fiscal year end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues - Exchange and Non-exchange Transactions (Continued) - Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end; tuition, grants, fees, and rentals.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year, if any, is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal 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 the one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the budgetary basis. The budgetary basis differs from GAAP in that the 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 budget, as detailed on Exhibit C-1, Exhibit C-2 and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances (Continued) - Open encumbrances in the special revenue fund, for which the School District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2011 and 2010 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed, and is not recorded since any amounts are considered immaterial to the basic financial statements.

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required. This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Deferred Expenditures - Deferred expenditures are disbursements that are made in one period, but are more accurately reflected as an expenditure/expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring cost of operations.

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as interfunds receivable and/or interfunds payable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and the proprietary fund statement of net assets. .

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of $2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business -Type Activities Estimated Lives
Land Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2011, the amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

Compensated Absences - Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Equity – In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted fund balance – This classification reflects constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balances – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the School District – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance – This classification reflects the amounts constrained by the School District's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Education and the Chief School Administrator have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted fund balances are available for use, it is the School District's policy to use externally restricted fund balances first, then unrestricted fund balance – committed, assigned, and unassigned – in order as needed.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program and tuition for the before and after school program. Non-operating revenues principally consist of interest income earned on various interest bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses

Interfund Activity - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits may not be returned to it. Although the School District does not have a formal policy regarding custodial credit risk, state statutes requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit. Banks that qualify as public depositories under New Jersey statutes hold cash deposits, with bank balances totaling $10,338,120 at June 30, 2011. All deposits are insured by federal depository insurance and/or collateralized with securities held in New Jersey's multiple financial institution collateral pool as required by N.J.S.A. 17.9-41 et seq..

3. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2010 to June 30, 2011 fiscal year is as follows:

Balance – July 1, 2010		$ 1,941,283
Increased by:		
Interest earned	$ 2,000	
Board resolution	787,375	
		789,375
		2,730,658
Decreased by:		
Budget withdrawal		1,000,000
Balance – June 30, 2011		$ 1,730,658

The June 30, 2010 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were for use in a DOE approved facilities projects, consistent with the School District's LRFP.

4. ACCOUNTS RECEIVABLES

Accounts receivables at June 30, 2011 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2011 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Funds	Total
Intergovernmental				
State	$ 251,760	$ 851		$ 252,611
Federal	48,817	757,408		806,225
Other	334,996	90,039	$ 1,671	426,706
Total Accounts Receivable	$ 635,573	$ 848,298	$ 1,671	$ 1,485,542

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	$ 2,799,583			$ 2,799,583
Construction in progress				
Total capital assets, not being Depreciated	2,799,583			2,799,583
Capital Assets, being depreciated:				
Site Improvements	1,715,706			1,715,706
Building and Building Improvements	51,221,982			51,221,982
Equipment	6,704,492	$ 265,137	$ (337,873)	6,631,756
Vehicles	203,759		(63,543)	140,216
Totals at historical cost	59,845,939	265,137	(401,416)	59,709,660
Less Accumulated Depreciation:				
Site Improvements	(1,076,507)	(70,705)		(1,147,212)
Building and Building Improvements	(13,045,185)	(1,206,810)		(14,251,995)
Equipment	(5,396,531)	(188,863)	169,814	(5,415,580)
Vehicles	(139,991)	(8,552)	57,189	(91,354)
Totals accumulated depreciation	(19,658,214)	(1,474,930)	227,003	(20,906,141)
Total Capital Assets, being depreciated, net	40,187,725	(1,209,793)	(174,413)	38,803,519
Governmental Activities Capital Assets, Net	$ 42,987,308	$ (1,209,793)	$ (174,413)	$ 41,603,102
Business-Type Activities:				
Capital Assets, being depreciated:				
Equipment	$ 571,261			$ 571,261
Less accumulated depreciation	(429,056)	$ (13,154)		(442,210)
Business-Type Activities Capital Assets, Net	$ 142,205	$ (13,154)		$ 129,051

5. CAPITAL ASSETS (Continued)

Depreciation expense in the amount of $1,474,930 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	$ 1,031,187
Administration	73,656
Central Services	73,656
Unallocated	296,431
Total depreciation expense	$ 1,474,930

6. INVENTORY

Inventory in the food service fund at June 30, 2011 consisted of the following:

Food	$ 14,532
Supplies	4,000
	$ 18,532

7. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2011, the following changes occurred in long-term obligations:

	Principal Outstanding July 1, 2010	Additions	Reductions	Principal Outstanding June 30, 2011	Due Within One Year
Governmental Activities:					
Compensated Absences	$ 1,096,993		$ 63,204	$ 1,033,789	
General Obligation Bonds	12,220,000	$ 5,835,000	6,370,000	11,685,000	$ 885,000
	$ 13,316,993	$ 5,835,000	$ 6,433,204	$ 12,718,789	$ 885,000

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are as follows:

2001 Refunding Bonds dated September 15, 2001 in the amount of $400,000 due in annual installments through August 15, 2011, bearing interest rate of 4.95%.

2005 Refunding Bonds dated June 15, 2005 in the amount of $5,450,000 due in annual installments through August 15, 2023, bearing interest rate of 4.95%.

2011 Refunding Bonds dated February 15, 2011 in the amount of $5,835,000 due in annual installments through August 15, 2024, bearing interest rate of 2.00% to 4.125%.

7. LONG-TERM OBLIGATIONS (Continued)

Principal and interest due on bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	$ 885,000	$ 369,482	$ 1,254,482
2013	850,000	384,525	1,234,525
2014	860,000	356,563	1,216,563
2015	850,000	328,600	1,178,600
2016	860,000	300,636	1,160,636
2017-2021	4,330,000	1,040,469	5,370,469
2022-2025	3,050,000	222,291	3,272,291
	$ 11,685,000	$ 3,002,566	$ 14,687,566

Long-Term Debt Defeasance - On May 18, 2011 the School District issued refunding bonds in the amount $5,835,000 to enable the School District to equalize its overall debt service. The bonds, which were approved by the New Jersey Local Finance Board, were issued to refund $5,590,000 of its 2001 refunding bond issue and to pay the costs of issuing the bonds. The bonds bear an interest rate of 2.00% to 4.4.125% with principal maturities from August 15, 2011 through August 15, 2024.

As a result of the above transaction, the 2001 debt is considered to be defeased and the liability for this debt has been removed from the records. The refunding program decreased total debt service by $447,400 and resulted in a present value economic savings of $356,305 or 6.374%. The economic savings is the difference between the present values of the debt service payments on the old and new debt.

As of June 30, 2011 the School District had no authorizations to issue additional bonded debt.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

8. OPERATING LEASES

The School District has various non-cancelable operating lease agreements for copiers, swimming pool and postage meters. Total costs for such leases were approximately $100,164 for the fiscal year ended June 30, 2011. The future minimum lease payments for these leases are as follows:

Fiscal Year Ending June 30,	Amount
2012	$ 90,300
2013	90,300
2014	52,675
Total future minimum lease payments	$ 233,275

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). The TPAF and PERS are defined benefit pension plans while the DCRP is a defined contribution pension plan. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits. P.O. Box 295, Trenton, New Jersey, 08625-0295.

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund is a cost-sharing contributory defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

The School District is billed annually for its normal contribution plus any accrued liability.

The School District's contributions to the PERS, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contribution	Accrued Liability	Non Contributory Life	Total Liability Paid by District
2011	$ 175,944	$ 280,355	$ 34,656	$ 490,955
2010	142,167	182,668	45,047	369,882
2009	140,605	162,627	37,692	340,924

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

9. PENSION PLANS (Continued)

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists. In addition, to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

There were no School District employees enrolled in the DCRP for the fiscal years ended June 30, 2011, 2010 and 2009.

Related Party Investments – The Division of Pensions and Benefits does not invest in securities issued by the School District.

10. POST-RETIREMENT BENEFITS

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2010 there were 87,288 retirees receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the state in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State's contribution rate is based on the annual required contribution (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 made post-retirement (PRM) contributions of $592.7 million for TPAF and $224.3 million for PERS in Fiscal Year 2009.

The state is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The state paid $126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2010.

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2011, the School District has recognized as revenues and expenditures on-behalf payments made by the State of New Jersey for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement were $50,069 and $1,063,471, respectively. In addition, the State of New Jersey reimbursed the School District $1,189,174 during the fiscal year ended June 30, 2011 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has also been included as a revenue and expenditure in the basic financial statements, and the combining and individual fund statements and schedules in accordance with GASB 24.

12. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

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

Joint Insurance Pool - The School District is a member of the School Alliance Insurance Fund. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report.

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

The Fund publishes its own financial report which can be obtained by writing to: School Alliance Insurance Fund, c/o PEGAS, 51 Everett Drive, Lawrenceville, New Jersey, 08648.

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State.

The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

Fiscal Year Ended June 30,	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2010-2011	$ 301,640	$ 35,907	$ 66,093	$ 1,072,640
2009-2010	250,653	37,659	56,715	801,186
2008-2009	50,000	37,367	55,532	569,589

13. COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2011, the liability for compensated absences in the governmental activities fund type was $1,033,789

14. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit them to defer a portion of their current salary to all future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and therefore are not reflected on the financial statements of the School District.

15. CONTINGENCIES

The School District 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 School District may be required to reimburse the grantor government.

At June 30, 2011, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

16. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of $2,103,861 in the General Fund and $288,384 in the Special Revenue Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, 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. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District can not recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of $2,392,245 is equal to or less than the June state aid payment.

17. DEFICIT UNRESTRICTED NET ASSETS

The governmental activities has a deficit in unrestricted net assets of $3,454,668 as of June 30, 2011. This deficit is attributable to the allocation of compensated absences balances payable and accrued interest payable to unrestricted net assets.

18. FUND BALANCES

The School District has classified its fund balances with the following hierarchy:

Nonspendable – The School District does not have any nonspendable funds.

Spendable – The School District has classified the spendable fund balances as *Restricted, Assigned and Unassigned* and considered each to have been spent when expenditures are incurred. The School District currently has no funds classified as *Committed.*

Restricted Items:

Capital Reserve – As of June 30, 2011, the balance in the capital reserve account is $1,730,658. Of this amount $600,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2012 and $1,130,658 is restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan.

Tuition Reserve – In accordance with N.J.A.C. 6A:23-3.1(f)(8), the School District has restricted fund balance at June 30, 2011 in the amount of $198,956 for tuition reserve. Of this amount $88,656 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2012 and $110,300 is available for future budgets.

Maintenance Reserve Account – As of June 30, 2011, the balance in the maintenance reserve account is $2,900,000. Of this amount $600,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2012 and $2,300,000 is restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Emergency Reserve – As of June 30, 2011, the balance in the emergency reserve is $783,000. Of this amount $389,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2012 and $394,000 is restricted for the purpose of financing unanticipated general fund expenditures required for a through and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

Assigned:

Year-end Encumbrances – At June 30, 2011 a total of $500,031 is committed to meet contractual obligations. The School District has purchase orders outstanding with vendors in this amount and expects the vendors to deliver the goods and services in the upcoming year. The amounts are $476,540 in the General Fund and $23,491 in the Special Revenue Fund.

Designated for Subsequent Year's Expenditures – The School District has assigned a total of $2,900,000 for appropriation of existing unassigned fund balance at year-end to eliminate a deficit in the upcoming 2011-2012 budget. The entire amount is in the General Fund.

Unassigned items - Represents the remainder of the School District's equity in governmental fund type balances. The balance at June 30, 2011 is $665,474. The amounts are $656,490 in the General Fund and $8,984 in the Debt Service Fund.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local Tax Levy	$ 3,218,860		$ 3,218,860	$ 3,218,860	
Tuition from other LEA's	1,150,069		1,150,069	1,326,699	$ 176,630
Transportation fees	4,000		4,000		(4,000)
Unrestricted misc. revenues	47,000		47,000	102,604	55,604
Total local sources	4,419,929		4,419,929	4,648,163	228,234
State sources:					
Categorical special education aid	948,494		948,494	948,494	
Equalization aid	19,458,872		19,458,872	19,458,872	
Categorical security aid	577,943		577,943	577,943	
Adjustment aid	7,355,557		7,355,557	7,355,557	
Categorical transportation aid	131,320		131,320	131,320	
Extraordinary aid		$ 251,558	251,558	251,558	
On-behalf TPAF pension contributions (non-budgeted)				1,113,540	1,113,540
Reimbursed TPAF social security contri. (non-budgeted)				1,189,174	1,189,174
Total state sources	28,472,186	251,558	28,723,744	31,026,458	2,302,714
Federal sources:					
Medicaid reimbursement	64,108		64,108	111,484	47,376
Total federal sources	64,108		64,108	111,484	47,376
TOTAL REVENUES	32,956,223	251,558	33,207,781	35,786,105	2,578,324
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool/Kindergarten	462,424	3,000	465,424	409,234	56,190
Grades 1-5	4,063,041	(39,764)	4,023,277	3,501,418	521,859
Grades 6-8	1,906,986	(56,100)	1,850,886	1,586,341	264,545
Grades 9-12	2,989,231	52,065	3,041,296	3,019,035	22,261
Regular Programs - Home Instruction:					
Salaries of teachers	55,000	(8,800)	46,200	46,112	88
Other purchased services	55,000	23,800	78,800	78,782	18
Regular Programs - Undistributed Instruction:					
Other salaries	266,020	26,000	292,020	286,243	5,777
Purchased prof. - educ. services	9,450	750	10,200	5,748	4,452
Purchased technical services	3,000		3,000	175	2,825
Other purchased services	129,725	1,194	130,919	69,508	61,411
General supplies	489,694	(32,401)	457,293	371,383	85,910
Textbooks	18,900	4,900	23,800	22,254	1,546
Other objects	21,532	2,300	23,832	17,892	5,940
Total regular programs - instruction	10,470,003	(23,056)	10,446,947	9,414,125	1,032,822

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education					
Learning and/or Language Disabilities:					
Salaries of teachers	$ 415,389	$ (22,833)	$ 392,556	$ 369,610	$ 22,946
Other salaries for instruction	267,984	(36,189)	231,795	186,804	44,991
General supplies	3,000		3,000	1,589	1,411
Total learning and/or language disabilities	686,373	(59,022)	627,351	558,003	69,348
Behavorial Disabilities:					
Salaries of teachers	227,274	24,200	251,474	240,543	10,931
Other salaries for instruction	109,174	54,594	163,768	155,453	8,315
General supplies	2,700	3,470	6,170	3,247	2,923
Total behavorial disabilities	339,148	82,264	421,412	399,243	22,169
Multiple Disabilities:					
Salaries of teachers	238,265	18,323	256,588	251,083	5,505
Other salaries for instruction	133,867	2,637	136,504	133,093	3,411
General supplies	5,000	1,775	6,775	173	6,602
Total multiple disabilities	377,132	22,735	399,867	384,349	15,518
Resource Room/Resource Center:					
Salaries of teachers	1,725,732	(50,926)	1,674,806	1,507,258	167,548
Other salaries for instruction	424,815	13,222	438,037	275,205	162,832
Other purchased services	2,000		2,000		2,000
General supplies	2,000		2,000	1,209	791
Total resource room/resource center	2,154,547	(37,704)	2,116,843	1,783,672	333,171
Autism:					
Salaries of teachers	54,340	2,700	57,040	55,813	1,227
Other salaries for instruction	130,841	(7,563)	123,278	108,211	15,067
Purchased professional educ. services		6,000	6,000	3,226	$2,774
General supplies	500		500		$500
Total autism	185,681	1,137	186,818	167,250	19,568
Preschool Disabilities - Full Time:					
Salaries of teachers		8,700	8,700	7,397	1,303
Other salaries for instruction		1,218	1,218	670	548
Total Preschool Disabilities - Full Time:		9,918	9,918	8,067	1,851
Total Special Education - Instruction	$ 3,742,881	$ 19,328	$ 3,762,209	$ 3,300,584	$ 461,625

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction:					
Salaries of teachers	$ 108,571	$ 1,700	$ 110,271	$ 107,471	$ 2,800
General supplies	750		750		750
Total bilingual education - instruction	109,321	1,700	111,021	107,471	3,550
School - Sponsored Cocurricular Activities:					
Salaries	80,706	7,200	87,906	67,301	20,605
Purchased services	6,000		6,000	4,932	1,068
General supplies	16,708	9,308	26,016	10,044	15,972
Other objects	14,300		14,300	8,750	5,550
Total school sponsored cocurricular activities	117,714	16,508	134,222	91,027	43,195
School - Sponsored Athletics:					
Salaries	366,895	13,000	379,895	377,545	2,350
Other purchased services	64,500		64,500	48,026	16,474
General supplies	111,913	1,485	113,398	100,410	12,988
Other objects	19,100		19,100	15,712	3,388
Total school sponsored athletics	562,408	14,485	576,893	541,693	35,200
Total Instruction	15,002,327	28,965	15,031,292	13,454,900	1,576,392
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - regular	50,000	72,000	122,000	93,247	28,753
Tuition to other LEAs within the state - special	119,000	(72,000)	47,000	36,376	10,624
Tuition to county voc. school - regular	73,700		73,700	54,150	19,550
Tuition to county voc. school - special	18,375		18,375		18,375
Tuition to CSSD & reg. day schools	654,000	42,000	696,000	664,458	31,542
Tuition to priv. sch. for the disabled w/i state	854,521	186,126	1,040,647	711,035	329,612
Tuition - state facilities	144,003		144,003	144,003	
Total undistributed expenditures - instruction	1,913,599	228,126	2,141,725	1,703,269	438,456
Attendance and Social Work:					
Salaries	41,194	1,500	42,694	42,554	140
Salaries of drop-out prevention officer	53,503	1,419	54,922	54,922	
Purchased professional and technical services	60,000	2,885	62,885	62,885	
General Supplies	1,275		1,275	195	1,080
Other objects	275		275		275
Total attendance and social work	156,247	5,804	162,051	160,556	1,495
Health Services					
Salaries	319,271	7,081	326,352	275,466	50,886
Purchased professional and technical services		10,000	10,000	6,391	3,609
Other purchased services	300		300	233	67
General supplies	11,800	99	11,899	6,933	4,966
Other objects	1,500		1,500		1,500
Total health services	332,871	17,180	350,051	289,023	61,028

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Speech, OT, PT & Related Services:					
Purchased professional - educ services		$ 3,400	$ 3,400	$ 3,400	
Total speech, ot, pt, & related services		3,400	3,400	3,400	
Guidance:					
Salaries of other professional staff	$ 768,070	(9,828)	758,242	646,251	$ 111,991
Salaries of secreterial and clerical assistants	32,563		32,563	32,562	1
Purchased professional - educ services	5,300	(332)	4,968	1,155	3,813
Purchased professional and tech. services	9,000	(3,628)	5,372	5,372	
Other purchased services	6,000	9,332	15,332	4,206	11,126
Supplies and materials	9,000		9,000	3,341	5,659
Other objects	400		400	45	355
Total Guidance:	830,333	(4,456)	825,877	692,932	132,945
Child Study Teams:					
Salaries of other professional staff	912,796	6,000	918,796	897,089	21,707
Salaries of secretarial and clerical assistants	143,469	(13,100)	130,369	129,586	783
Purchased professional - educ services	8,000		8,000	3,664	4,336
Purchased professional and tech. services	85,700		85,700	85,176	524
Misc. pur. serv. (400-500 series o/than resid. costs)	17,800		17,800	13,368	4,432
Supplies and materials	21,326		21,326	3,564	17,762
Other objects	1,000		1,000	89	911
Total Child Study Team	1,190,091	(7,100)	1,182,991	1,132,536	50,455
Improvement of Instructional Services:					
Salaries of supervisor of instruction	18,250	20,000	38,250	38,215	35
Salaries of secretarial and clerical assistants	85,269	200	85,469	85,362	107
Other salaries	218,281		218,281	120,175	98,106
Salaries of facilitators, math & literacy coaches	780,952	(19,760)	761,192	718,034	43,158
Purchased professional - educ services	72,000	(240)	71,760	32,950	38,810
Other purchased services	6,200		6,200	4,290	1,910
Supplies and materials	52,600		52,600	9,800	42,800
Other objects	3,700		3,700	3,657	43
Total improvement of instructional services	1,237,252	200	1,237,452	1,012,483	224,969
Educational Media Services/School Library:					
Salaries	226,545		226,545	222,905	3,640
Salaries of technology coordinators	195,274	(6,000)	189,274	132,608	56,666
Purchased professional and tech. services	122,500	(6,565)	115,935	101,228	14,707
Other purchased services	67,050	(13,735)	53,315	46,937	6,378
Supplies and materials	92,480	(15,158)	77,322	70,924	6,398
Other objects	4,910		4,910	2,009	2,901
Total educational media services/school library	708,759	(41,458)	667,301	576,611	90,690

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Instructional Staff Training Services:					
Purchased professional - educ services	$ 47,000	$ 11,288	$ 58,288	$ 30,271	$ 28,017
Other purchased services	1,000		1,000		1,000
Supplies and materials	1,600		1,600		1,600
Total instructional staff training services	49,600	11,288	60,888	30,271	30,617
General Administration:					
Salaries	231,529	6,000	237,529	236,145	1,384
Legal services	75,000	500	75,500	55,712	19,788
Audit fees	30,000		30,000	30,000	
Architectural/engineering services	45,000		45,000	1,187	43,813
Other purchased professional services	28,000	(9,567)	18,433	16,612	1,821
Purchased technical services	10,800	9,567	20,367	20,366	1
Communications / telephone	148,900		148,900	23,127	125,773
BOE Other purchased services	11,200		11,200	569	10,631
Other purchased services	52,000		52,000	12,274	39,726
Supplies and materials	21,000	(99)	20,901	3,383	17,518
BOE in house training/meeting supplies	4,000		4,000		4,000
Misc. expenditures	21,000		21,000	11,341	9,659
BOE membership dues and fees	25,000		25,000	17,770	7,230
Total general administration	703,429	6,401	709,830	428,486	281,344
School Administration:					
Salaries of pricipals/assist. principals	903,862	6,728	910,590	903,861	6,729
Salaries of secretarial and clerical assistants	462,847	10,566	473,413	444,366	29,047
Other purchased services	70,400	(21,026)	49,374	24,517	24,857
Supplies and materials	57,595	(4,384)	53,211	22,391	30,820
Other objects	20,382	4,100	24,482	19,840	4,642
Total school administration	1,515,086	(4,016)	1,511,070	1,414,975	96,095
Central Services:					
Salaries	358,836	300	359,136	324,175	34,961
Purchased professional services	12,000	4,000	16,000	7,836	8,164
Purchased technical services	64,000	(4,000)	60,000	12,223	47,777
Misc. purchased services	11,600		11,600	6,072	5,528
Supplies and materials	28,000	(453)	27,547	19,302	8,245
Interest for lease purchase agreements	4,500		4,500		4,500
Miscellaneous expenditures	4,000	453	4,453	4,324	129
Total central services	482,936	300	483,236	373,932	109,304
Admin. Info. Technology					
Purchased technical services	42,446		42,446	41,789	657
Other purchased services (400 - 500 series)	37,500		37,500	34,404	3,096
Supplies and materials	4,070	6,400	10,470	8,266	2,204
Total admin. info. technology	84,016	6,400	90,416	84,459	5,957

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Required Maintenance School Facilities:					
Cleaning, repair, and maintenance services	$ 430,550	$ (17,122)	$ 413,428	$ 271,861	$ 141,567
General supplies	161,150	(27,000)	134,150	56,115	78,035
Total required maintenance school facilities	591,700	(44,122)	547,578	327,976	219,602
Custodial Services:					
Salaries	1,336,003	(4,560)	1,331,443	1,179,171	152,272
Salaries of non-instructional aides	154,109	3,218	157,327	123,101	34,226
Purchased professional - tech. services	31,740	500	32,240	16,127	16,113
Cleaning, repair, and maintenance services	176,300	4,869	181,169	159,558	21,611
Other purchased property services	106,000		106,000	96,344	9,656
Insurance	180,000		180,000	154,603	25,397
Misc. purchased services	6,600		6,600	3,305	3,295
General supplies	170,500	29,160	199,660	160,075	39,585
Energy (Electricity)	1,100,000		1,100,000	699,118	400,882
Energy (natural gas)	394,500		394,500	188,374	206,126
Energy (oil)	12,000	3,500	15,500	13,905	1,595
Other objects	1,675		1,675	1,029	646
Total custodial services	3,669,427	36,687	3,706,114	2,794,710	911,404
Care and Upkeep of Grounds:					
Salaries	119,298		119,298	103,342	15,956
Security:					
Salaries	176,593	(6,500)	170,093	149,293	20,800
Total Operation & Maintenance of Plant Services	4,557,018	(13,935)	4,543,083	3,375,321	1,167,762
Student Transportation Services:					
Contr. serv. (between home & sch.) - Vendors	473,100	3,532	476,632	222,717	253,915
Contr. serv. (other than between home & sch.) - Vendors	87,975	(1,800)	86,175	65,133	21,042
Contr. serv. (between home & sch.) -jointure	26,000	9,145	35,145	35,145	
Contr. serv. (special ed. students.) - ESCs & CTSAs	700,000	(2,145)	697,855	569,705	128,150
Contr. serv. (aid in lieu of pym'ts) - Charter school	4,000	420	4,420	4,420	
Total student transportation services	1,291,075	9,152	1,300,227	897,120	403,107
Regular Programs - Instruction Employee Benefits:					
Health benefits	120,000	(120,000)			
Regular Programs - Instructional Staff Training - Employee Benefits:					
Tuition reimbursements	120,000	(120,000)			
Total regular programs - instruction - employee benefits	240,000	(240,000)			
Unallocated Benefits - Employee Benefits:					
Group Insurance	31,200		31,200		31,200
Social security contributions	525,000	1,870	526,870	485,364	41,506
Other retirement contributions - regular	400,000	90,955	490,955	490,955	
Unemployment Compensation	50,000	250,000	300,000	300,000	
Workmen's compensation	250,000	50,000	300,000	290,452	9,548
Health benefits	5,600,000	(285,955)	5,314,045	4,971,666	342,379
Tuition reimbursements		120,000	120,000	70,777	49,223
Other employee benefits	12,000		12,000	4,188	7,812
Total unallocated benefits - employee benefits	6,868,200	226,870	7,095,070	6,613,402	481,668

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
On-behalf TPAF pension contributions (non-budgeted)				$ 1,113,540	$ (1,113,540)
Reimbursed TPAF social security contri. (non-budgeted)				1,189,174	(1,189,174)
Total Undstributed Expenditures	$ 22,160,512	$ 204,156	$ 22,364,668	21,091,490	1,273,178
Total General Current Expense	37,162,839	233,121	37,395,960	34,546,390	2,849,570
CAPITAL OUTLAY:					
Equipment:					
Grades 1-5		3,500	3,500	3,431	69
Grades 9-12	15,865	24,550	40,415	40,415	
Special education - mulitple disabilities		7,500	7,500		7,500
Undist. expend. - support services - instruc. staff		34,184	34,184	25,342	8,842
Undist. expend. - admin. info. tech.		13,332	13,332	13,332	
Undist. expend. - custodial services	19,100	18,500	37,600	13,341	24,259
School Buses - regular	65,000		65,000		65,000
Total equipment	99,965	101,566	201,531	95,861	105,601
Facilities Acquisition and Construction Services					
Other purchased professional & tech serv.	90,000	37,419	127,419	31,959	95,460
Construction services	910,000	315,505	1,225,505	252,281	973,224
Total Facilities Acquisition and Construction Services	1,000,000	352,924	1,352,924	284,240	1,068,684
Total Capital Outlay	1,099,965	454,490	1,554,455	380,101	1,174,285
SPECIAL SCHOOLS					
Adult Evening/Adult High School/post-graduate:					
Instruction:					
Salaries of teachers	148,102		148,102	141,960	6,142
General supplies	13,500		13,500	1,490	12,010
Other objects	900		900		900
Total instruction	162,502		162,502	143,450	19,052
Support Services:					
Salaries	12,710		12,710	2,659	10,051
Total support services	12,710		12,710	2,659	10,051
Total adult evening/adult high school/post-grad.	175,212		175,212	146,109	29,103

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
SPECIAL SCHOOLS					
Adult Education - Local:					
Support Services:					
Salaries	$ 15,000		$ 15,000	$ 2,688	$ 12,312
Purchased prof. and technical services	1,000		1,000		1,000
Other purchased services	250		250		250
Supplies and materials	250		250		250
Total support services	16,500		16,500	2,688	13,812
Total adult education - local	16,500		16,500	2,688	13,812
Total Special Schools	191,712		191,712	148,797	42,915
Transfer to Charter Schools	43,000	$ 8,919	51,919	51,919	
TOTAL EXPENDITURES	38,497,516	696,530	39,194,046	35,127,207	4,066,770
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(5,541,293)	(444,972)	(5,986,265)	658,898	6,645,094
Other Financing Sources (Uses):					
Operating Transfer Out:					
Transfer to Special Revenue Fund	(266,327)		(266,327)	(256,128)	10,199
Total Other Financing Sources (Uses)	(266,327)		(266,327)	(256,128)	10,199
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(5,807,620)	(444,972)	(6,252,592)	402,770	6,655,293
Fund Balance - July 1, 2010	9,242,874		9,242,874	9,242,874	
Fund Balance - June 30, 2011	$ 3,435,254	$ (444,972)	$ 2,990,282	$ 9,645,644	$ 6,655,293

Recapitulation of Fund Balance:	
Restricted Fund Balance:	
Capital Reserve	$ 1,130,658
Capital Reserve - designated for subsequent year's budget	600,000
Maintenance Reserve	2,300,000
Maintenance Reserve - designated for subsequent year's budget	600,000
Tuition Reserve	110,300
Tuition Reserve - designated for subsequent year's budget	88,656
Emergency Reserve	394,000
Emergency Reserve - designated for subsequent year's budget	389,000
Assigned Fund Balance:	
Year-end encumbrances	476,540
Designated for subsequent year's expenditures	2,900,000
Unassigned Fund Balance:	656,490
	9,645,644
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment not Recognized on GAAP Basis	(2,760,351)
Fund Balance per Governmental Funds (GAAP)	$ 6,885,293

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	ORIGINAL BUDGET			BUDGET TRANSFERS		
	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
REVENUES:						
Local sources:						
Local Tax Levy	$ 3,218,860		$ 3,218,860			
Tuition	1,150,069		1,150,069			
Transportation fees	4,000		4,000			
Interest earned on capital reserve	2,000		2,000			
Unrestricted misc. revenues	45,000		45,000			
Total local sources	4,419,929		4,419,929			
State sources:						
Categorical special education aid	948,494		948,494			
Equalization aid	19,458,872		19,458,872			
Categorical security aid	577,943		577,943			
Adjustment aid	7,355,557		7,355,557			
Categorical transportation aid	131,320		131,320			
Extraordinary aid				$ 251,558		$ 251,558
TPAF Pension (On-Behalf - Non-Budgeted)				1,113,540		1,113,540
TPAF Social Security (Reimbursed - Non-Budgeted)						
Total state sources	28,472,186		28,472,186	1,365,098		1,365,098
Federal sources:						
Medicaid reimbursement	64,108		64,108			
Total federal sources	64,108		64,108			
TOTAL REVENUES	32,956,223		32,956,223	1,365,098		1,365,098
EXPENDITURES:						
CURRENT EXPENSE:						
Regular Programs - Instruction:						
Salaries of teachers						
Preschool/Kindergarten		$ 462,424	462,424		$ 3,000	3,000
Grades 1-5		4,063,041	4,063,041		(39,764)	(39,764)
Grades 6-8		1,906,986	1,906,986		(56,100)	(56,100)
Grades 9-12	275,177	2,714,054	2,989,231	465	51,600	52,065
Regular Programs - Home Instruction:						
Salaries of teachers	55,000		55,000	(8,800)		(8,800)
Other purchased services	55,000		55,000	23,800		23,800
Regular Programs - Undistributed Instruction:						
Other salaries for instruction	52,013	214,007	266,020		26,000	26,000
Purchased professional educational services		9,450	9,450		750	750
Purchased technical services		3,000	3,000			
Other purchased services	12,600	117,125	129,725		1,194	1,194
General supplies	28,455	461,239	489,694		(32,401)	(32,401)
Textbooks		18,900	18,900		4,900	4,900
Other objects	7,150	14,382	21,532		2,300	2,300
Total regular programs - instruction	485,395	9,984,608	10,470,003	15,465	(38,521)	(23,056)

FINAL BUDGET			ACTUALS		
Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
$ 3,218,860		$ 3,218,860	$ 3,218,860		$ 3,218,860
1,150,069		1,150,069	1,326,699		1,326,699
4,000		4,000			
2,000		2,000	2,000		2,000
45,000		45,000	100,604		100,604
4,419,929		4,419,929	4,648,163		4,648,163
948,494		948,494	948,494		948,494
19,458,872		19,458,872	19,458,872		19,458,872
577,943		577,943	577,943		577,943
7,355,557		7,355,557	7,355,557		7,355,557
131,320		131,320	131,320		131,320
251,558		251,558	251,558		251,558
			1,113,540		1,113,540
			1,189,174		1,189,174
28,723,744		28,723,744	31,026,458		31,026,458
64,108		64,108	111,484		111,484
64,108		64,108	111,484		111,484
33,207,781		33,207,781	35,786,105		35,786,105
	$ 465,424	465,424		$ 409,234	409,234
	4,023,277	4,023,277		3,501,418	3,501,418
	1,850,886	1,850,886		1,586,341	1,586,341
275,642	2,765,654	3,041,296	269,687	2,749,348	3,019,035
46,200		46,200	46,112		46,112
78,800		78,800	78,782		78,782
52,013	240,007	292,020	52,013	234,230	286,243
	10,200	10,200		5,748	5,748
	3,000	3,000		175	175
12,600	118,319	130,919	7,522	61,986	69,508
28,455	428,838	457,293	13,509	357,874	371,383
	23,800	23,800		22,254	22,254
7,150	16,682	23,832	4,614	13,278	17,892
500,860	9,946,087	10,446,947	472,239	8,941,886	9,414,125

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	ORIGINAL BUDGET			BUDGET TRANSFERS		
	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
Special Education						
Learning and/or Language Disabilities:						
Salaries of teachers		$ 415,389	$ 415,389		$ (22,833)	$ (22,833)
Other salaries for instruction		267,984	267,984		(36,189)	(36,189)
General supplies		3,000	3,000			
Total learning and/or language disabilities		686,373	686,373		(59,022)	(59,022)
Behavorial Disabilities:						
Salaries of teachers		227,274	227,274		24,200	24,200
Other salaries for instruction		109,174	109,174		54,594	54,594
General supplies		2,700	2,700		3,470	3,470
Total behavorial disabilities		339,148	339,148		82,264	82,264
Multiple Disabilities:						
Salaries of teachers		238,265	238,265		18,323	18,323
Other salaries for instruction		133,867	133,867		2,637	2,637
General supplies		5,000	5,000		1,775	1,775
Total multiple disabilities		377,132	377,132		22,735	22,735
Resource Room/Resource Center:						
Salaries of teachers		1,725,732	1,725,732		(50,926)	(50,926)
Other salaries for instruction		424,815	424,815		13,222	13,222
Other purchased services		2,000	2,000			
General supplies		2,000	2,000			
Total resource room/resource center		2,154,547	2,154,547		(37,704)	(37,704)
Autism:						
Salaries of teachers		54,340	54,340		2,700	2,700
Other salaries for instruction		130,841	130,841		(7,563)	(7,563)
Purchased professional educ. services					6,000	6,000
General supplies		500	500			
Total autism		185,681	185,681		1,137	1,137
Preschool Disabilities - Full Time:						
Salaries of teachers					8,700	8,700
Other salaries for instruction					1,218	1,218
Total Preschool Disabilities - Full Time					9,918	9,918
Total Special Education - Instruction		3,742,881	3,742,881		19,328	19,328

FINAL BUDGET			ACTUAL		
Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
	$ 392,556	$ 392,556		$ 369,610	$ 369,610
	231,795	231,795		186,804	186,804
	3,000	3,000		1,589	1,589
	627,351	627,351		558,003	558,003
	251,474	251,474		240,543	240,543
	163,768	163,768		155,453	155,453
	6,170	6,170		3,247	3,247
	421,412	421,412		399,243	399,243
	256,588	256,588		251,083	251,083
	136,504	136,504		133,093	133,093
	6,775	6,775		173	173
	399,867	399,867		384,349	384,349
	1,674,806	1,674,806		1,507,258	1,507,258
	438,037	438,037		275,205	275,205
	2,000	2,000			
	2,000	2,000		1,209	1,209
	2,116,843	2,116,843		1,783,672	1,783,672
	57,040	57,040		55,813	55,813
	123,278	123,278		108,211	108,211
	6,000	6,000		3,226	3,226
	500	500			
	186,818	186,818		167,250	167,250
	8,700	8,700		7,397	7,397
	1,218	1,218		670	670
	9,918	9,918		8,067	8,067
	3,762,209	3,762,209		3,300,584	3,300,584

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	ORIGINAL BUDGET			BUDGET TRANSFERS		
	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
Bilingual Education - Instruction:						
Salaries of teachers		$ 108,571	$ 108,571		$ 1,700	$ 1,700
General supplies		750	750			
Total bilingual education - instruction		109,321	109,321		1,700	1,700
School - Sponsored Cocurricular Activities:						
Salaries		80,706	80,706		7,200	7,200
Purchased services		6,000	6,000			
General supplies		16,708	16,708		9,308	9,308
Other objects		14,300	14,300			
Total school sponsored cocurricular activities		117,714	117,714		16,508	16,508
School - Sponsored Athletics:						
Salaries		366,895	366,895		13,000	13,000
Purchased services		64,500	64,500			
General supplies		111,913	111,913		1,485	1,485
Other objects		19,100	19,100			
Total school sponsored athletics		562,408	562,408		14,485	14,485
Total Instruction	$ 485,395	14,516,932	15,002,327	$ 15,465	13,500	28,965
Undistributed Expenditures - Instruction						
Tuition to other LEAs within the state - regular	50,000		50,000	72,000		72,000
Tuition to other LEAs within the state - special	119,000		119,000	(72,000)		(72,000)
Tuition to county voc. school - regular	73,700		73,700			
Tuition to county voc. school - special	18,375		18,375			
Tuition to CSSD & reg. day schools	654,000		654,000	42,000		42,000
Tuition to priv. sch. for the disabled w/i state	854,521		854,521	186,126		186,126
Tuition - state facilities	144,003		144,003			
Total undistributed expenditures - instruction	1,913,599		1,913,599	228,126		228,126
Attendance and Social Work:						
Salaries		41,194	41,194		1,500	1,500
Salaries of drop-out prevention officer		53,503	53,503		1,419	1,419
Purchased professional and technical services		60,000	60,000		2,885	2,885
Supplies and materials		1,275	1,275			
Other objects		275	275			
Total attendance and social work		156,247	156,247		5,804	5,804
Health Services						
Salaries	52,156	267,115	319,271	1,500	5,581	7,081
Purchased professional and technical services				10,000		10,000
Other purchased services		300	300			
Supplies and materials		11,800	11,800	99		99
Other objects		1,500	1,500			
Total health services	52,156	280,715	332,871	11,599	5,581	17,180

FINAL BUDGET			ACTUAL		
Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
	$ 110,271	$ 110,271		$ 107,471	$ 107,471
	750	750			
	111,021	111,021		107,471	107,471
	87,906	87,906		67,301	67,301
	6,000	6,000		4,932	4,932
	26,016	26,016		10,044	10,044
	14,300	14,300		8,750	8,750
	134,222	134,222		91,027	91,027
	379,895	379,895		377,545	377,545
	64,500	64,500		48,026	48,026
	113,398	113,398		100,410	100,410
	19,100	19,100		15,712	15,712
	576,893	576,893		541,693	541,693
$ 500,860	14,530,432	15,031,292	$ 472,239	12,982,661	13,454,900
122,000		122,000	93,247		93,247
47,000		47,000	36,376		36,376
73,700		73,700	54,150		54,150
18,375		18,375			
696,000		696,000	664,458		664,458
1,040,647		1,040,647	711,035		711,035
144,003		144,003	144,003		144,003
2,141,725		2,141,725	1,703,269		1,703,269
	42,694	42,694		42,554	42,554
	54,922	54,922		54,922	54,922
	62,885	62,885		62,885	62,885
	1,275	1,275		195	195
	275	275			
	162,051	162,051		160,556	160,556
53,656	272,696	326,352	53,395	222,071	275,466
10,000		10,000	6,391		6,391
	300	300		233	233
99	11,800	11,899	99	6,834	6,933
	1,500	1,500			
63,755	286,296	350,051	59,885	229,138	289,023

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	ORIGINAL BUDGET			BUDGET TRANSFERS		
	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
Speech, OT, PT & Related Services:						
Purchased prof. - educational services				$ 3,400		$ 3,400
Guidance:						
Salaries of other professional staff	$ 122,208	$ 645,862	$ 768,070	(7,456)	$ (2,372)	(9,828)
Salaries of secreterial and clerical assistants		32,563	32,563			
Purchased prof. - educational services		5,300	5,300		(332)	(332)
Purchased professional and technical services		9,000	9,000		(3,628)	(3,628)
Other purchased services		6,000	6,000		9,332	9,332
Supplies and materials		9,000	9,000			
Other objects		400	400			
Total guidance	122,208	708,125	830,333	(7,456)	3,000	(4,456)
Child Study Teams:						
Salaries of other professional staff	912,796		912,796	6,000		6,000
Salaries of secretarial and clerical assistants	143,469		143,469	(13,100)		(13,100)
Purchased professional - educ services	8,000		8,000			
Purchased professional and tech. services	85,700		85,700			
Misc. pur. serv. (400-500 series o/than resid. costs)	17,800		17,800			
Supplies and materials	21,326		21,326			
Other objects	1,000		1,000			
Total child study teams	1,190,091		1,190,091	(7,100)		(7,100)
Improvement of Instructional Services:						
Salaries of supervisor of instruction		18,250	18,250		20,000	20,000
Salaries of secretarial and clerical assistants	85,269		85,269	200		200
Other salaries	203,281	15,000	218,281			
Salaries of facilitators, math & literacy coaches	23,180	757,772	780,952	240	(20,000)	(19,760)
Purchased professional - educ services	67,000	5,000	72,000	(240)		(240)
Other purchased services	6,200		6,200			
Supplies and materials	17,200	35,400	52,600			
Other objects	3,700		3,700			
Total improvement of instructional services	405,830	831,422	1,237,252	200		200
Educational Media Services/School Library:						
Salaries		226,545	226,545			
Salaries of technology coordinators		195,274	195,274		(6,000)	(6,000)
Purchased professional and tech. services	20,000	102,500	122,500	(115)	(6,450)	(6,565)
Other purchased services	3,025	64,025	67,050	115	(13,850)	(13,735)
Supplies and materials	9,000	83,480	92,480	492	(15,650)	(15,158)
Other objects		4,910	4,910			
Total educational media services/school library	32,025	676,734	708,759	492	(41,950)	(41,458)

FINAL BUDGET			ACTUAL		
Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
$ 3,400		$ 3,400	$ 3,400		$ 3,400
114,752	$ 643,490	758,242	113,646	$ 532,605	646,251
	32,563	32,563		32,562	32,562
	4,968	4,968		1,155	1,155
	5,372	5,372		5,372	5,372
	15,332	15,332		4,206	4,206
	9,000	9,000		3,341	3,341
	400	400		45	45
114,752	711,125	825,877	113,646	579,286	692,932
918,796		918,796	897,089		897,089
130,369		130,369	129,586		129,586
8,000		8,000	3,664		3,664
85,700		85,700	85,176		85,176
17,800		17,800	13,368		13,368
21,326		21,326	3,564		3,564
1,000		1,000	89		89
1,182,991		1,182,991	1,132,536		1,132,536
	38,250	38,250		38,215	38,215
85,469		85,469	85,362		85,362
203,281	15,000	218,281	120,175		120,175
23,420	737,772	761,192	23,421	694,613	718,034
66,760	5,000	71,760	32,950		32,950
6,200		6,200	4,290		4,290
17,200	35,400	52,600	5,302	4,498	9,800
3,700		3,700	3,657		3,657
406,030	831,422	1,237,452	275,157	737,326	1,012,483
	226,545	226,545		222,905	222,905
	189,274	189,274		132,608	132,608
19,885	96,050	115,935	19,087	82,141	101,228
3,140	50,175	53,315	3,140	43,797	46,937
9,492	67,830	77,322	7,655	63,269	70,924
	4,910	4,910		2,009	2,009
32,517	634,784	667,301	29,882	546,729	576,611

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	ORIGINAL BUDGET			BUDGET TRANSFERS		
	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
Instructional Staff Training Services:						
Purchased prof. - educational services	$ 23,000	$ 24,000	$ 47,000		$ 11,288	$ 11,288
Other purchased services		1,000	1,000			
Supplies and materials		1,600	1,600			
Total instructional staff training services	23,000	26,600	49,600		11,288	11,288
General Administration:						
Salaries	231,529		231,529	$ 6,000		6,000
Legal services	75,000		75,000	500		500
Audit Fees	30,000		30,000			
Architectural/engineering services	45,000		45,000			
Other purchased professional services	28,000		28,000	(9,567)		(9,567)
Purchased technical services	10,800		10,800	9,567		9,567
Communications / telephone	148,900		148,900			
BOE Other Purchased Services	11,200		11,200			
Misc. purchased services	52,000		52,000			
Supplies and materials	21,000		21,000	(99)		(99)
BOE In-house training/meeting supplies	4,000		4,000			
Miscellaneous expenditures	21,000		21,000			
BOE Membership dues and fees	25,000		25,000			
Total general administration	703,429		703,429	6,401		6,401
School Administration:						
Salaries of pricipals/assist. principals	100,247	803,615	903,862		6,728	6,728
Salaries of secretarial and clerical assistants	25,046	437,801	462,847	6,566	4,000	10,566
Other purchased services	2,700	67,700	70,400	(10)	(21,016)	(21,026)
Supplies and materials	3,100	54,495	57,595	(1,500)	(2,884)	(4,384)
Other objects	1,212	19,170	20,382	1,500	2,600	4,100
Total school administration	132,305	1,382,781	1,515,086	6,556	(10,572)	(4,016)
Central Services:						
Salaries	358,836		358,836	300		300
Purchased professional services	12,000		12,000	4,000		4,000
Purchased technical services	64,000		64,000	(4,000)		(4,000)
Misc. purchased services	11,600		11,600			
Supplies and materials	28,000		28,000	(453)		(453)
Interest for lease purchase agreements	4,500		4,500			
Miscellaneous expenditures	4,000		4,000	453		453
Total central services	482,936		482,936	300		300
Admin. Info. Technology:						
Purchased technical services	42,446		42,446			
Other purchased services (400-500)	37,500		37,500			
Supplies and materials	4,070		4,070	6,400		6,400
Total admin info. technology	84,016		84,016	6,400		6,400
Required Maintenance School Facilities:						
Cleaning, repair, and maintenance services	430,550		430,550	(17,122)		(17,122)
General supplies	161,150		161,150	(27,000)		(27,000)
Total required maintenance school facilities	591,700		591,700	(44,122)		(44,122)
Custodial Services:						
Salaries	1,336,003		1,336,003	(4,560)		(4,560)
Salaries of non-instructional aides	154,109		154,109	3,218		3,218
Purchased professional - tech. services	31,740		31,740	500		500
Cleaning, repair, and maintenance services	176,300		176,300	4,869		4,869
Other purchased property services	106,000		106,000			
Insurance	180,000		180,000			
Misc. purchased services	6,600		6,600			
General supplies	170,500		170,500	29,160		29,160
Energy (Electricity)	1,100,000		1,100,000			
Energy (Natural Gas)	394,500		394,500			
Energy (Oil)	12,000		12,000	3,500		3,500
Other objects	1,675		1,675			
Total custodial services	3,669,427		3,669,427	36,687		36,687

FINAL BUDGET			ACTUAL		
Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
$ 23,000	$ 35,288	$ 58,288	$ 13,930	$ 16,341	$ 30,271
	1,000	1,000			
	1,600	1,600			
23,000	37,888	60,888	13,930	16,341	30,271
237,529		237,529	236,145		236,145
75,500		75,500	55,712		55,712
30,000		30,000	30,000		30,000
45,000		45,000	1,187		1,187
18,433		18,433	16,612		16,612
20,367		20,367	20,366		20,366
148,900		148,900	23,127		23,127
11,200		11,200	569		569
52,000		52,000	12,274		12,274
20,901		20,901	3,383		3,383
4,000		4,000			
21,000		21,000	11,341		11,341
25,000		25,000	17,770		17,770
709,830		709,830	428,486		428,486
100,247	810,343	910,590	100,247	803,614	903,861
31,612	441,801	473,413	31,316	413,050	444,366
2,690	46,684	49,374	821	23,696	24,517
1,600	51,611	53,211	136	22,255	22,391
2,712	21,770	24,482	2,266	17,574	19,840
138,861	1,372,209	1,511,070	134,786	1,280,189	1,414,975
359,136		359,136	324,175		324,175
16,000		16,000	7,836		7,836
60,000		60,000	12,223		12,223
11,600		11,600	6,072		6,072
27,547		27,547	19,302		19,302
4,500		4,500			
4,453		4,453	4,324		4,324
483,236		483,236	373,932		373,932
42,446		42,446	41,789		41,789
37,500		37,500	34,404		34,404
10,470		10,470	8,266		8,266
90,416		90,416	84,459		84,459
413,428		413,428	271,861		271,861
134,150		134,150	56,115		56,115
547,578		547,578	327,976		327,976
1,331,443		1,331,443	1,179,171		1,179,171
157,327		157,327	123,101		123,101
32,240		32,240	16,127		16,127
181,169		181,169	159,558		159,558
106,000		106,000	96,344		96,344
180,000		180,000	154,603		154,603
6,600		6,600	3,305		3,305
199,660		199,660	160,075		160,075
1,100,000		1,100,000	699,118		699,118
394,500		394,500	188,374		188,374
15,500		15,500	13,905		13,905
1,675		1,675	1,029		1,029
3,706,114		3,706,114	2,794,710		2,794,710

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	ORIGINAL BUDGET			BUDGET TRANSFERS		
	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
Care and Upkeep of Grounds:						
Salaries	$ 119,298		$ 119,298			
Total care and upkeep of grounds	119,298		119,298			
Security:						
Salaries	55,349	$ 121,244	176,593	$ 3,000	$ (9,500)	$ (6,500)
Total care and upkeep of grounds	55,349	121,244	176,593	3,000	(9,500)	(6,500)
Total Operation & Maintenance of Plant Services	4,435,774	121,244	4,557,018	(4,435)	(9,500)	(13,935)
Student Transportation Services:						
Contr. serv. (between home & sch.) - Vendors	473,100		473,100	3,532		3,532
Contr. serv. (other than between home & sch.) - Vendors	6,000	81,975	87,975		(1,800)	(1,800)
Contr. serv. (bet. home and school) - jointure	26,000		26,000	9,145		9,145
Contr. serv. (special ed. ed students) - ESC	700,000		700,000	(2,145)		(2,145)
Contr. serv. (aid in lieu of pym'ts) - Charter School	4,000		4,000	420		420
Total student transportation services	1,209,100	81,975	1,291,075	10,952	(1,800)	9,152
Regular Programs - Instruction - Employee Benefits:						
Health benefits	120,000		120,000	(120,000)		(120,000)
Regular Programs - Instructional Staff Training - Employee Benefits:						
Tuition reimbursement	120,000		120,000	(120,000)		(120,000)
Total allocated employee benefits	240,000		240,000	(240,000)		(240,000)
Unallocated Benefits - Employee Benefits:						
Group insurance	31,200		31,200			
Social security contributions	525,000		525,000	1,870		1,870
Other retirement contributions - regular	400,000		400,000	90,955		90,955
Unemployment compensation	50,000		50,000	250,000		250,000
Workmen's compensation	250,000		250,000	50,000		50,000
Health benefits	1,150,000	4,450,000	5,600,000	(285,955)		(285,955)
Tuition reimbursements				120,000		120,000
Other employee benefits	12,000		12,000			
Total unallocated benefits - employee benefits	2,418,200	4,450,000	6,868,200	226,870		226,870
On-behalf TPAF pension contributions (non-budgeted)						
Reimbursed TPAF social security contri. (non-budgeted)						
Total Undstributed Expenditures	13,444,669	8,715,843	22,160,512	242,305	(38,149)	204,156
Total General Current Expense	13,930,064	23,232,775	37,162,839	257,770	(24,649)	233,121
CAPITAL OUTLAY:						
Increase in Capital Reserve	2,000		2,000			
Equipment:						
Grades 1-5					3,500	3,500
Grades 9-12		15,865	15,865		24,550	24,550
Special education - multiple disabilities					7,500	7,500
Undist. expend. - support serv. - instructional staff					34,184	34,184
Undist. expend. - admin. info. technology				13,332		13,332
Undist. expend. - custodial services	19,100		19,100	18,500		18,500
School Buses - regular	65,000		65,000			
Total equipment	84,100	15,865	99,965	31,832	69,734	101,566
Facilities Acquisition and Construction Services						
Architectural/Engineering services	90,000		90,000	37,419		37,419
Construction services	910,000		910,000	315,505		315,505
Total Facilities Acquisition and Construction Services	1,000,000		1,000,000	352,924		352,924
Total Capital Outlay	1,086,100	15,865	1,101,965	384,756	69,734	454,490

FINAL BUDGET			ACTUAL		
Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
$ 119,298		$ 119,298	$ 103,342		$ 103,342
119,298		119,298	103,342		103,342
58,349	$ 111,744	170,093	56,596	$ 92,697	149,293
58,349	111,744	170,093	56,596	92,697	149,293
4,431,339	111,744	4,543,083	3,282,624	92,697	3,375,321
476,632		476,632	222,717		222,717
6,000	80,175	86,175	4,180	60,953	65,133
35,145		35,145	35,145		35,145
697,855		697,855	569,705		569,705
4,420		4,420	4,420		4,420
1,220,052	80,175	1,300,227	836,167	60,953	897,120
31,200		31,200			
526,870		526,870	485,364		485,364
490,955		490,955	490,955		490,955
300,000		300,000	300,000		300,000
300,000		300,000	290,452		290,452
864,045	4,450,000	5,314,045	521,666	4,450,000	4,971,666
120,000		120,000	70,777		70,777
12,000		12,000	4,188		4,188
2,645,070	4,450,000	7,095,070	2,163,402	4,450,000	6,613,402
			1,113,540		1,113,540
			1,189,174		1,189,174
13,686,974	8,677,694	22,364,668	12,938,275	8,153,215	21,091,490
14,187,834	23,208,126	37,395,960	13,410,514	21,135,876	34,546,390
2,000		2,000			
	3,500	3,500		3,431	3,431
	40,415	40,415		40,415	40,415
	7,500	7,500			
	34,184	34,184		25,342	25,342
13,332		13,332	13,332		13,332
37,600		37,600	13,341		13,341
65,000		65,000			
115,932	85,599	201,531	26,673	69,188	95,861
127,419		127,419	31,959		31,959
1,225,505		1,225,505	252,281		252,281
1,352,924		1,352,924	284,240		284,240
1,470,856	85,599	1,556,455	310,913	69,188	380,101

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	ORIGINAL BUDGET			BUDGET TRANSFERS		
	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
Adult Evening/Adult High School/post-graduate:						
Instruction:						
Salaries of teachers	$ 148,102		$ 148,102			
General supplies	13,500		13,500			
Other objects	900		900			
Total instruction	162,502		162,502			
Support Services:						
Salaries	12,710		12,710			
Total support services	12,710		12,710			
Total adult evening/adult high school/post-grad.	175,212		175,212			
Adult Education - Local:						
Support Services:						
Salaries	15,000		15,000			
Purchased prof. - tech. services	1,000		1,000			
Other purchased services	250		250			
Supplies and materials	250		250			
Total support services	16,500		16,500			
Total adult education - local	16,500		16,500			
Total Special Schools	191,712		191,712			
Transfer to Charter Schools	43,000		43,000	$ 8,919		$ 8,919
TOTAL EXPENDITURES	15,250,876	$ 23,248,640	38,499,516	651,445	$ 45,085	696,530
Excess (Deficiency) of Revenues Over (Under) Expenditures:	17,705,347	(23,248,640)	(5,543,293)	713,653	(45,085)	668,568
Other Financing Sources (Uses):						
Operating Transfer Out:						
Transfer to Special Revenue Fund	(266,327)		(266,327)			
Contrib. to School-Based Budgets	(23,248,640)	23,248,640		(45,085)	45,085	
Total Other Financing Sources (Uses)	(23,514,967)	23,248,640	(266,327)	(45,085)	45,085	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(5,809,620)		(5,809,620)	668,568		668,568
Fund Balance - July 1, 2010	9,242,874		9,242,874			
Fund Balance - June 30, 2011	$ 3,433,254	$ -	$ 3,433,254	$ 668,568	$ -	$ 668,568

FINAL BUDGET			ACTUAL		
Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund	Operating Fund Fund 11-13	Blended Resources Fund 15	Total General Fund
$ 148,102		$ 148,102	$ 141,960		$ 141,960
13,500		13,500	1,490		1,490
900		900			
162,502		162,502	143,450		143,450
12,710		12,710	2,659		2,659
12,710		12,710	2,659		2,659
175,212		175,212	146,109		146,109
15,000		15,000	2,688		2,688
1,000		1,000			
250		250			
250		250			
16,500		16,500	2,688		2,688
16,500		16,500	2,688		2,688
191,712		191,712	148,797		148,797
51,919		51,919	51,919		51,919
15,902,321	$ 23,293,725	39,196,046	13,922,143	$ 21,205,064	35,127,207
17,305,460	(23,293,725)	(5,988,265)	21,863,962	(21,205,064)	658,898
(266,327)		(266,327)	(256,128)		(256,128)
(23,293,725)	23,293,725		(21,205,064)	21,205,064	
(23,560,052)	23,293,725	(266,327)	(21,461,192)	21,205,064	(256,128)
(6,254,592)		(6,254,592)	402,770		402,770
9,242,874		9,242,874	9,242,874		9,242,874
$ 2,988,282	$ -	$ 2,988,282	$ 9,645,644	$ -	$ 9,645,644

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State sources	$ 3,361,389		$ 3,361,389	$ 3,268,283	$ (93,106)
Federal sources	2,866,244		2,866,244	2,176,888	(689,356)
Total Revenues	6,227,633		6,227,633	5,445,171	(782,462)
EXPENDITURES:					
Instruction:					
Salaries of teachers	1,818,230		1,818,230	1,695,295	122,935
Other salaries for instruction	629,968		629,968	579,361	50,607
Purchased professional - tech. services	430,167		430,167	375,855	54,312
Purchased professional - educ. services	179,501		179,501	75,361	104,140
Other purchased services	86,409		86,409	59,917	26,492
Tuition	787,664		787,664	784,745	2,919
Travel	849		849		849
General supplies	143,265		143,265	76,921	66,344
Textbooks	52,009		52,009	48,941	3,068
Other objects	8,326		8,326	2,979	5,347
Total instruction	4,136,388		4,136,388	3,699,375	437,013
Support services:					
Salaries of principals	96,348		96,348	96,348	
Salaries of program directors	45,000		45,000	37,500	7,500
Salaries of supervisor of instruction	835		835		835
Salaries of other professional staff	291,206		291,206	291,206	
Salaries of secretaries & clerical assistants	126,297		126,297	121,089	5,208
Other salaries for instruction	160,856		160,856	152,349	8,507
Personal services - employee benefits	924,255		924,255	914,273	9,982
Purchased professional - tech. services	240,029		240,029	7,827	232,202
Purchased professional - educ. services	208,408		208,408	195,180	13,228
Other purchased services	35,644		35,644	13,063	22,581
Contracted services - transportation	95,625		95,625	95,625	
Travel	1,357		1,357	257	1,100
Class trips	4,500		4,500	4,500	
Supplies and materials	117,013		117,013	72,707	44,306
Total support services	2,347,373		2,347,373	2,001,924	345,449
Facilities acquisition and construction services:					
Noninstructional equipment					
Total facilities acq. and const. services					
Total Expenditures	6,483,761		6,483,761	5,701,299	782,462
Other Financing Sources (Uses):					
Transfer in from General Fund	256,128		256,128	256,128	
Total Outflows	6,227,633		6,227,633	5,445,171	782,462
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	---	---	---	---	---

GLOUCESTER CITY SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
For the Fiscal Year Ended June 30, 2011

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	$ 35,786,105	$ 5,445,171
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
The June State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received in July 2009	2,994,881	289,622
The June State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received in July 2010	(2,760,351)	(288,384)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 36,020,635	$ 5,446,409
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	$ 35,127,207	$ 5,701,299
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior Year		196,707
Current Year		(23,491)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 35,127,207	$ 5,874,515

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Other Supplementary Information

School Level Schedules

GLOUCESTER CITY SCHOOL DISTRICT
General Fund
Combining Balance Sheet
June 30, 2011

	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
ASSETS:			
Cash and cash equivalents	$ 6,663,469	$ 1,198,296	$ 7,861,765
Receivables from other governments:			
State	251,760		251,760
Federal	48,817		48,817
Other	334,997		334,997
Total Assets	$ 7,299,043	$ 1,198,296	$ 8,497,339
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts payable	$ 508,601	$ 1,103,445	$ 1,612,046
Total Liabilities	508,601	1,103,445	1,612,046
Fund Balances:			
Restricted for:			
Capital reserve	1,730,658		1,730,658
Maintenance reserve	2,900,000		2,900,000
Tuition reserve	198,956		198,956
Emergency reserve	783,000		783,000
Assigned for:			
Year-end Encumbrances	381,689	94,851	476,540
Designated for subsequent year's expenditures	2,900,000		2,900,000
Unassigned:	(2,103,861)		(2,103,861)
Total Fund Balances	6,790,442	94,851	6,885,293
Total Liabilities and Fund Balances	$ 7,299,043	$ 1,198,296	$ 8,497,339

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Expenditures Allocated by Resource Type - Actual
For the Fiscal Year Ended June 30, 2011

Districtwide

Resources	Resource Amount	District-wide Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School-Based Budgets	$ 23,293,725		$ 21,205,064	$ 2,088,661
Combined general fund contribution & state resources	23,293,725	100.00%	21,205,064	2,088,661
Totals	$ 23,293,725	100.00%	$ 21,205,064	$ 2,088,661

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Expenditures Allocated by Resource Type - Actual
For the Fiscal Year Ended June 30, 2011

School: Junior/Senior High School

Resources	Resource Amount	% of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School-Based Budgets	$10,754,509		$ 9,928,341	$ 826,168
Combined general fund contribution & state resources	10,754,509	100.00%	9,928,341	826,168
Totals	$10,754,509	100.00%	$ 9,928,341	$ 826,168

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Expenditures Allocated by Resource Type - Actual
For the Fiscal Year Ended June 30, 2011

School: Mary Ethel Costello School

Resources	Resource Amount	% of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School-Based Budgets	$ 4,985,886		$ 4,421,741	$ 564,145
Combined general fund contribution & state resources	4,985,886	100.00%	4,421,741	564,145
Totals	$ 4,985,886	100.00%	$ 4,421,741	$ 564,145

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Expenditures Allocated by Resource Type - Actual
For the Fiscal Year Ended June 30, 2011

School: Cold Springs School

Resources	Resource Amount	% of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School-Based Budgets	$ 7,553,330		$ 6,854,982	$ 698,348
Combined general fund contribution & state resources	7,553,330	100.00%	6,854,982	698,348
Totals	$ 7,553,330	100.00%	$ 6,854,982	$ 698,348

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Districtwide	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of teachers	$ 462,424	$ 3,000	$ 465,424	$ 409,234	$ 56,190
Grades 1-5 - Salaries of teachers	4,063,041	(39,764)	4,023,277	3,501,418	521,859
Grades 6-8 - Salaries of teachers	1,906,986	(56,100)	1,850,886	1,586,341	264,545
Grades 9-12 - Salaries of teachers	2,714,054	51,600	2,765,654	2,749,348	16,306
Regular Programs - Undistributed Instruction					
Other salaries for instruction	214,007	26,000	240,007	234,230	5,777
Purchased professional - educational services	9,450	750	10,200	5,748	4,452
Purchased technical services	3,000		3,000	175	2,825
Other purchased services (400-500 series)	117,125	1,194	118,319	61,986	56,333
General supplies	461,239	(32,401)	428,838	357,874	70,964
Textbooks	18,900	4,900	23,800	22,254	1,546
Other objects	14,382	2,300	16,682	13,278	3,404
Total Regular Programs - Instruction	9,984,608	(38,521)	9,946,087	8,941,886	1,004,201
Special Education - Instruction					
Learning and/or Language Disabilities:					
Salaries of teachers	415,389	(22,833)	392,556	369,610	22,946
Other salaries for instruction	267,984	(36,189)	231,795	186,804	44,991
General supplies	3,000		3,000	1,589	1,411
Total Learning and/or Language Disabilities	686,373	(59,022)	627,351	558,003	69,348
Behavioral Disabilities:					
Salaries of teachers	227,274	24,200	251,474	240,543	10,931
Other salaries for instruction	109,174	54,594	163,768	155,453	8,315
General supplies	2,700	3,470	6,170	3,247	2,923
Total Behavioral Disabilities	339,148	82,264	421,412	399,243	22,169
Multiple Disabilities:					
Salaries of teachers	238,265	18,323	256,588	251,083	5,505
Other salaries for instruction	133,867	2,637	136,504	133,093	3,411
General supplies	5,000	1,775	6,775	173	6,602
Total Multiple Disabilities	377,132	22,735	399,867	384,349	15,518
Resource Room/Resource Center:					
Salaries of teachers	1,725,732	(50,926)	1,674,806	1,507,258	167,548
Other salaries for instruction	424,815	13,222	438,037	275,205	162,832
Other purchased services (400-500 series)	2,000		2,000		2,000
General supplies	2,000		2,000	1,209	791
Total Resource Room/Resource Center	2,154,547	(37,704)	2,116,843	1,783,672	333,171

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Districtwide	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism:					
Salaries of teachers	$ 54,340	$ 2,700	$ 57,040	$ 55,813	$ 1,227
Other salaries for instruction	130,841	(7,563)	123,278	108,211	15,067
Purchased professional - educational services		6,000	6,000	3,226	2,774
General supplies	500		500		500
Total Autism	185,681	1,137	186,818	167,250	19,568
Preschool Disabilities - Full Time:					
Salaries of teachers		8,700	8,700	7,397	1,303
Other salaries for instruction		1,218	1,218	670	548
Total Preschool Disabilities - Full Time		9,918	9,918	8,067	1,851
Total Special Education - Instruction	3,742,881	19,328	3,762,209	3,300,584	461,625
Bilingual Education - Instruction					
Salaries of teachers	108,571	1,700	110,271	107,471	2,800
Supplies and materials	750		750		750
Total Bilingual Education - Instruction	109,321	1,700	111,021	107,471	3,550
School Sponsored Cocurricular Actvts. - Inst.:					
Salaries	80,706	7,200	87,906	67,301	20,605
Purchased services (300-500 series)	6,000		6,000	4,932	1,068
Supplies and materials	16,708	9,308	26,016	10,044	15,972
Other objects	14,300		14,300	8,750	5,550
Total School Sponsored Cocurricular Actvts. - Inst.	117,714	16,508	134,222	91,027	43,195
School Sponsored Athletics - Instruction:					
Salaries	366,895	13,000	379,895	377,545	2,350
Purchased services (300-500 series)	64,500		64,500	48,026	16,474
Supplies and materials	111,913	1,485	113,398	100,410	12,988
Other objects	19,100		19,100	15,712	3,388
Total School Sponsored Athletics - Instruction	562,408	14,485	576,893	541,693	35,200
Total Instruction	14,516,932	13,500	14,530,432	12,982,661	1,547,771
Undistributed Expend. - Attend. & Social Work:					
Salaries	41,194	1,500	42,694	42,554	140
Salaries of drop-out prevention officer	53,503	1,419	54,922	54,922	
Purchased professional and technical services	60,000	2,885	62,885	62,885	
Supplies and materials	1,275		1,275	195	1,080
Other objects	275		275		275
Total Undistributed Expend. - Attend. & Social Work	156,247	5,804	162,051	160,556	1,495
Undistributed Expenditures - Health Services:					
Salaries	267,115	5,581	272,696	222,071	50,625
Other purchased services (400-500 series)	300		300	233	67
Supplies and materials	11,800		11,800	6,834	4,966
Other objects	1,500		1,500		1,500
Total Undistributed Expenditures - Health Services	280,715	5,581	286,296	229,138	57,158

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Districtwide	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Guidance:					
Salaries of other professional staff	$ 645,862	$ (2,372)	$ 643,490	$ 532,605	$ 110,885
Salaries of secretarial and clerical assistants	32,563		32,563	32,562	1
Purchased professional - educational services	5,300	(332)	4,968	1,155	3,813
Purchased prof. and tech. services	9,000	(3,628)	5,372	5,372	
Other purchased services (400-500 series)	6,000	9,332	15,332	4,206	11,126
Supplies and materials	9,000		9,000	3,341	5,659
Other objects	400		400	45	355
Total Undist. Expend. - Guidance	708,125	3,000	711,125	579,286	131,839
Undist. Expend. - Improvement of Inst. Services:					
Salaries of supervisor of instruction	18,250	20,000	38,250	38,215	35
Other salaries	15,000		15,000		15,000
Salaries of facilitators, math & literacy coaches	757,772	(20,000)	737,772	694,613	43,159
Purchased professional - educational services	5,000		5,000		5,000
Supplies and materials	35,400		35,400	4,498	30,902
Total Undist. Expend. - Improvement of Inst. Serv.	831,422		831,422	737,326	94,096
Undist. Expend. - Edu. Media Serv./Sch. Library:					
Salaries	226,545		226,545	222,905	3,640
Salaries ot technology coordinators	195,274	(6,000)	189,274	132,608	56,666
Purchased professional and technical services	102,500	(6,450)	96,050	82,141	13,909
Other purchased services (400-500 series)	64,025	(13,850)	50,175	43,797	6,378
Supplies and materials	83,480	(15,650)	67,830	63,269	4,561
Other objects	4,910		4,910	2,009	2,901
Total Undist. Expend. - Edu. Media Serv/Sch. Library	676,734	(41,950)	634,784	546,729	88,055
Undistributed Expend. - Instruc. Staff Training Serv.:					
Purchased professional - educational services	24,000	11,288	35,288	16,341	18,947
Other purchased services (400-500 series)	1,000		1,000		1,000
Supplies and materials	1,600		1,600		1,600
Total Undist. Expend.-Instruc. Staff Training Serv.	26,600	11,288	37,888	16,341	21,547
Undist. Expend. - School Administration:					
Salaries of principals/assistant principals	803,615	6,728	810,343	803,614	6,729
Salaries of secretarial and clerical assistants	437,801	4,000	441,801	413,050	28,751
Other purchased services (400-500 series)	67,700	(21,016)	46,684	23,696	22,988
Supplies and materials	54,495	(2,884)	51,611	22,255	29,356
Other objects	19,170	2,600	21,770	17,574	4,196
Total Undist. Expend. - School Administration	1,382,781	(10,572)	1,372,209	1,280,189	92,020

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Districtwide	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Security:					
Salaries	$ 121,244	$ (9,500)	$ 111,744	$ 92,697	$ 19,047
Total Undist. Expnd. - Security	121,244	(9,500)	111,744	92,697	19,047
Undist. Expend.- Student Transportation Services:					
Contr. Serv. (other than bet. home & sch.) - vendors	81,975	(1,800)	80,175	60,953	19,222
Total Undist. Expend. - Student Trans. Services	81,975	(1,800)	80,175	60,953	19,222
Unallocated Benefits:					
Health benefits	4,450,000		4,450,000	4,450,000	
Total Unallocated Benefits	4,450,000		4,450,000	4,450,000	
Total Undistributed Expenditures	8,715,843	(38,149)	8,677,694	8,153,215	524,479
Total General Current Expense	23,232,775	(24,649)	23,208,126	21,135,876	2,072,250
Capital Outlay					
Equipment					
Regular Program - Instruction:					
Grades 1-5		3,500	3,500	3,431	69
Grades 9-12	15,865	24,550	40,415	40,415	
Special education - multiple disabilities		7,500	7,500		7,500
Undis. expend.-support serv.-instructional staff		34,184	34,184	25,342	8,842
Total Equipment	15,865	69,734	85,599	69,188	16,411
Total Capital Outlay	15,865	69,734	85,599	69,188	16,411
Total School Based Expenditures	23,248,640	45,085	23,293,725	21,205,064	2,088,661
Other Financing Sources:					
Operating Transfer In	23,248,640	45,085	23,293,725	21,205,064	2,088,661
Total Other Financing Sources:	23,248,640	45,085	23,293,725	21,205,064	2,088,661
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures & Other Financing (Uses)					
Fund Balance - July 1, 2010	---	---	---	---	---
Fund Balance - June 30, 2011	---	---	---	---	---

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Junior/Senior High School	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Instruction					
Grades 6-8 - Salaries of teachers	$ 1,327,460	$ (51,600)	$ 1,275,860	$ 1,069,161	$ 206,699
Grades 9-12 - Salaries of teachers	2,714,054	51,600	2,765,654	2,749,348	16,306
Regular Programs - Undistributed Instruction					
Purchased technical services	3,000		3,000	175	2,825
Other purchased services (400-500 series)	50,550		50,550	26,437	24,113
General supplies	279,225	(26,121)	253,104	220,513	32,591
Textbooks	12,000	4,500	16,500	15,858	642
Other objects	5,650		5,650	2,779	2,871
Total Regular Programs - Instruction	4,391,939	(21,621)	4,370,318	4,084,271	286,047
Special Education - Instruction					
Learning and/or Language Disabilities:					
Salaries of teachers	150,948	(16,558)	134,390	112,865	21,525
Other salaries for instruction	52,864	1,000	53,864	53,660	204
General supplies	1,000		1,000	935	65
Total Learning and/or Language Disabilities	204,812	(15,558)	189,254	167,460	21,794
Behavioral Disabilities:					
Salaries of teachers	108,352	21,500	129,852	127,052	2,800
Other salaries for instruction	27,251	25,368	52,619	51,394	1,225
General supplies	2,000	(530)	1,470	1,234	236
Total Behavioral Disabilities	137,603	46,338	183,941	179,680	4,261
Multiple Disabilities:					
Salaries of teachers	175,043	12,923	187,966	187,355	611
Other salaries for instruction	81,753		81,753	79,482	2,271
General supplies	4,500		4,500		4,500
Total Multiple Disabilities	261,296	12,923	274,219	266,837	7,382
Resource Room/Resource Center:					
Salaries of teachers	840,941	(43,704)	797,237	683,740	113,497
Other salaries for instruction	287,610	(13,000)	274,610	141,257	133,353
Other purchased services (400-500 series)	2,000		2,000		2,000
General supplies	1,000		1,000	367	633
Total Resource Room/Resource Center	1,131,551	(56,704)	1,074,847	825,364	249,483
Total Special Education - Instruction	1,735,262	(13,001)	1,722,261	1,439,341	282,920

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Junior/Senior High School	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction:					
Salaries of teachers	$ 58,183		$ 58,183	$ 55,739	2,444
Supplies and materials	250		250		250
Total Bilingual Education - Instruction	58,433		58,433	55,739	2,694
School Sponsored Cocurricular Actvts. - Inst.:					
Salaries	80,706	$ 7,200	87,906	67,301	20,605
Purchased services (300-500 series)	6,000		6,000	4,932	1,068
Supplies and materials	15,208	9,308	24,516	9,147	15,369
Other objects	14,300		14,300	8,750	5,550
Total School Sponsored Cocurricular Actvts. - Inst.	116,214	16,508	132,722	90,130	42,592
School Sponsored Athletics - Instruction:					
Salaries	366,895	13,000	379,895	377,545	2,350
Purchased services (300-500 series)	64,500		64,500	48,026	16,474
Supplies and materials	111,913	1,485	113,398	100,410	12,988
Other objects	19,100		19,100	15,712	3,388
Total School Sponsored Athletics - Instruction	562,408	14,485	576,893	541,693	35,200
Total Instruction	6,864,256	(3,629)	6,860,627	6,211,174	649,453
Undistributed Expend. - Attend. & Social Work:					
Salaries of drop-out prevention officer	53,503	1,419	54,922	54,922	
Purchased professional and technical services	60,000	2,885	62,885	62,885	
Total Undistributed Expend. - Attend. & Social Work	113,503	4,304	117,807	117,807	
Undistributed Expenditures - Health Services:					
Salaries	62,623	1,581	64,204	57,483	6,721
Supplies and materials	5,000		5,000	3,586	1,414
Other objects	1,000		1,000		1,000
Total Undistributed Expenditures - Health Services	68,623	1,581	70,204	61,069	9,135
Undist. Expend. - Guidance:					
Salaries of other professional staff	395,959	(2,372)	393,587	314,184	79,403
Salaries of secretarial and clerical assistants	32,563		32,563	32,562	1
Purchased professional - educational services	5,000	(332)	4,668	1,155	3,513
Other purchased prof. and tech. services		5,372	5,372	5,372	-
Other purchased services (400-500 series)	6,000	332	6,332	4,206	2,126
Supplies and materials	5,000		5,000	3,341	1,659
Other objects	100		100	45	55
Total Undist. Expend. - Guidance	444,622	3,000	447,622	360,865	86,757

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Junior/Senior High School	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Improvement of Inst. Services:					
Salaries of supervisor of instruction	$ 18,250	$ 20,000	$ 38,250	$ 38,215	$ 35
Other salaries	5,000		5,000		5,000
Salaries of facilitators, math & literacy coaches	259,991	(20,000)	239,991	239,531	460
Supplies and materials	4,000		4,000	3,927	73
Total Undist. Expend. - Improvement of Inst. Serv.	287,241		287,241	281,673	5,568
Undist. Expend. - Edu. Media Serv./Sch. Library:					
Salaries	81,487		81,487	81,487	
Salaries of technology coordinators	85,025	(6,000)	79,025	76,638	2,387
Purchased professional and technical services	42,500		42,500	31,668	10,832
Other purchased services (400-500 series)	18,100	(5,456)	12,644	10,906	1,738
Supplies and materials	32,780	(6,000)	26,780	24,794	1,986
Other objects	1,110		1,110	514	596
Total Undist. Expend. - Edu. Media Serv/Sch. Library	261,002	(17,456)	243,546	226,007	17,539
Undistributed Expend. - Instruc. Staff Training Serv.:					
Purchased professional and educational services	10,000	11,288	21,288	15,734	5,554
Other purchased services	1,000		1,000		1,000
Total Undist. Expend.-Instruc. Staff Training Serv.	11,000	11,288	22,288	15,734	6,554
Undist. Expend. - School Administration.:					
Salaries of principals/assistant pincipals	319,407		319,407	319,407	
Salaries of secretarial and clerical assistants	199,663		199,663	181,771	17,892
Other purchased services (400-500 series)	28,000	(14,288)	13,712	7,009	6,703
Supplies and materials	25,000	(2,884)	22,116	13,436	8,680
Other objects	11,000	3,000	14,000	11,119	2,881
Total Undist. Expend. - School Administration	583,070	(14,172)	568,898	532,742	36,156
Undist. Expend. - Security:					
Salaries	28,411		28,411	28,411	
Total Undist. Expnd. - Security	28,411		28,411	28,411	
Undist. Expend.- Student Transportation Services:					
Contr. Serv. (other than bet. home & sch.) - vendors	67,450		67,450	52,444	15,006
Total Undist. Expend. - Student Trans. Services	67,450		67,450	52,444	15,006
Unallocated Benefits:					
Health benefits	2,000,000		2,000,000	2,000,000	
Total Unallocated Benefits	2,000,000		2,000,000	2,000,000	
Total Undistributed Expenditures	3,864,922	(11,455)	3,853,467	3,676,752	176,715
Total General Current Expense	10,729,178	(15,084)	10,714,094	9,887,926	826,168

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Junior/Senior High School	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Capital Outlay					
Equipment					
Regular Program - Instruction:					
Grades 9-12	$ 15,865	$ 24,550	$ 40,415	$ 40,415	$ -
Total Equipment	15,865	24,550	40,415	40,415	
Total Capital Outlay	15,865	24,550	40,415	40,415	
Total School Based Expenditures	10,745,043	9,466	10,754,509	9,928,341	826,168
Other Financing Sources:					
Operating Transfer In	10,745,043	9,466	10,754,509	9,928,341	826,168
Total Other Financing Sources:	10,745,043	9,466	10,754,509	9,928,341	826,168
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures & Other Financing (Uses)					
Fund Balance - July 1, 2010	---	---	---	---	---
Fund Balance - June 30, 2011	---	---	---	---	---

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Mary Ethel Costello	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Instruction					
Grades 1-5 - Salaries of teachers	$ 1,356,142	$ (14,364)	$ 1,341,778	$ 1,126,568	$ 215,210
Grades 6-8 - Salaries of teachers	579,526	(4,500)	575,026	517,180	57,846
Regular Programs - Undistributed Instruction					
Purchased professional - educational services	5,000	150	5,150	4,900	250
Other purchased services (400-500 series)	16,700	1,194	17,894	11,557	6,337
General supplies	65,500	(5,244)	60,256	43,503	16,753
Textbooks	6,000	400	6,400	6,396	4
Total Regular Programs - Instruction	2,028,868	(22,364)	2,006,504	1,710,104	296,400
Special Education - Instruction					
Learning and/or Language Disabilities:					
Salaries of teachers	132,503	(6,275)	126,228	125,899	329
Other salaries for instruction	106,616	(23,189)	83,427	81,261	2,166
General supplies	1,000		1,000	143	857
Total Learning and/or Language Disabilities	240,119	(29,464)	210,655	207,303	3,352
Behavioral Disabilities:					
Salaries of teachers	57,138		57,138	56,046	1,092
Other salaries for instruction	27,251	23,189	50,440	44,792	5,648
General supplies	700		700	75	625
Total Behavioral Disabilities	85,089	23,189	108,278	100,913	7,365
Multiple Disabilities:					
Salaries of teachers	63,222		63,222	59,582	3,640
Other salaries for instruction	52,114	200	52,314	52,144	170
General supplies	500	1,775	2,275	173	2,102
Total Multiple Disabilities	115,836	1,975	117,811	111,899	5,912
Resource Room/Resource Center:					
Salaries of teachers	342,906	39,067	381,973	374,154	7,819
Other salaries for instruction	80,703	(24,067)	56,636	55,295	1,341
Total Resource Room/Resource Center	423,609	15,000	438,609	429,449	9,160
Total Special Education - Instruction	864,653	10,700	875,353	849,564	25,789

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Mary Ethel Costello	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction:					
Salaries of teachers	$ 25,194	$ 700	$ 25,894	$ 25,866	$ 28
Total Bilingual Education - Instruction	25,194	700	25,894	25,866	28
School Sponsored Cocurricular Actvts. - Inst.:					
Supplies and materials	1,500		1,500	897	603
Total School Sponsored Cocurricular Actvts. - Inst.	1,500		1,500	897	603
Total Instruction	2,920,215	(10,964)	2,909,251	2,586,431	322,820
Undistributed Expend. - Attend. & Social Work:					
Supplies and materials	1,000		1,000	195	805
Total Undistributed Expend. - Attend. & Social Work	1,000		1,000	195	805
Undistributed Expenditures - Health Services:					
Salaries	97,546		97,546	55,337	42,209
Other purchased services (400-500 series)	300		300	233	67
Supplies and materials	2,800		2,800	1,607	1,193
Other objects	300		300		300
Total Undistributed Expenditures - Health Services	100,946		100,946	57,177	43,769
Undist. Expend. - Guidance:					
Salaries of other professional staff	82,387		82,387	82,027	360
Purchased professional - educational services	300		300		300
Other purchased prof. and technical services	9,000		9,000		9,000
Supplies and materials	4,000		4,000		4,000
Other objects	300		300		300
Total Undist. Expend. - Guidance	95,987		95,987	82,027	13,960
Undist. Expend. - Improvement of Inst. Services:					
Salaries of facilitators, math & literacy coaches	245,394		245,394	205,943	39,451
Other salaries	5,000		5,000		5,000
Purchased professional - educational services	5,000		5,000		5,000
Supplies and materials	31,400		31,400	571	30,829
Total Undist. Expend. - Improvement of Inst. Serv.	286,794		286,794	206,514	80,280
Undist. Expend. - Edu. Media Serv./Sch. Library:					
Salaries	84,634		84,634	84,634	
Salaries of technology coordinators	52,125		52,125		52,125
Purchased professional and technical services	29,500		29,500	28,476	1,024
Other purchased services (400-500 series)	23,275	(8,842)	14,433	12,500	1,933
Supplies and materials	23,700	(5,500)	18,200	17,746	454
Other objects	2,000		2,000	800	1,200
Total Undist. Expend. - Edu. Media Serv/Sch. Library	215,234	(14,342)	200,892	144,156	56,736

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Mary Ethel Costello	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Instruc. Staff Training Serv.:					
Purchased professional - educational services	$ 6,000		$ 6,000		$ 6,000
Supplies and materials	1,600		1,600		1,600
Total Undist. Expend.-Instruc. Staff Training Serv.	7,600		7,600		7,600
Undist. Expend. - School Administration:					
Salaries of principals/assistant pincipals	241,693		241,693	$ 241,693	
Salaries of secretarial and clerical assistants	70,270		70,270	63,868	6,402
Other purchased services (400-500 series)	18,000		18,000	9,420	8,580
Supplies and materials	15,000		15,000	2,308	12,692
Other objects	3,400		3,400	3,200	200
Total Undist. Expend. - School Administration	348,363		348,363	320,489	27,874
Undist. Expend. - Security:					
Salaries	28,411		28,411	28,411	
Total Undist. Expnd. - Security	28,411		28,411	28,411	
Undist. Expend.- Student Transportation Services:					
Contr. Serv. (other than bet. home & sch.) - vendors	6,300		6,300	3,568	2,732
Total Undist. Expend. - Student Trans. Services	6,300		6,300	3,568	2,732
Unallocated Benefits:					
Health benefits	975,000		975,000	975,000	
Total Unallocated Benefits	975,000		975,000	975,000	
Total Undistributed Expenditures	2,065,635	$ (14,342)	2,051,293	1,817,537	233,756
Total General Current Expense	4,985,850	(25,306)	4,960,544	4,403,968	556,576
Capital Outlay					
Equipment					
Regular Program - Instruction:					
Grades 1-5		3,500	3,500	3,431	69
Special education - multiple disabilities		7,500	7,500		7,500
Undis. expend.-Support Serv.- Inst. Staff		14,342	14,342	14,342	
Total Equipment		25,342	25,342	17,773	7,569
Total Capital Outlay		25,342	25,342	17,773	7,569
Total School Based Expenditures	4,985,850	36	4,985,886	4,421,741	564,145
Other Financing Sources:					
Operating Transfer In	4,985,850	36	4,985,886	4,421,741	564,145
Total Other Financing Sources:	4,985,850	36	4,985,886	4,421,741	564,145
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures & Other Financing (Uses)					
Fund Balance - July 1, 2010	---	---	---	---	---
Fund Balance - June 30, 2011	---	---	---	---	---

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Cold Springs	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actua
Regular Programs - Instruction:					
Preschool/Kindergarten - Salaries of teachers	$ 462,424	$ 3,000	$ 465,424	$ 409,234	$ 56,190
Grades 1-5 - Salaries of teachers	2,706,899	(25,400)	2,681,499	2,374,850	306,649
Regular Programs - Undistributed Instruction					
Other salaries for instruction	214,007	26,000	240,007	234,230	5,777
Purchased professional - educational services	4,450	600	5,050	848	4,202
Other purchased services (400-500 series)	49,875		49,875	23,992	25,883
General supplies	116,514	(1,036)	115,478	93,858	21,620
Textbooks	900		900		900
Other objects	8,732	2,300	11,032	10,499	533
Total Regular Programs - Instruction	3,563,801	5,464	3,569,265	3,147,511	421,754
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of teachers	131,938		131,938	130,846	1,092
Other salaries for instruction	108,504	(14,000)	94,504	51,883	42,621
General supplies	1,000		1,000	511	489
Total Learning and/or Language Disabilities	241,442	(14,000)	227,442	183,240	44,202
Behavioral Disabilities:					
Salaries of teachers	61,784	2,700	64,484	57,445	7,039
Other salaries for instruction	54,672	6,037	60,709	59,267	1,442
Purchased professional - educational services		4,000	4,000	1,938	2,062
Total Behavioral Disabilities	116,456	12,737	129,193	118,650	10,543
Multiple Disabilities:					
Salaries of teachers		5,400	5,400	4,146	1,254
Other salaries for instruction		2,437	2,437	1,467	970
Total Multiple Disabilities		7,837	7,837	5,613	2,224
Resource Room/Resource Center:					
Salaries of teachers	541,885	(46,289)	495,596	449,364	46,232
Other salaries for instruction	56,502	50,289	106,791	78,653	28,138
General supplies	1,000		1,000	842	158
Total Resource Room/Resource Center	599,387	4,000	603,387	528,859	74,528

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Cold Springs	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism:					
Salaries of teachers	$ 54,340	$ 2,700	$ 57,040	$ 55,813	$ 1,227
Other salaries for instruction	130,841	(7,563)	123,278	108,211	15,067
Purchased professional - educational services		6,000	6,000	3,226	2,774
General supplies	500		500		500
Total Autism	185,681	1,137	186,818	167,250	19,568
Preschool Disabilities - Full Time					
Salaries of teachers		8,700	8,700	7,397	1,303
Other salaries for instruction		1,218	1,218	670	548
Total Preschool Disabilities		9,918	9,918	8,067	1,851
Total Special Education - Instruction	1,142,966	21,629	1,164,595	1,011,679	152,916
Bilingual Education - Instruction:					
Salaries of teachers	25,194	1,000	26,194	25,866	328
Supplies	500		500		500
Total Bilingual Education - Instruction	25,694	1,000	26,694	25,866	828
Total Instruction	4,732,461	28,093	4,760,554	4,185,056	575,498
Undistributed Expend. - Attend. & Social Work:					
Salaries	41,194	1,500	42,694	42,554	140
Supplies and materials	275		275		275
Other objects	275		275		275
Total Undistributed Expend. - Attend. & Social Work	41,744	1,500	43,244	42,554	690
Undistributed Expend. - Health Services:					
Salaries	106,946	4,000	110,946	109,251	1,695
Supplies and materials	4,000		4,000	1,641	2,359
Other objects	200		200		200
Total Undistributed Expend. - Health Services	111,146	4,000	115,146	110,892	4,254
Undist. Expend. - Guidance:					
Salaries of other professional staff	167,516		167,516	136,394	31,122
Total Undist. Expend. - Guidance	167,516		167,516	136,394	31,122
Undist. Expend. - Improvement of Inst. Serv.:					
Other salaries	5,000		5,000		5,000
Salaries of facilitators, math & literacy coaches	252,387		252,387	249,139	3,248
Total Undist. Expend. - Improvement of Inst. Serv.	257,387		257,387	249,139	8,248

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund 15
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2011

School: Cold Springs	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Edu. Media Serv./Sch. Library:					
Salaries	$ 60,424		$ 60,424	$ 56,784	$ 3,640
Salaries of technology coordinators	58,124		58,124	55,970	2,154
Purchased professional and technical services	30,500	$ (6,450)	24,050	21,997	2,053
Other purchased services (400-500 series)	22,650	448	23,098	20,391	2,707
Supplies and materials	27,000	(4,150)	22,850	20,729	2,121
Other objects	1,800		1,800	695	1,105
Total Undist. Expend. - Edu. Media Serv./Sch. Library	200,498	(10,152)	190,346	176,566	13,780
Undistributed Expend. - Instruc. Staff Training Serv.:					
Purchased professional - educ. services	8,000		8,000	607	7,393
Total Undist. Expend. - Instruc. Staff Training Serv.	8,000		8,000	607	7,393
Undist. Expend. - School Administration:					
Salaries of principals/assistant pincipals	242,515	6,728	249,243	242,514	6,729
Salaries of secretarial and clerical assistants	167,868	4,000	171,868	167,411	4,457
Other purchased services (400-500 series)	21,700	(6,728)	14,972	7,267	7,705
Supplies and materials	14,495		14,495	6,511	7,984
Other objects	4,770	(400)	4,370	3,255	1,115
Total Undist. Expend. - School Administration	451,348	3,600	454,948	426,958	27,990
Undist. Expend. - Security:					
Salaries	64,422	(9,500)	54,922	35,875	19,047
Total Undist. Expnd. - Security	64,422	(9,500)	54,922	35,875	19,047
Undist. Expend. - Student Transportation Services:					
Contr. Serv. (other than bet. home & sch.) - vendors	8,225	(1,800)	6,425	4,941	1,484
Total Undist. Expend. - Student Trans. Services	8,225	(1,800)	6,425	4,941	1,484
Unallocated Benefits:					
Health benefits	1,475,000		1,475,000	1,475,000	
Total Unallocated Benefits	1,475,000		1,475,000	1,475,000	
Total Undistributed Expenditures	2,785,286	(12,352)	2,772,934	2,658,926	114,008
Total General Current Expense	7,517,747	15,741	7,533,488	6,843,982	689,506
Capital Outlay					
Equipment					
Undis. expend.-support serv.-instructional staff		19,842	19,842	11,000	8,842
Total Equipment		19,842	19,842	11,000	8,842
Total Capital Outlay		19,842	19,842	11,000	8,842
Total School Based Expenditures	7,517,747	35,583	7,553,330	6,854,982	698,348
Other Financing Sources:					
Operating Transfer In	7,517,747	35,583	7,553,330	6,854,982	698,348
Total Other Financing Sources:	7,517,747	35,583	7,553,330	6,854,982	698,348
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures & Other Financing (Uses)					
Fund Balance - July 1, 2010	---	---	---	---	---
Fund Balance - June 30, 2011	---	---	---	---	---

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Special Revenue Fund

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	Total Other Prog. (See E-1A)	Total Other Prog. (See E-1B)	Total
REVENUES:			
State sources	$ 3,268,283		$ 3,268,283
Federal sources		$ 2,176,888	2,176,888
Total Revenues	3,268,283	2,176,888	5,445,171
EXPENDITURES:			
Instruction:			
Salaries of teachers	1,075,979	619,316	1,695,295
Other salaries for instruction	559,330	20,031	579,361
Purchased professional and technical services	273,024	102,831	375,855
Purchased professional and educational services		75,361	75,361
Other purchased services	23,649	36,268	59,917
Tuition		784,745	784,745
General supplies	35,909	41,012	76,921
Textbooks	48,941		48,941
Other objects		2,979	2,979
Total instruction	2,016,832	1,682,543	3,699,375
Support services:			
Salaries of principals	96,348		96,348
Salaries of program directors		37,500	37,500
Salaries of other professional staff	291,206		291,206
Salaries of secretaries and clerical assistants	95,464	25,625	121,089
Other salaries for instruction	100,921	51,428	152,349
Personal services - employee benefits	803,258	111,015	914,273
Purchased professional and technical services	7,827		7,827
Purchased professional and educational services		195,180	195,180
Other purchased services	10,601	2,462	13,063
Contracted services - transportation	92,080	3,545	95,625
Travel	257		257
Class trips	4,500		4,500
Supplies and materials	5,117	67,590	72,707
Total support services	1,507,579	494,345	2,001,924
Facilities acquisition and const. serv.:			
Noninstructional equipment			
Total Expenditures	3,524,411	2,176,888	5,701,299
Other Financing Sources (Uses):			
Transfer in from General Fund	256,128		256,128
Total Outflows	3,268,283	2,176,888	5,445,171
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	---	---	---

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	Nonpublic Comp. Ed.	Nonpublic Speech	Nonpublic Transport.	Nonpublic Exam/ Classification	Nonpublic Supplemental Instruction	Home Instruction	Nonpublic Textbooks	Nonpublic Nursing	Preschool Education Aid	Total
REVENUES:										
State sources	$ 186,222	$ 18,096	$ 6,094	$ 36,031	$ 26,581	$ 851	$ 48,941	$ 61,626	$ 2,883,841	$ 3,268,283
Federal sources										
Total Revenues	186,222	18,096	6,094	36,031	26,581	851	48,941	61,626	2,883,841	3,268,283
EXPENDITURES:										
Instruction:										
Salaries								42,451	1,033,528	1,075,979
Other salaries for instruction									559,330	559,330
Purchased prof. - educ. services	186,222	18,096	6,094	36,031	26,581					273,024
Other purchased services						851		12,797	10,001	23,649
Textbooks							48,941			48,941
Supplies									35,909	35,909
Total instruction	186,222	18,096	6,094	36,031	26,581	851	48,941	55,248	1,638,768	2,016,832
Support services:										
Salaries - principals									96,348	96,348
Salaries - other prof. staff								6,378	284,828	291,206
Salaries of sec. and clerical ass'ts.									95,464	95,464
Other salaries of instruction									100,921	100,921
Personal services-employee benefits									803,258	803,258
Purchased prof. and tech. services									7,827	7,827
Other purchased services									10,601	10,601
Contracted services - transportation									92,080	92,080
Class trips									4,500	4,500
Travel									257	257
Supplies and materials									5,117	5,117
Total support services								6,378	1,501,201	1,507,579
Facilities acquisition and const. serv.:										
Instructional equipment										
Total facilities acq. and const. serv.										
Total Expenditures	186,222	18,096	6,094	36,031	26,581	851	48,941	61,626	3,139,969	3,524,411
Other Financing Sources (Uses):										
Transfer In from General Fund									256,128	256,128
Total Outflows	186,222	18,096	6,094	36,031	26,581	851	48,941	61,626	2,883,841	3,268,283
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	—	—	—	—	—	—	—	—	—	—

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	Title I	ARRA Title I	Title I SIA Carryovers	Title II A	IDEA Basic	IDEA Preschool	ARRA IDEA Basic	ARRA IDEA Preschool	21st Century	Carl Perkins	Total
REVENUES:											
State sources											
Federal sources	$ 699,538	$ 90,081	$ 30,189	$ 103,462	$ 633,754	$ 20,160	$ 248,299	$ 253	$ 321,991	$ 29,161	$ 2,176,888
Total Revenues	699,538	90,081	30,189	103,462	633,754	20,160	248,299	253	321,991	29,161	2,176,888
EXPENDITURES:											
Instruction:											
Salaries of teachers	354,791	83,718	28,260	75,663					76,884		619,316
Other salaries for instruction	12,365								7,666		20,031
Purchased prof. educ. services	75,361										75,361
Purchased prof. tech. services					62,026		40,805				102,831
Other purchased services									36,268		36,268
Tuition					563,524	20,160	201,061				784,745
General supplies	31,648		1		853		5,543	253	2,430	284	41,012
Other objects									1,979	1,000	2,979
Total instruction	474,165	83,718	28,261	75,663	626,403	20,160	247,409	253	125,227	1,284	1,682,543
Support services:											
Salaries of program directors									37,500		37,500
Other salaries for instruction									32,760	13,246	46,006
Salaries of sec. and clerical ass'ts.					5,000				20,625		25,625
Other salaries									5,422		5,422
Personal services-employee benefits	68,310	5,557	1,928	15,133	414		750		17,910	1,013	111,015
Purchased prof. educ. services	94,369			12,486	1,937				80,130	6,258	195,180
Transportation									545	3,000	3,545
Other purchased services	1,026			180			140		1,116		2,462
General supplies	61,668	806							756	4,360	67,590
Total support services	225,373	6,363	1,928	27,799	7,351		890		196,764	27,877	494,345
Facilities acquisition and const. serv.:											
Noninstructional equipment											
Total facilities acq. and const. serv.											
Total Expenditures	699,538	90,081	30,189	103,462	633,754	20,160	248,299	253	321,991	29,161	2,176,888
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	—	—	—	—	—	—	—	—	—	—	—

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Statement of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of teachers	$ 1,033,528	$ 1,033,528	
Other salaries for instruction	559,330	559,330	
Other purchased services	10,001	10,001	
General supplies	35,909	35,909	
Total instruction	1,638,768	1,638,768	
Support Services:			
Salaries of principals	96,348	96,348	
Salaries of other professional staff	284,828	284,828	
Salaries of sec. and clerical assistants	95,464	95,464	
Other salaries	100,921	100,921	
Personal services - employee benefits	803,258	803,258	
Purchased prof. and tech. services	7,827	7,827	
Other purchased services	10,601	10,601	
Contracted services - transportation	92,080	92,080	
Class trips	4,500	4,500	
Travel	257	257	
Supplies and materials	5,117	5,117	
Total support services	1,501,201	1,501,201	
Facilities acquisition:			
Instructional equipment			
Total Expenditures	$ 3,139,969	$ 3,139,969	$ -

SUMMARY OF LOCATION TOTALS

Total revised 2010-2011 Preschool Education Aid allocation	$ 2,883,841
Add: Actual ECPA Carryover (June 30, 2010)	
Add: Budgeted transfer from the General Fund 2010-2011	256,128
Total Preschool Education Aid Funds available for 2010-2011 budget	3,139,969
Less: 2010-2011 Budgeted Preschool Education Aid (including prior year budgeted carryover)	(3,139,969)
Available & unbudgeted Preschool Education Aid Funds as of June 30, 2011	
Add: June 30, 2011 Unexpended Preschool Education Aid	
2010-2011 Actual Carryover - Preschool Education Aid	$ -
2010-2011 Preschool Education Aid Carryover Budgeted in 2011-2012	$ -

Capital Projects Fund

The District does not maintain a capital projects fund.

Proprietary Funds

GLOUCESTER CITY SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Assets
June 30, 2011

	Food Service Fund
ASSETS:	
Current Assets:	
Cash and cash equivalents	$ 337,912
Accounts receivable:	
Other	1,671
Inventories	18,532
Total Current Assets	358,115
Noncurrent Assets:	
Equipment	571,262
Less - accumulated depreciation	(442,211)
Total Noncurrent Assets	129,051
Total Assets	487,166
LIABILITIES:	
Current Liabilities:	
Accounts payable	2,852
Total Current Liabilities	2,852
NET ASSETS:	
Invested in capital assets	129,051
Unrestricted	355,263
Total Net Assets	$ 484,314

GLOUCESTER CITY SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2011

	Food Service Fund
OPERATING REVENUES:	
Charges for Services:	
Daily sales reimbursable programs:	
School lunch	$ 137,509
Breakfast program	25,070
Daily sales non-reimbursable programs	
Adult and alacarte sales	173,332
Special functions	10,896
Summer program	13,166
Total Operating Revenues	359,973
OPERATING EXPENSES:	
Salaries and fringe benefits	433,194
Management fee	47,835
Supplies and materials	41,288
Maintenance and repairs	9,293
Other costs	22,773
Depreciation	13,154
Cost of sales	470,159
Total Operating Expenses	1,037,696
Operating Income (Loss)	(677,723)
Non-Operating Revenues:	
State sources:	
State school lunch program	12,067
Federal sources:	
National school lunch program	517,682
National breakfast program	142,175
After school snack program	23,340
Food distribution program	38,348
Total Non-Operating Revenues	733,612
Income (Loss) before Contributions and Transfers	55,889
Contribution of capital assets	
Changes in Net Assets	55,889
Net Assets - July 1, 2010	428,425
Net Assets - June 30, 2011	$ 484,314

GLOUCESTER CITY SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2011

	Food Service Fund
Cash Flows from Operating Activities:	
Cash receipts from customers	$ 359,973
Cash payments to employees for services	(433,194)
Cash payments to suppliers for goods and services	(580,488)
Net cash provided by (used for) operating activities	(653,709)
Cash Flows from Noncapital Financing Activities:	
Cash received from state sources	14,422
Cash received from federal sources	770,325
Cash received from operating transfer in	
Net cash provided by noncapital financing activities	784,747
Cash Flows Used by Capital and Related Financing Activities:	
Purchase of equipment	
Cash Flow Provided by Investing Activities:	
Interest on cash equivalents	
Net increase (decrease) in cash and cash equivalents	131,038
Cash and cash equivalents - July 1, 2010	206,874
Cash and cash equivalents - June 30, 2011	$ 337,912
Reconciliation of Operating Income (Loss) to Net Cash provided by (used for) Operating Activities:	
Operating income (loss)	$ (677,723)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	13,154
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	6,403
(Increase) decrease in inventories	1,605
Increase (decrease) in accounts payable	2,852
Net cash provided by (used for) operating activities	$ (653,709)

Noncash Noncapital Financing Activities:

During the year the District received $38,348 of food commodities from the U.S. Department of Agriculture.

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Fiduciary Funds

GLOUCESTER CITY SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2011

	Trust Funds		Agency Funds		
	Unemployment Compensation	Scholarship Funds	Student Activity	Payroll	Total
ASSETS:					
Cash and cash equivalents	$ 1,072,640	$ 73,851	$ 47,310	$ 267,820	$ 1,461,621
Total Assets	1,072,640	73,851	$ 47,310	$ 267,820	1,461,621
LIABILITIES:					
Liabilities:					
Payroll deductions payable				$ 267,820	267,820
Due to student groups			$ 47,310		47,310
Total Liabilities			$ 47,310	$ 267,820	315,130
NET ASSETS:					
Held in trust for unemployment claims	1,072,640				1,072,640
Held in trust for scholarsips		73,851			73,851
Totl Net Assets	$ 1,072,640	$ 73,851			$ 1,146,491

GLOUCESTER CITY SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Assets
For the Fiscal Years Ended June 30, 2011

	Scholarship Funds	Unemployment Compensation Insurance Trust Fund	Totals
Additions:			
Interest on investments	$ 255	$ 1,640	$ 1,895
Donations	635		635
Transfer from General Fund			
Board contributions		300,000	300,000
Employee withholdings		35,907	35,907
Total Additions	890	337,547	338,437
Deductions:			
Unemployment compensation insurance claims		66,093	66,093
Scholarships	10,000		10,000
Total Deductions	10,000	66,093	76,093
Change in Net Assets	(9,110)	271,454	262,344
Net Assets - July 1, 2010	82,961	801,186	884,147
Net Assets - June 30, 2011	$ 73,851	$ 1,072,640	$ 1,146,491

GLOUCESTER CITY SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011

	Balance June 30, 2010	Cash Receipts	Cash Disbursements	Transfers	Balance June 30, 2011
Mary Ethel Costello School	$ 5,861	$ 3,576	$ 3,574		$ 5,863
High School					
Art Club	21				21
Band and Orchestra	6				6
Class of 2010	854				854
Class of 2011	645	5,578	5,707		516
David J. Martin Scholarship	458	500	500		458
Drama Club	828	1,235	819		1,244
First Congressional District		300	300		
General Fund	1,984	3,635	4,215		1,404
Gloucester Heights Fire Assoc.		500	500		
Honor Society	104		81		23
Inter-Act Club	3,356	160	1,175		2,341
Interest on account		96	46		50
James McNally	87				87
Jr. National Honor Society	416		392		24
Junior High Activities	5,166				5,166
Kasey Rebstock	62	135	100		97
Leo Club	781	700	200		1,281
Life Skills	5				5
Musical Account	5,465	6,117	3,460		8,122
Newspaper	72				72
Pep Club	3,532	1,060	2,125		2,467
Prom	1,548	12,979	12,854		1,673
SAT Prep Class	627	1,472	1,391		708
Senior Class Trip	12	60,459	70,153	$ 3,622	(6,060)
Senior Fund Raiser		24,902	14,959	(3,622)	6,321
Sports Marketing		3,141	2,086		1,055
Student Council	1,177				1,177
Thomas Edward Veble III	180				180
Yearbook	11,388	28,893	28,156		12,125
Zack Rodgers Scholarship	30				30
Total High School	38,804	151,862	149,219		41,447
Total All Schools	$ 44,665	$ 155,438	$ 152,793	$ -	$ 47,310

GLOUCESTER CITY SCHOOL DISTRICT
Fiduciary Funds
Payrol Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
ASSETS:				
Cash and cash equivalents	$ 13,638	$ 23,702,567	$ 23,448,385	$ 267,820
Total Assets	$ 13,638	$ 23,702,567	$ 23,448,385	$ 267,820
LIABILITIES:				
Net payroll	$ 100	$ 14,539,532	$ 14,539,532	$ 100
Payroll deductions and withholdings	13,538	9,163,035	8,908,853	267,720
Total Liabilities	$ 13,638	$ 23,702,567	$ 23,448,385	$ 267,820

Long-Term Debt Schedules

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Serial Bonds
For the Fiscal Year Ended June 30, 2011

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2010	Issued	Retired	Balance June 30, 2011
School Refunding Bonds of 2001	9/15/01	$ 6,765,000	8/15/11	$ 400,000	4.95%	$ 6,390,000		$ 5,990,000	$ 400,000
School Refunding Bonds of 2005	6/15/05	6,110,000	8/15/11	375,000		5,830,000		380,000	5,450,000
			8/15/12 - 15	395,000					
			8/15/16 - 17	420,000					
			8/15/18 - 19	440,000					
			8/15/20 - 21	435,000					
			8/15/22	455,000					
			8/15/23	450,000					
School Refunding Bonds of 2011	2/15/10	5,835,000	8/15/11	110,000	2.00%		$ 5,835,000		5,835,000
				455,000	2.00%				
				465,000	2.00%				
				455,000	2.00%				
				465,000	2.00%				
				450,000	2.375%				
				435,000	2.750%				
				425,000	3.00%				
				440,000	3.50%				
				425,000	3.50%				
				440,000	3.75%				
				435,000	4.125%				
				425,000	4.125%				
				410,000	4.125%				
						$ 12,220,000	$ 5,835,000	$ 6,370,000	$ 11,685,000

GLOUCESTER CITY SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	$ 646,069		$ 646,069	$ 646,069	
Miscellaneous				8,984	$ 8,984
Total local sources	646,069		646,069	655,053	8,984
State sources:					
Debt service aid - Type II	672,299		672,299	672,299	
Total Revenues	1,318,368		1,318,368	1,327,352	8,984
EXPENDITURES:					
Regular debt service:					
Interest	538,368		538,368	538,368	
Redemption of principal	780,000		780,000	780,000	
Total Expenditures	1,318,368		1,318,368	1,318,368	
Excess (Deficiency) of revenues over (under) expenditures				8,984	8,984
Fund Balance - July 1, 2010					
Fund Balance - June 30, 2011	$ -	$ -	$ -	$ 8,984	$ 8,984
Recapitulation of Excess (Deficiency) or revenues over (under) expenditures					
Budgeted Fund Balance	$ -	$ -	$ -	$ 8,984	$ 8,984

Statistical Section

Gloucester City School District
Net Assets by Component,
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities:									
Invested in capital assets, net of related debt	$ (924,736)	$ (1,067,719)	$ (754,705)	$ 32,763,928	$ 31,880,265	$ 31,173,049	$ 31,067,690	$30,767,308	$ 29,918,102
Restricted for:									
Debt service				139,763	139,763				8,984
Other purposes	2,006,677	2,566,029	3,304,092	3,541,128	2,327,078	4,727,404	7,699,558	8,771,351	9,012,645
Unrestricted	(1,096,354)	(1,082,968)	(1,247,149)	(2,196,709)	(1,959,447)	(1,817,838)	(3,769,348)	(3,697,897)	(3,454,668)
Total governmental activities net assets	$ (14,413)	$ 415,342	$ 1,302,238	$ 34,248,110	$ 32,387,659	$ 34,082,615	$ 34,997,900	$35,840,762	$ 35,485,063
Business-type activities:									
Invested in capital assets, net of related debt	$ 58,356	$ 122,440	$ 120,184	$ 200,072	$ 184,873	$ 165,647	$ 146,881	$ 142,205	$ 129,501
Unrestricted	$ (7,524)	21,524	22,157	83,192	148,520	204,795	232,677	286,220	355,263
Total business-type activities net assets	$ 50,832	$ 143,964	$ 142,341	$ 283,264	$ 333,393	$ 370,442	$ 379,558	$ 428,425	$ 484,764
District-wide:									
Invested in capital assets, net of related debt	$ (866,380)	$ (945,279)	$ (634,521)	$ 32,964,000	$ 32,065,138	$ 31,338,696	$ 31,214,571	$30,909,513	$ 30,047,603
Restricted:									
Debt service		-	-	139,763	139,763	-	-	-	8,984
Other purposes	2,006,677	2,566,029	3,304,092	3,541,128	2,327,078	4,727,404	7,699,558	8,771,351	9,012,645
Unrestricted	(1,103,878)	(1,061,444)	(1,224,992)	(2,113,517)	(1,810,927)	(1,613,043)	(3,536,671)	(3,411,677)	(3,099,405)
Total district net assets	$ 36,419	$ 559,306	$ 1,444,579	$ 34,531,374	$ 32,721,052	$ 34,453,057	$ 35,377,458	$36,269,187	$ 35,969,827

Gloucester City School District
Changes in Net Assets, Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses:									
Governmental activities:									
Instruction:									
Regular	$ 15,316,210	$ 16,655,657	$ 18,049,501	$ 14,909,879	$ 14,502,575	$ 13,782,622	$ 12,772,350	$ 14,316,288	$ 14,254,699
Special education	2,751,921	3,119,602	3,493,876	3,022,687	2,938,073	3,007,737	3,315,117	3,385,910	3,300,584
Other instruction	543,635	664,620	720,578	612,101	618,840	699,700	724,129	708,381	740,191
Support Services:									
Tuition	1,973,685	1,812,041	1,835,093	1,766,824	1,829,007	1,526,332	1,285,931	1,082,411	1,703,269
Student & instruction related services	5,655,021	6,729,317	6,609,931	5,738,458	5,997,005	6,411,842	5,702,922	5,962,736	5,899,736
School administrative services	1,299,250	1,528,739	1,662,077	1,295,594	1,277,932	1,191,287	1,321,147	1,372,722	1,414,975
General and business administrative services	713,122	591,941	1,283,966	1,295,012	1,162,111	1,237,109	1,233,410	1,151,657	1,034,189
Plant operations and maintenance	2,856,557	2,943,088	3,361,123	3,308,431	4,125,283	4,008,373	3,991,713	4,794,795	3,490,285
Pupil transportation	655,462	709,293	851,513	966,942	1,069,041	983,653	897,593	945,914	897,120
Business and other support services	382,394	414,577							
Unallocated employee benefits				7,448,366	9,379,285	8,720,727	7,426,835	8,553,156	8,916,116
Special schools	413,578	382,381	434,084	350,027	353,114	164,228	162,394	166,877	148,797
Transfer to Charter Schools						28,727	31,977	41,001	51,919
Interest on long-term debt	859,611	826,736	885,393	755,750	666,813	628,538	590,313	557,974	712,610
Unallocated depreciation	121,967	229,743	206,859	367,234	338,958	336,348	321,711	311,183	411,192
Total governmental activities expenses	33,542,413	36,607,735	39,393,994	41,837,305	44,258,037	42,727,223	39,777,542	43,349,005	42,975,682
Business-type activities:									
Food service	854,518	931,486	993,233	1,016,813	981,628	1,013,548	1,077,816	1,125,448	1,037,696
Total business-type activities expense	854,518	931,486	993,233	1,016,813	981,628	1,013,548	1,077,816	1,125,448	1,037,696
Total district expenses	$ 34,396,931	$ 37,539,221	$ 40,387,227	$ 42,854,118	$ 45,239,665	$ 43,740,771	$ 40,855,358	$ 44,474,453	$ 44,013,378
Program Revenues:									
Governmental activities:									
Charges for services:									
Instruction (tuition)	$ 505,342	$ 602,426	$ 627,580	$ 598,543	$ 624,067	$ 735,393	$ 860,752	$ 1,108,520	$ 1,326,699
Operating grants and contributions	6,052,647	7,308,884	7,082,340	7,579,485	8,915,796	9,409,965	8,333,292	9,164,350	8,421,422
Total governmental activities program revenues	6,557,989	7,911,310	7,709,920	8,178,028	9,539,863	10,145,358	9,194,044	10,272,870	9,748,121

(Continued)

Gloucester City School District
Changes in Net Assets, Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Business-type activities:									
Charges for services:									
Food service	$ 402,067	$ 457,256	$ 431,965	$ 463,008	$ 430,945	$ 402,992	$ 415,326	$ 376,663	$ 359,973
Operating grants and contributions	481,929	484,473	559,645	579,112	600,812	647,605	671,606	783,766	733,612
Capital grants and contributions									
Total business type activities program revenues	883,996	941,729	991,610	1,042,120	1,031,757	1,050,597	1,086,932	1,160,429	1,093,585
Total district program revenues	$ 7,441,985	$ 8,853,039	$ 8,701,530	$ 9,220,148	$ 10,571,620	$ 11,195,955	$ 10,280,976	$ 11,433,299	$ 10,841,706
Net (Expense)/Revenue:									
Governmental activities	$ (26,984,424)	$ (28,696,425)	$ (31,684,074)	$ (33,659,277)	$ (34,718,174)	$ (32,581,865)	$ (30,583,498)	$(33,076,135)	$ (33,227,561)
Business-type activities	29,478	10,243	(1,623)	25,307	50,129	37,049	9,116	34,981	55,889
Total district-wide net expense	$ (26,954,946)	$ (28,686,182)	$ (31,685,697)	$ (33,633,970)	$ (34,668,045)	$ (32,544,816)	$ (30,574,382)	$(33,041,154)	$ (33,171,672)
General Revenues and Other Changes in Net Assets:									
Governmental activities:									
Property taxes levied for general purposes, net	$ 2,858,502	$ 2,858,502	$ 2,858,502	$ 2,858,502	$ 2,858,502	$ 2,858,502	$ 2,976,018	$ 3,095,058	$ 3,218,860
Taxes levied for debt service	537,570	564,781	574,476	560,995	609,374	398,831	523,302	487,420	646,069
Unrestricted grants and contributions	21,378,524	25,588,728	28,973,415	28,481,196	29,078,558	30,686,424	27,838,203	30,145,563	29,069,758
Transportation fees	7,125	6,574	3,731	7,922	6,357	5,288	8,502	9,959	
State aid contribution towards fixed assets				34,280,327					
Miscellaneous income	85,674	288,217	179,500	401,158	304,932	327,776	152,758	210,247	111,588
Loss on disposal of assets		(180,622)	(18,654)					(29,250)	(174,413)
Transfers	(16,672)			15,049					
Total governmental activities	24,850,723	29,126,180	32,570,970	66,605,149	32,857,723	34,276,821	31,498,783	33,918,997	32,871,862
Business-type activities:									
State aid contribution towards fixed assets				115,616				13,886	
Transfers	16,672								
Total business-type activities	16,672	-	-	115,616	-	-	-	13,886	-
Total district-wide	$ 24,867,395	$ 29,126,180	$ 32,570,970	$ 66,720,765	$ 32,857,723	$ 34,276,821	$ 31,498,783	$ 33,932,883	$ 32,871,862
Change in Net Assets:									
Governmental activities	$ (2,133,701)	$ 429,755	$ 886,896	$ 32,945,872	$ (1,860,451)	$ 1,694,956	$ 915,285	$ 842,862	$ (355,699)
Business-type activities	46,150	10,243	(1,623)	140,923	50,129	37,049	9,116	48,867	55,889
Total district-wide	$ (2,087,551)	$ 439,998	$ 885,273	$ 33,086,795	$ (1,810,322)	$ 1,732,005	$ 924,401	$ 891,729	$ (299,810)

Gloucester City School District
Fund Balances, Governmental Funds,
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund:									
Restricted for:									
Future tuition payments	$ 133,746						$ 197,120	$ 285,776	$ 198,956
Excess surplus			$ 905,254		$ 264,829	$ 2,015,489			
Maintenance reserve							900,000	1,512,500	2,900,000
Emergency reserve							250,000	639,000	783,000
Capital reserve							1,540,540	1,941,283	1,730,658
Assigned to:									
Year-end Encumbrances	797,686	1,081,061	1,048,177	330,230	562,249	931,081	516,517	446,085	476,540
Designated for subsequent year's budget	1,063,244	1,484,407	1,350,661	3,350,661	1,500,000	1,750,000	4,265,489	3,750,000	2,900,000
Unassigned	(454,477)	(310,165)	(256,484)	(951,976)	(760,732)	(741,218)	(2,276,084)	(2,326,651)	(2,103,861)
Total general fund	$ 1,540,199	$ 2,255,303	$ 3,047,608	$2,728,915	$ 1,566,346	$ 3,955,352	$ 5,393,582	$ 6,247,993	$ 6,885,293
All Other Governmental Funds									
Unreserved, reported in:									
Special revenue fund	$ (13,059)	$ (15,294)	$ (53,780)	$ (90,503)	$ (94,376)	$ (28,835)	$ (241,164)	$ (92,915)	$ (264,893)
Debt service fund	12,562	561		139,763	139,763				8,984
Total all other governmental funds	$ (497)	$ (14,733)	$ (53,780)	$ 49,260	$ 45,387	$ (28,835)	$ (241,164)	$ (92,915)	$ (255,909)

Gloucester City School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Tax levy	$ 3,439,632	$ 3,396,072	$ 3,423,283	$ 3,432,978	$ 3,419,497	$ 3,467,876	$ 3,257,333	$ 3,499,320	$ 3,582,478	$ 3,864,929
Tuition charges	682,965	505,342	602,426	627,580	598,543	624,067	735,393	860,752	1,108,520	1,326,699
Transportation fees	2,780	7,125	6,574	3,731	7,922	6,357	5,288	8,502	9,959	
Interest earnings	68,768									
Miscellaneous	188,444	86,092	288,217	187,504	401,158	304,932	327,776	152,758	210,247	111,588
State sources	26,522,656	25,781,517	30,591,188	34,129,681	33,910,686	35,477,280	37,901,888	35,043,040	32,951,307	35,202,808
Federal sources	1,400,011	1,649,236	2,306,424	2,103,070	2,149,995	2,517,074	2,194,501	2,049,217	6,358,606	2,288,372
Total revenue	32,305,256	31,425,384	37,218,112	40,484,544	40,487,801	42,397,586	44,422,179	41,613,589	44,221,117	42,794,396
Expenditures										
Instruction										
Regular Instruction	10,800,387	12,199,679	12,606,792	13,700,314	13,494,303	13,581,728	12,767,846	12,752,750	13,445,495	13,288,716
Special education instruction	1,874,121	2,211,778	2,390,129	2,652,142	3,022,687	2,938,073	3,007,737	3,315,117	3,385,910	3,300,584
Other instruction	516,865	473,763	560,358	599,380	612,101	618,840	699,700	724,129	706,381	740,191
Support Services:										
Tuition	1,790,665	1,973,685	1,812,041	1,835,093	1,766,824	1,829,007	1,526,332	1,285,931	1,082,411	1,703,269
Student & instruction related services	4,413,449	4,904,095	5,663,426	5,462,408	5,738,458	5,997,005	6,411,842	5,728,063	5,962,736	5,899,736
School administrative services	1,037,548	1,076,289	1,173,996	1,297,941	1,295,594	1,277,932	1,191,287	1,321,147	1,372,722	1,414,975
General and business admin.services	1,223,864	783,867	813,569	1,025,155	1,121,150	1,002,387	1,078,691	1,082,310	1,005,871	886,877
Plant operations and maintenance	2,240,215	2,423,624	2,497,762	2,880,972	3,308,431	3,442,825	3,842,918	3,991,713	4,135,811	3,375,321
Pupil transportation	787,708	655,462	709,293	851,513	966,942	1,069,041	983,653	897,593	945,914	897,120
Other support services	4,496,387	4,630,438	6,079,013	6,866,531	7,448,366	9,379,285	8,720,727	7,426,835	8,553,156	8,916,116
Special Schools	294,453	347,528	295,324	337,410	350,027	353,114	164,228	162,394	166,877	148,797
Transfer to Charter Schools							28,727	31,977	41,001	51,919
Capital outlay	457,477	420,846	473,805	785,053	311,924	716,036	337,427	359,674	1,195,810	380,101
Debt service:										
Principal	550,000	590,000	615,000	645,000	665,000	680,000	705,000	705,000	650,000	780,000
Interest and other charges	940,863	859,611	826,736	792,374	616,696	678,755	641,280	603,055	568,362	538,368
Total expenditures	31,424,002	33,550,665	36,517,244	39,731,286	40,718,503	43,564,028	42,107,395	40,387,688	43,218,457	42,320,090
Excess (Deficiency) of revenues over (under) expenditures	881,254	(2,125,281)	700,868	753,258	(230,702)	(1,166,442)	2,314,784	1,225,901	1,002,660	474,306
Other Financing sources (uses)										
Capital lease	83,484									
Transfers in	1,315,971	2,051,980	2,181,566	2,243,566	2,153,357	2,383,469	2,469,951	270,891	303,451	256,128
Transfers out	(1,322,819)	(2,068,652)	(2,181,566)	(2,243,566)	(2,138,308)	(2,383,469)	(2,469,951)	(270,891)	(303,451)	(256,128)
Total other financing sources (uses)	76,636	(16,672)	-	-	15,049	-	-	-	-	-
Net change in fund balances	$ 957,890	$ (2,141,953)	$ 700,868	$ 753,258	$ (215,653)	$ (1,166,442)	$ 2,314,784	$ 1,225,901	$ 1,002,660	$ 474,306
Debt service as a percentage of noncapital expenditures	4.81%	4.38%	4.00%	3.69%	3.17%	3.17%	3.22%	3.27%	2.90%	3.14%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Gloucester City School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Transportation Fees	Prior Year Refunds	Admission Fees	E-Rate	Rentals	Summer School	Miscellaneous	Total
2002	$ 68,768	$ 682,965	$ 2,780	$ 62,062					$ 51,103	$ 867,678
2003	57,368	505,342	7,125	19,451	$ 9,273					598,559
2004	31,490	602,426	6,574	225,817	22,845				8,065	897,217
2005	71,560	627,850	3,731	95,618	7,862				12,194	818,815
2006	151,388	598,543	7,922	182,215	10,060	$ 57,495				1,007,623
2007	233,538	624,067	6,357	10,861	8,599	23,522			28,412	935,356
2008	183,136	735,393	5,288	47,125	10,001	39,447		$ 14,455	33,612	1,068,457
2009	61,148	860,752	8,502	21,706	7,613	44,243		15,065	2,983	1,022,012
2010	42,429	1,108,520	9,959	5,426	11,169	120,975	$ 5,715	13,595	10,938	1,328,726
2011	32,224	1,326,699		14,661	9,932		6,140	16,230	32,401	1,438,287
	$ 933,049	$ 7,672,557	$ 58,238	$ 684,942	$ 97,354	$ 285,682	$ 11,855	$ 59,345	$ 179,708	$ 9,982,730

Source: District records

Gloucester City School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2002	$ 6,952,500	$ 255,412,300	$ 76,040,900	$ 13,347,000	$ 4,566,200	$ 356,318,900	$ 5,654,481	$ 361,973,381	$ 98,556,500	$ 0.937	$ 369,217,325
2003	6,522,500	256,065,400	75,739,400	13,342,000	4,569,600	356,238,900	5,800,413	362,039,313	100,298,300	0.926	373,993,597
2004	6,685,800	256,337,700	74,765,300	13,005,500	4,569,600	355,363,900	5,056,698	360,420,598	99,684,400	0.945	407,325,947
2005	6,503,300	255,242,100	75,066,000	13,005,500	4,658,200	354,475,100	4,711,153	359,186,253	102,064,700	0.943	412,056,524
2006	6,445,200	254,412,100	74,235,600	7,606,800	4,657,100	347,356,800	3,879,696	351,236,496	112,054,700	0.977	474,085,976
2007	8,568,400	255,443,700	73,618,500	7,091,700	4,653,100	349,375,400	3,291,449	352,666,849	108,770,100	0.920	561,817,706
2008	6,845,200	262,553,900	74,025,900	7,026,700	4,653,100	355,104,800	2,941,417	358,046,217	108,802,800	0.954	650,877,617
2009	6,075,200	266,275,400	73,764,900	7,044,400	2,953,100	356,113,000	2,220,549	358,333,549	110,751,000	0.977	653,078,363
2010	6,127,200	266,830,300	72,458,000	7,084,500	2,888,100	355,388,100	2,183,417	357,571,517	110,454,900	1.052	716,705,059
2011	5,961,800	267,015,700	72,664,800	6,247,500	2,888,100	354,777,900	2,197,817	356,975,717	108,746,700	1.083	Not available

Source:
Municipal Tax Assessor

Note:
Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.
Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per $100 of assessed valuation.

Gloucester City School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of assessed value)

Fiscal Year Ended June 30,	Gloucester City School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	City of Gloucester	Library	Camden County	
2002	$ 0.777	$ 0.160	$ 0.937	$ 1.295		$ 0.916	$ 3.148
2003	0.778	0.148	0.926	1.491		0.933	3.350
2004	0.789	0.156	0.945	1.624		0.929	3.498
2005	0.784	0.159	0.943	1.801		0.888	3.632
2006	0.821	0.156	0.977	1.928		1.018	3.923
2007	0.800	0.120	0.920	2.156		1.049	4.125
2008	0.806	0.148	0.954	2.433		1.080	4.467
2009	0.836	0.140	0.976	2.635		1.130	4.741
2010	0.872	0.180	1.052	2.726		1.226	5.004
2011	0.893	0.190	1.083	2.715	$ 0.063	1.363	5.224

Source: Municipal Tax Collector

Gloucester City School District
Principal Property Tax Payers,
Current Year and Nine Years Ago

	2010-2011			2001-2002	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
GMT Realty LLC	$ 22,743,700	6.37%	Holt Hauling and Warehouse	$ 24,297,000	6.71%
BKEP Materials LLC	6,013,000	1.68%	Koch Fuels, Inc.	5,884,400	1.63%
Bell Atlantic	2,197,817	0.62%	Amspec Chemical Corp.	5,338,700	1.47%
John Jeffrey Corporation	2,056,200	0.58%	John-Jeffrey Corp.	2,625,000	0.73%
PSE&G	1,824,800	0.51%	Gloucester Titanium	2,371,200	0.66%
DNE Imports, Inc	1,598,100	0.45%	Sunny Hotel Ent. Ltd.	1,750,000	0.48%
GAF Building Materials Corp	1,325,100	0.37%	GAF Building Materials Corp.	1,650,100	0.46%
Holt c/o Passaic Properties LLC	1,303,700	0.37%	Courtalds Aerospace	1,629,100	0.45%
JAI Swaminarayan Gloucester LLC	1,300,100	0.36%	Steven Bloom	1,598,100	0.44%
Crescent Mobile Home Park, LLC	1,275,300	0.36%	Corson and Dugan	1,250,000	0.35%
Total	$ 41,637,817	11.66%		$ 48,393,600	13.37%

Source: Municipal Tax Assessor

Gloucester City School District
Property Tax Levies and Collections,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy[a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	$ 3,439,632	$ 3,439,632	100.00%	-
2003	3,396,072	3,396,072	100.00%	-
2004	3,423,283	3,423,283	100.00%	-
2005	3,432,978	3,432,978	100.00%	-
2006	3,419,497	3,419,497	100.00%	-
2007	3,467,876	3,467,876	100.00%	-
2008	3,257,333	3,257,333	100.00%	-
2009	3,499,320	3,499,320	100.00%	-
2010	3,582,478	3,582,478	100.00%	-
2011	3,864,929	3,864,929	100.00%	-

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

a School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statutes, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

Gloucester City School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities			
	General Obligation Bonda [a]	Capital Leases	Capital Leases	Total District	Percentage of Personal Income [b]	Per Capita [c]
2002	$ 17,290,000	$ 123,270	$ -	$17,413,270	4.82%	$ 1,524
2003	16,700,000	-	-	16,700,000	4.50%	1,461
2004	16,085,000	-	-	16,085,000	4.20%	1,413
2005	15,625,000	-	-	15,625,000	3.88%	1,350
2006	14,960,000	-	-	14,960,000	3.58%	1,294
2007	14,280,000	-	-	14,280,000	3.22%	1,241
2008	13,575,000	-	-	13,575,000	2.95%	1,181
2009	12,870,000	-	-	12,870,000	2.69%	1,114
2010	12,220,000	-	-	12,220,000	2.57%	1,059
2011	11,685,000	-	-	11,685,000	Unavailable	1,013

Sources:

a District Records

b Personal Income has been estimated based upon the municipal population and per capita personal income.

c Per Capita Personal Inome Data provided by the NJ Dept. of Labor and Workforce.

Gloucester City School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

	General Bonded Debt Outstanding				
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding [a]	Percentage of Net Assessed Valuation Taxable [b]	Per Capita [c]
2002	$ 17,290,000	$ -	$ 17,290,000	4.76%	$ 1,513
2003	16,700,000	-	16,700,000	4.61%	1,461
2004	16,085,000	-	16,085,000	4.44%	1,413
2005	15,625,000	-	15,625,000	4.34%	1,350
2006	14,960,000	-	14,960,000	4.16%	1,294
2007	14,280,000	-	14,280,000	4.07%	1,241
2008	13,575,000	-	13,575,000	3.85%	1,181
2009	12,870,000	-	12,870,000	3.59%	1,114
2010	12,220,000	-	12,220,000	3.41%	1,059
2010	11,685,000	-	11,685,000	3.27%	1,013

Sources:

a District Records
b Net Assessed Valuation provided by Anstract of Ratables, County Board of Taxation
c Per Capita Personal Inome Data provided by the NJ Dept. of Labor and Workforce.

Gloucester City School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2010

Governmental Unit	Debt Outstanding		Estimated Percentage Applicable		Estimated Share of Overlapping Debt
Debt repaid with property taxes:					
City of Gloucester	$ 8,959,194	(1)	100.000%		$ 8,959,194
Camden County General Obligation Debt	156,835,508	(1)	1.231%	(2)	1,930,645
Subtotal, overlapping debt					10,889,839
City of Gloucester School District Direct Debt					11,685,000
Total direct and overlapping debt					$ 22,574,839

Sources:

(1) Entity's Audit Report

(2) The County percentage is based upon a calculation reflecting the City's share of the 2010 Equalized Valuation. The source for this computation was the 2010 County Abstract of Ratables, provided by the County Board of Taxation.

Gloucester City School District
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2011

Equalized valuation basis (1)		
2010	$	679,648,308
2009		668,756,808
2008		650,136,946
	$	1,998,542,062
Average equalized valuation of taxable property	$	666,180,687
Debt limit (4% of average equalized valuation) (2)		26,647,227
Net bonded school debt (3)		11,685,000
Legal debt margin	$	14,962,227

Fiscal Year

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	$ 13,973,610	$ 14,123,754	$ 14,654,926	$ 15,246,741	$ 16,523,973	$ 18,326,411	$ 21,138,115	$ 23,782,730	$ 25,676,858	$ 26,647,227
Total net debt applicable to limit (3)	17,290,000	16,700,000	16,085,000	15,625,000	14,960,000	14,280,000	13,575,000	12,870,000	12,220,000	11,685,000
Legal debt margin	$ (3,316,390)	$ (2,576,246)	$ (1,430,074)	$ (378,259)	$ 1,563,973	$ 4,046,411	$ 7,563,115	$ 10,912,730	$ 13,456,858	$ 14,962,227
Total net debt applicable to the limit as a percentage of debt limit	123.73%	118.24%	109.76%	102.48%	90.54%	77.92%	64.22%	54.11%	47.59%	43.85%

Sources:

(1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
(2) Limit set by NJSA 18A:24-19 for a K through 8 district.
(3) District Records

Gloucester City School District
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population [a]	Personal Income [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
2001	11,424	$ 361,124,064	$ 31,611	4.2%
2002	11,430	371,234,970	32,479	5.9%
2003	11,382	383,311,614	33,677	6.1%
2004	11,572	403,006,472	34,826	5.5%
2005	11,558	417,567,424	36,128	8.1%
2006	11,506	442,796,904	38,484	8.6%
2007	11,492	460,277,584	40,052	7.9%
2008	11,553	477,554,808	41,336	10.3%
2009	11,534	476,146,588	41,282	15.8%
2010	11,534	e	e	16.6%

Source:

[a] Population information provided by the NJ Dept of Labor and Workforce Development

[b] Personal income has been established based upon the municipal population and per capita personal income presented.

[c] Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.

[d] Unemployment data provided by the NJ Dept of Labor and Workforce Development

[e] Information not available

Gloucester City School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Instruction										
Regular	176	170	183	178	168	178	177	176	176	176
Special education	68	73	74	78	81	81	83	84	83	83
Other special education	6	6	7	7	7	7	7	7	7	7
Other instruction	38	42	41	40	42	42	42	42	42	42
Nonpublic school programs	7	8	8	7	4	5	5	5	5	2
Adult/continuing education programs	18	20	17	17	17	17	17	17	17	17
Support Services:										
Student & instruction related services	25	30	32	33	34	34	34	34	33	33
General administration	3	3	3	3	3	3	3	3	3	3
School administrative services	8	8	9	8	8	8	8	8	8	8
Other administrative services	12	12	15	15	13	14	14	14	14	14
Central services	6	6	6	6	6	6	6	6	6	6
Plant operations and maintenance	44	44	44	44	44	44	44	44	44	44
Pupil transportation	5	3	2	5	2	2	2	2	2	2
Other support services	19	21	23	24	22	23	23	23	23	23
Total	435	446	464	465	451	464	465	465	463	460

Source:
District Personnel Records

Gloucester City School District
Operating Statistics,
Last Ten Fiscal Years

Fiscal Year	Resident Enrollment	Operating Expenditures [a]	Cost Per Pupil	Percentage Change	Teaching Staff [b]	Pupil/Teacher Ratio: Elementary	Pupil/Teacher Ratio: Junior/ Senior High School	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2002	2,158	$ 29,475,662	$ 13,658.79	11.48%	239	1:11	1:11	2,087.6	1,966.5	-0.75%	94.20%
2003	2,137	31,680,208	14,824.62	8.54%	266	1:10	1:10	2,169.0	2,027.4	3.90%	93.47%
2004	1,918	34,601,703	18,040.51	21.69%	268	1:10	1:10	2,099.2	1,983.8	-3.22%	94.50%
2005	1,928	37,508,859	19,454.80	7.84%	282	1:09	1:10	2,087.5	1,971.0	-0.56%	94.42%
2006	1,934	39,124,883	20,230.03	3.98%	261	1:12	1:17	2,127.8	2,006.6	1.93%	94.30%
2007	1,863	41,489,237	22,270.12	10.08%	257	1:11	1:09	2,096.5	1,986.7	-1.47%	94.76%
2008	1,884	40,423,688	21,456.31	-3.65%	249	1:10	1:09	2,115.1	2,005.4	0.89%	94.81%
2009	1,836	38,719,959	21,089.30	-1.71%	249	1:11	1:10	2,080.4	1,961.5	-1.64%	94.28%
2010	1,825	40,804,285	22,358.51	6.02%	246	1:11	1:10	2,137.3	1,992.1	2.74%	93.21%
2011	1,754	40,621,621	23,159.42	3.58%	246	1:11	1:10	2,034.6	1,912.0	-4.81%	93.97%

Sources: District records

Note: Enrollment based on annual October district count.

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

Gloucester City School District
School Building Information
Last Ten Fiscal Years

District Building	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cold Springs School (1995)										
Square Feet	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000
Functional Capacity (students)	635	635	635	635	635	635	635	635	635	635
Enrollment	657	624	597	633	636	567	618	569	560	569
Cold Springs School Early Childhood Center(2005)										
Square Feet	-	-	-	44,294	44,294	44,294	44,294	44,294	44,294	44,294
Functional Capacity (students)	-	-	-	242	242	242	242	242	242	242
Enrollment [a]	-	-	-	227	237	253	238	261	246	269
Mary Ethel Costello School (1921)										
Square Feet	74,336	74,336	74,336	74,336	74,336	74,336	74,336	77,336	77,336	77,336
Functional Capacity (students)	354	354	354	354	354	354	354	354	354	354
Enrollment	454	454	449	420	409	329	359	398	381	381
Jr./Sr. High School (orig building - 1960; additions - 2006)										
Square Feet	147,868	147,868	147,868	147,868	172,243	172,243	172,243	172,243	172,243	172,243
Functional Capacity (students)	726	726	726	726	726	726	726	826	826	826
Enrollment	883	872	875	880	897	874	863	891	811	837
Highland Park Adult/Alternative School (approx 1940)										
Square Feet	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367
Functional Capacity (students)	112	112	112	112	112	112	112	112	112	112
Enrollment	100	119	111	112	104	125	125	124	149	136

Number of Schools at June 30, 2011
Elementary = 3
Senior High School = 1
Adult/Alternative School=1
Other = 1

Source: District Facilities Office

Gloucester City School District
Schedule of Required Maintenance
Last Ten Fiscal Years

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

* School Facilities	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Mary Ethelio Costello School	$ 17,569	$ 25,081	$ 6,294	$ 41,790	$ 64,285	$ 76,536	$ 126,465	$ 143,921	$ 88,521	$ 56,650	$ 647,112
Cold Springs School	6,682	30,094	21,135	44,384	97,584	40,652	216,916	220,285	185,058	146,242	1,009,032
High/Junior School	48,375	47,634	18,436	34,971	25,846	95,203	381,815	382,502	247,538	175,871	1,458,191
Highland Park	4,668	4,668	5,794	3,098	3,081	5,464	24,089	20,709	6,265	6,299	84,135
Total School Facilities	$ 72,626	$ 107,477	$ 51,659	$ 124,243	$ 190,796	$ 217,855	$ 749,285	$ 767,417	$ 527,382	$ 385,062	$ 3,198,470

* School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

Gloucester City School District
Insurance Schedule
June 30, 2011

	Coverage	Self-insured Retention	Deductible
School Package Policy (1)			
Building and Contents (All Locations)			
Limits of liability per occurrence	$ 300,000,000		$ 5,000
School Leaders Error and Omissions	6,000,000		10,000
Electronic Data Processing	250,000		1,000
General liability	6,000,000		
Automobile liability	6,000,000		
Workers' compensation	Statutory		
Boiler and machinery	100,000,000		5,000
Faithful performance	25,000		500
Educators legal liability	2,000,000		2,500
Surety Bonds (1)			
Treasurer	325,000		1,000
Board Secretary	300,000		1,000

(1) New Jersey School Boards Association Insurance Group

Source: District records

Single Audit Section

INVERSO & STEWART, LLC

Certified Public Accountants
Registered Municipal Accountants

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-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

The Honorable President and Members
of the Board of Education
Gloucester City School District
County of Camden
Gloucester City, New Jersey

Compliance

We have audited Gloucester City School District (School District), in the County of Camden, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2011. The School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133 *Audits of State, Local Governments, and Non-Profit Organizations:* audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Those standards and OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School District's compliance with those requirements.

In our opinion, the Gloucester City School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and New Jersey OMB's Circular 04-04 and which is described in the accompanying schedule of findings and questioned costs as item #2011-1.

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Internal Control Over Compliance

Management of the Gloucester City School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB's Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

The Gloucester City School District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit School District's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the management, the Board of Education, others within the School District, the Division of Finance, Department of Education, State of New Jersey, and other federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants

Robert A. Stewart
Public School Accountant

Marlton, New Jersey
September 30, 2011

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GLOUCESTER CITY SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year ended June 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance June 30, 2010 (Accounts Receivable)	Balance June 30, 2010 Deferred Revenue	Balance June 30, 2010 Due to Grantor	Carryover (Walkover) Amount	Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2011 (Accounts Receivable)	Balance June 30, 2011 Deferred Revenue	Balance June 30, 2011 Due to Grantor
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
Title I:															
Fiscal Year 2011	84.010	NCLB177011	$ 941,328	9/1/10 - 8/31/11						$ 381,225	$ (588,492)		$ (574,169)	$ 366,902	
Fiscal Year 2009	84.010	NCLB177009	906,723	9/1/09 - 8/31/10		$ 1,216					(1,216)				
Fiscal Year 2010	84.010	NCLB177010	919,683	9/1/09 - 8/31/10	$ (523,034)				$ 45,117	367,924	(109,830)		(219,823)		
ARRA	84.389	N/A	397,254	9/1/09 - 8/31/10	(72,127)				122	132,913	(90,081)		(89,928)	60,755	
Title I - SIA:															
Fiscal Year 2010	84.010	NCLB177010	32,024	9/1/09 - 8/31/10	(1,835)						(30,189)		(32,024)		
Fiscal Year 2009	84.010	NCLB177009	26,679	9/1/09 - 8/31/10	(26,679)					26,679					
Title II A:															
Fiscal Year 2009	84.367	NCLB177009	114,016	9/1/09 - 8/31/10	(6,168)					6,168					
Fiscal Year 2010	84.367	NCLB177010	116,246	9/1/09 - 8/31/10	(66,013)				(1)	66,014					
Fiscal Year 2011	84.367	NCLB177011	117,833	9/1/10 - 8/31/11					(7)	57,952	(103,462)		(59,888)	14,371	
Title II D:															
Fiscal Year 2009	84.318	NCLB177009	7,455	9/1/09 - 8/31/10	(2,001)				695	1,306					
Fiscal Year 2010	84.318	NCLB177010	9,118	9/1/09 - 8/31/10	(4,429)				(4,856)				(9,285)		
Fiscal Year 2011	84.318	NCLB177011	3,600	9/1/10 - 8/31/11									(3,600)	3,600	
Title IV:															
Fiscal Year 2010	84.186A	NCLB177010	13,619	9/1/09 - 8/31/10	(13,619)								(13,619)		
Fiscal Year 2009	84.186A	NCLB177009	15,181	9/1/09 - 8/31/10	(1,055)								(1,055)		
I.D.E.A. Part B - Basic:															
Fiscal Year 2009	84.027	FT177009	702,690	9/1/09 - 8/31/10	(28,814)				8,716	20,630	(532)				
Fiscal Year 2010	84.027	FT177010	672,231	9/1/09 - 8/31/10	(307,578)					313,062	(27,579)		(22,095)		
Fiscal Year 2011	84.027	FT177011	782,273	9/1/10 - 8/31/11						569,773	(605,643)		(191,870)	156,000	
ARRA	84.391	ARRA177010	684,055	9/1/09 - 8/31/10	(16,922)					261,372	(248,299)		(3,849)		
I.D.E.A. Part B - Preschool															
Fiscal Year 2011	84.173	PSH177011	25,745	9/1/10 - 8/31/11						15,545	(20,160)		(10,200)	4,252	$ 1,333
Fiscal Year 2010	84.173	PSH177010	23,658	9/1/09 - 8/31/10	(6,665)					6,665					
Fiscal Year 2009	84.173	PSH177009	24,032	9/1/09 - 8/31/10	(509)	2,469			(1,960)						
ARRA	84.392	ARRA177010	24,651	9/1/09 - 8/31/10	(14,318)					14,318	(253)		(253)		
21 st Century															
Fiscal Year 2011	84.287C	10-EK16-H05	404,133	9/1/10 - 8/31/11						218,381	(321,991)		(185,752)	82,142	
Carl Perkins															
Fiscal Year 2011	84.048A	PERK-1770-11	29,161	9/1/10 - 8/31/11						1,141	(29,161)		(28,020)		
Fiscal Year 2010	84.048A	PERK-1770-10	29,549	9/1/09 - 8/31/10	(27,319)					27,319					
Fiscal Year 2009	84.048A	PERK-1770-09	17,004	9/1/09 - 8/31/10			$ 69								69
Providing Quality Intensive Early Lit.															
Fiscal Year 2010	84.027A	7000061	60,000	9/1/09 - 8/31/10	(7,750)					7,750					
Total U.S. Department of Education					(1,126,835)	3,685	69		47,826	2,496,137	(2,176,888)		(1,445,430)	688,022	1,402
U.S. Department of Agriculture															
Passed-through State Department of Education:															
Food Distribution Program:															
Fiscal Year 2011	10.550	N/A	$ 38,348	7/1/10 - 6/30/11						38,348	(38,348)				
National School Lunch Program															
Fiscal Year 2010	10.555	N/A	488,883	7/1/09 - 6/30/10	(36,507)					36,507					
Fiscal Year 2011	10.555	N/A	517,682	7/1/10 - 6/30/11						517,682	(517,682)				
After School Snack Program															
Fiscal Year 2010	10.554	N/A	24,535	7/1/09 - 6/30/10	(325)					325					
Fiscal Year 2011	10.554	N/A	23,340	7/1/10 - 6/30/11						23,340	(23,340)				
School Breakfast Program:															
Fiscal Year 2010	10.553	N/A	145,761	7/1/09 - 6/30/10	(11,947)					11,947					
Fiscal Year 2011	10.553	N/A	142,175	7/1/10 - 6/30/11						142,175	(142,175)				
Total U.S. Department of Agriculture					(48,779)					770,324	(721,545)				
U.S. Department of Health and Human Services															
Passed-through State Department of Human Services:															
Medicaid Assistance Program															
Fiscal Year 2011	93.778	N/A	111,484	7/1/10 - 6/30/11						62,667	(111,484)		(48,817)		
Fiscal Year 2010	93.778	N/A	124,631	7/1/09 - 6/30/10	(29,903)					29,903					
Total U.S. Department of Health and Human Services					(29,903)					92,570	(111,484)		(48,817)		
Total Federal Awards					$ (1,205,517)	$ 3,685	$ 69	$ -	$ 47,826	$ 3,359,031	$ (3,009,917)	$ -	$ (1,494,247)	$ 688,022	$ 1,402

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

GLOUCESTER CITY SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year ended June 30, 2011

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance June 30, 2010 (Accounts Receivable)	Balance June 30, 2010 Deferred Revenue	Balance June 30, 2010 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2011 (Accounts Receivable)	Balance June 30, 2011 Deferred Revenue	Balance June 30, 2011 Due to Grantor
State Department of Education													
General Fund:													
Transportation Aid	11-495-034-5120-014	$ 131,320	7/1/10- 6/30/11					$ 131,320	$ (131,320)				
Categorical Special Aid	11-495-034-5120-089	948,494	7/1/10- 6/30/11					948,494	(948,494)				
Equalization Aid	10-495-034-5120-078	19,342,551	7/1/09- 6/30/10	$ (2,994,881)				2,994,881					
Equalization Aid	11-495-034-5120-078	19,458,872	7/1/10- 6/30/11					16,698,521	(19,458,872)		$ (2,760,351)		
Categorical Security Aid	11-495-034-5120-084	577,943	7/1/10- 6/30/11					577,943	(577,943)				
Adjustment Aid	11-495-034-5120-085	7,355,557	7/1/10- 6/30/11					7,355,557	(7,355,557)				
Extraordinary Special Education Costs Aid	10-495-034-5120-044	250,445	7/1/09- 6/30/10	(250,445)				250,445					
Extraordinary Special Education Costs Aid	11-495-034-5120-044	251,558	7/1/10- 6/30/11						(251,558)		(251,558)		
On-behalf TPAF Pension Contribution	11-495-034-5095-001	1,113,540	7/1/10- 6/30/11					1,113,540	(1,113,540)				
Reimbursed TPAF Social Security Contr.	11-495-034-5095-002	1,189,174	7/1/10- 6/30/11					1,188,972	(1,189,174)		(202)		
Reimbursed TPAF Social Security Contr.	10-495-034-5095-002	1,250,696	7/1/09- 6/30/10	(60,490)				60,490					
Total General Fund				(3,305,816)				31,320,163	(31,026,458)		(3,012,111)		
Special Revenue Fund:													
NJ Nonpublic Aid:													
Textbook Aid	11-100-034-5120-064	52,009	7/1/10- 6/30/11					52,009	(48,941)				$ 3,068
Textbook Aid	10-100-034-5120-064	61,650	7/1/09- 6/30/10			$ 1,766				$ (1,766)			
Nursing Aid	11-100-034-5120-070	61,626	7/1/10- 6/30/11					61,626	(61,626)				
Auxiliary Services:													
Compensatory Education	10-100-034-5120-067	255,088	7/1/09- 6/30/10			29,242				(29,242)			
Compensatory Education	11-100-034-5120-067	230,416	7/1/10- 6/30/11					230,416	(186,222)				44,194
Transportation	11-100-034-5120-067	12,524	7/1/10- 6/30/11					12,524	(6,094)				6,430
Transportation	10-100-034-5120-067	17,502	7/1/09- 6/30/10			12,450				(12,450)			
English as a Second Language	11-100-034-5120-067	854	7/1/10- 6/30/11					854					854
English as a Second Language	10-100-034-5120-067	979	7/1/09- 6/30/10			979				(979)			
Home Instruction	11-100-034-5120-067	851	7/1/10- 6/30/11						(851)		(851)		
Home Instruction	10-100-034-5120-067	10,071	7/1/09- 6/30/10	(10,071)				10,071					
Handicapped Services:													
Supplemental Instruction	10-100-034-5120-066	43,804	7/1/09- 6/30/10			12,171				(12,171)			
Supplemental Instruction	11-100-034-5120-066	38,216	7/1/10- 6/30/11					38,216	(26,581)				11,635
Examination & Classification	10-100-034-5120-066	59,768	7/1/09- 6/30/10			2,053				(2,053)			
Examination & Classification	11-100-034-5120-066	41,936	7/1/10- 6/30/11					41,936	(36,031)				5,905
Corrective Speech	11-100-034-5120-066	39,116	7/1/10- 6/30/11					39,116	(18,096)				21,020
Corrective Speech	10-100-034-5120-066	44,836	7/1/09- 6/30/10			11,892				(11,892)			
Preschool Education Aid	10-495-034-5120-086	2,896,218	7/1/09- 6/30/10	(289,622)				289,622					
Preschool Education Aid	11-495-034-5120-086	2,883,841	7/1/10- 6/30/11					2,595,457	(2,883,841)		(288,384)		
Total Special Revenue Fund				(299,693)		70,553		3,371,847	(3,268,283)	(70,553)	(289,235)		93,106
Debt Service Fund:													
Debt Service Aid Type II	11-495-034-5120-017	$ 672,299	7/1/10- 6/30/11					672,299	(672,299)				
Total Department of Education				(3,605,509)		70,553		35,364,309	(34,967,040)	(70,553)	(3,301,346)		93,106
State Department of Agriculture													
National School Lunch Program (State Share):													
Fiscal Year 2010	10-100-010-3350-023	20,575	7/1/09- 6/30/10	(1,556)				1,556					
Fiscal Year 2011	11-100-010-3350-023	12,067	7/1/10- 6/30/11					12,067	(12,067)				
School Breakfast Program (State Share):													
Fiscal Year 2010	10-100-010-3350-021	10,437	7/1/09- 6/30/10	(835)				835					
Total Department of Agriculture				(2,391)				14,458	(12,067)				
Total State Financial Assistance				$ (3,607,900)	$ -	$ 70,553	$ -	$ 35,378,767	$ (34,979,107)	$ (70,553)	$ (3,301,346)	$ -	$ 93,106

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

Gloucester City School District
Notes to Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2011

I. GENERAL

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

2. BASIS OF ACCOUNTING

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

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $234,530 for the general fund and $1,238 for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund	$ 111,484	$ 31,260,988	$ 32,480,721
Special Revenue Fund	2,176,888	3,269,521	6,098,250
Capital Projects Fund			0
Debt Service Fund		672,299	730,942
Food Service Fund	721,545	12,067	783,766
Total Awards & Financial Assistance	$ 3,009,917	$ 35,214,875	$ 40,093,679

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2011. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2011.

6. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

7. ADJUSTMENTS

Amounts reported in the column entitled "Adjustments" represent the following:

	Federal
Prior year orders canceled	$ 46,473
Reclassification of balances	29,344
Expenditures reported for reimbursement however not documented	(27,991)
Total	$ 47,826

GLOUCESTER CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section 1 -- Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: UNQUALIFIED

Internal control over financial reporting:

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

2) Significant deficiencies identified that are not considered to be a material weakness? ____ yes X none reported

Noncompliance material to general purpose financial statements noted? ____ yes X no

Federal Awards

Internal Control over major programs:

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

2) Significant deficiencies identified that are not considered to be a material weakness? ____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? X yes ____ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	I.D.E.A. - Basic
84.391	ARRA - IDEA - Basic
10.555	National School Lunch Program
84.287C	21st Century

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

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

GLOUCESTER CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section 1 -- Summary of Auditor's Results (Continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs: $1,049,373

Auditee qualified as low-risk auditee?	X	yes		no
Internal Control over major programs:				
1) Material weakness(es) identified?		yes	X	no
2) Significant deficiencies identified that are not considered to be a material weakness?		yes	X	none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04?		yes	X	no

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
11-495-034-5120-078	Equalization Aid
11-495-034-5095-002	TPAF Rimbursed Social Security
11-495-034-5120-085	Adjustment Aid
11-100-010-3350-023	National School Lunch Program (State Share)
11-495-034-5120-086	Preschool Education Aid
11-495-034-5120-089	Special Education Aid

GLOUCESTER SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section 2 -- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraph 5.18 through 5.20 of *Government Auditing Standards* and with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

No findings identified.

GLOUCESTER CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section 3 -- Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies the audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular 04-04.

FEDERAL AWARDS

Finding #2011-1

Information on the federal program:

IDEA Part B - Basic - CFDA No. 84.027; U. S. Department of Education; Passed-through State of New Jersey, Department of Education

Criteria or specific requirement:

Federal regulations pursuant to OMB Circular A-87 and New Jersey Department of Education regulations require that all costs charged to a program be documented and supported.

Condition:

The final close out report for the IDEA Part B, Basic 2009-2010 program did not agree to the school district's accounting records.

Questioned Costs:

$27,991.00

Context:

The school district could not provide documentation to support the total expenditures reported on the final close out report.

Effect:

The expenditures reported in the final close out report for the IDEA Part B, Basic 2009-2010 were overstated by $27,991.

Cause:

The final close out report expenditures were not agreed to the financial records of the school district prior to filing the report.

Recommendation:

The School District should properly prepare the final program close-out reports and agree the total expenditures and unexpended balances with the financial records.

Management's response:

Management agrees with the above finding and will address the matter as part of their corrective action plan.

STATE AWARDS

No findings and/or questioned costs identified.

GLOUCESTER CITY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENED JUNE 30, 2011

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*, USOMB Circular A-133 and State of NJOMB Circular 04-04.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.

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