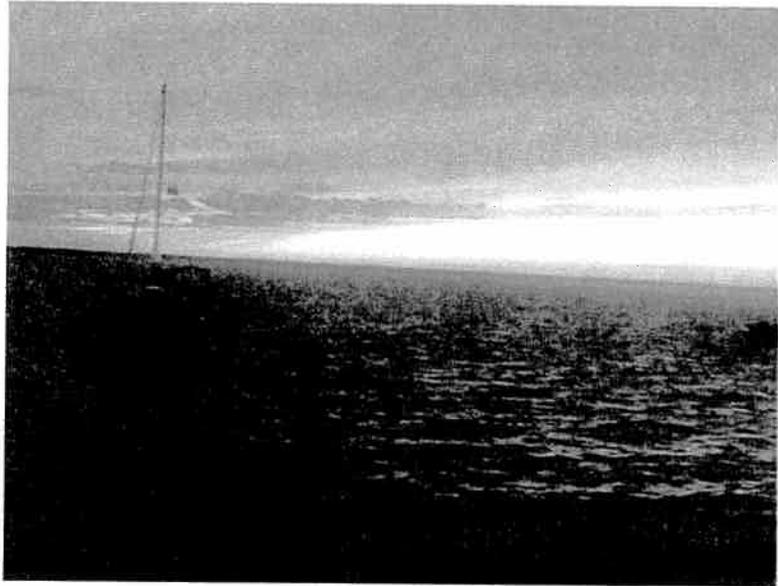


SCHOOL DISTRICT
OF
MANASQUAN



MANASQUAN BOARD OF EDUCATION
MANASQUAN, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011



MANASQUAN ELEMENTARY SCHOOL



MANASQUAN HIGH SCHOOL

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
MANASQUAN BOARD OF
EDUCATION**

MANASQUAN, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

PREPARED BY

**MANASQUAN BOARD OF EDUCATION
BUSINESS ADMINISTRATOR/BOARD SECRETARY
MARGARET M. HOM**

MANASQUAN SCHOOL DISTRICT

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INTRODUCTORY

SECTION

August 23, 2011

Honorable President and
Members of the Board of Education
Manasquan School District
Manasquan, New Jersey

Dear Board Members/Citizens:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Manasquan School District for the fiscal year ended June 30, 2011. This CAFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. The District adopted this financial reporting model as required by the State in 2003. This model is supposed to provide the users of this document with more useful financial and statistical information relying on and including all disclosures made by the District. To the best of our knowledge and belief, 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 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 as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District.
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information.

- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District, generally presented on a multi-year basis.
- The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Single Audit Act of 1986, as amended, the U.S. Office of Management and Budget Circular A-133, “Audits of States, Local Governments and Non-Profit Organizations”, and the State Treasury Circular Letter 04-04 OMB, “Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid”. Information related to this single audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulation, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Manasquan School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds of the District are included in this report. The Manasquan Board of Education and its two schools constitute the District’s reporting entity.

The District continues to maintain a high quality of education. The District provides a full range of programs and services appropriate to grades K -12.

Supervising district-wide goals is a district superintendent, a school business administrator/board secretary, a supervisor of special services, a supervisor of technology, a high school principal, two vice principals, an elementary school principal, one vice principal, dean of students, supervisors and classroom coordinators.

The Board of Education is comprised of twelve members. Manasquan holds nine positions on the Board, these members are usually elected for three year terms. We currently have 9 three year term members. The Sending Districts fill the other three positions and are appointed to one year terms according to the agreement filed with the County Office. The Manasquan Board of Education usually meets on the third and fourth Tuesdays of each month except when district functions or holidays interfere with that schedule. The actual schedule is posted on our website for the year. During its agenda and action meetings the Board determines district goals and priorities and conducts the business of the Board of Education. These meetings begin at 7:00 p.m..

The PTO’s are highly active in the District and provide community support for a variety of programs and activities for the children.

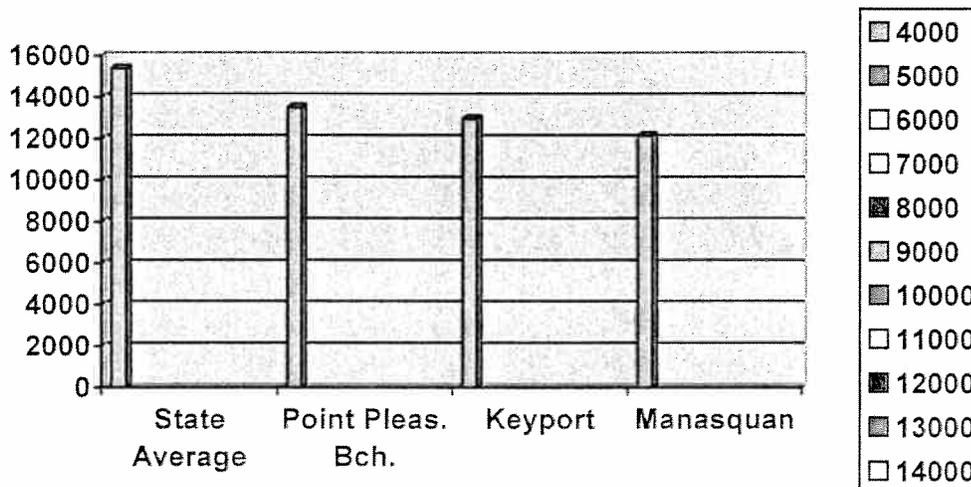
To maintain effective communications, the District has a website that is updated frequently. Information about the budget is posted on the website during the budget

review process. Meetings are held and offers to present materials on the budget are extended to all community and civic groups within the district.

Each of the schools in the district strive to meet the district-wide goals by employing best practices in instruction and focusing on student achievement, while maintaining a unique personality that makes up the particular school. All curricula in our district have been aligned to the New Jersey Core Curriculum Content Standards and the Common Core Standards.

In May 2011, the New Jersey Department of Education released its Taxpayers' Guide to Education Spending, formally the Comparative Spending Guide, for all school districts in the State. The guide compares districts with those who are similar in enrollment/configuration. The information on expenditures was taken from certified budgets on file with the State Department of Education. This report shows that the district spent \$12,148 per pupil (certified costs for 2009-10) while the average cost for similar districts was \$15,381. According to the report of the 46 other K-12 school districts in the state with enrollments between 0 and 1800 children, Manasquan was ranked the 13th lowest in total cost per pupil.

Per Pupil Comparative Spending May 2011 (Certified 2009-10 Costs)



Manasquan Elementary School

The Manasquan Elementary School is comprised primarily of Manasquan students, but receives a few students on a tuition basis. Overall, the school is in very good condition, especially after the completion of an addition to create middle school classrooms. However, there continues to be problems with the heating, ventilating, and air conditioning system that was installed throughout the building. The district has completed an independent evaluation of the poorly designed HVAC system and is still in the process of rectifying the situation.

Manasquan Elementary School holds classes for students in Preschool through Eighth Grade, including a full-day Kindergarten program. Grades 6-8 operate as a middle school and grades Preschool – Grade 5 operate as an elementary school. Two cafeterias are in operation with Grades 5-8 assigned lunch periods in the newer Cafetorium and grades K-4 assigned lunch periods in the original Cafeteria. The use of both facilities allows all students to eat at what would be considered a normal lunch hour.

With regards to technology, ACTIV Boards have been installed in every regular education classroom, as well as several special education classrooms and special subject area classrooms. The district changed its Internet service to Optimum Lightpath for greater productivity. The district also upgraded to a Windows 7 environment and Microsoft Office 2010. Unfortunately, for maximum utilization of the upgrades, the school is very much in of a new wiring project throughout the building.

Additional technological advances include increased usage of our Genesis Student Data Management System and our school website, powered by Schoolwires. Teachers have received professional development to enhance their personal websites, as well as increase their knowledge of ACTIV Board applications they can use in the classroom. The district purchased Discovery Education and teachers continue to incorporate the web-based streaming video service which gives them access to more than 75,000 content-specific video clips aligned directly to state and national standards. In addition, a new guidance program, Naviance, was implemented to provide a learning style inventory and career awareness activities for middle school students. Eighth grade students also participated in a newly created rotation class, Digital Storytelling, in which they had an opportunity to participate in this project-based learning experience utilizing video- and sound-editing software. Teachers continued to incorporate lessons in mathematics and language arts from the Learnia Assessment System and training was provided for the incorporation of the newly purchased Skills Tutor Program. Skills Tutor, in addition to classroom assessment and instructional utilization, also provides a skills review program for use at home over the summer months.

Several new instructional programs were implemented this past year, including a new K-5 mathematics program, enVision, published by Scott Foresman. Our K-5 language arts program, Macmillan's Treasures, was enhanced by allowing more time for guided reading lessons with the assistance of the school's Reading Specialist, who worked collaboratively with the classroom teachers. The language arts program was further expanded by the implementation of additional formative assessment opportunities using the new Fountas & Pinnell Benchmark Assessment Program. A new Drama Rotation class was also created for students in grades six and seven. In addition, a new Basic Skills pull-out program and a new Gifted and Talented pull-out program were both implemented for students in grades 5-8 in the subject areas of language arts and mathematics. The school's Second Step Character Education Program was continued in grades 3-8, with new assembly programs relating to tolerance, respect, and anti-bullying initiatives. A new middle school Cyberbullying curriculum was also implemented, as well as the NJ CAP Program, "No More Bullies, No More Victims". Each grade level participated in an educational field trip aligned with the curriculum and a walking trip to

see a live performance at our community theater, The Algonquin Arts. In addition to our Field Day for grades 5-7, a successful K-4 field day program was implemented once again this year. Furthermore, the students participated in an Interactive Art Show in which student art work was displayed and students dressed in costume, playing the role of famous artists. Students also demonstrated various art techniques at several stations, allowing parents to participate in creating art projects. Fifth grades once again did an outstanding job with their Wax Museum, portraying famous people in history.

The Manasquan Elementary School PTO also continued to remain very active, organizing such events as an Art Appreciation Program, a Science Fair, Book Fairs, and a new Organic Garden. The PTO also worked collaboratively with the school to renovate and design a new outside Courtyard area, which includes a primary playground unit, an outside amphitheater, and a deck with picnic tables for outside educational activities. In addition, a new mural was painted in the Cafeteria focusing on our school-wide initiative to promote healthy eating habits and better nutrition.

Manasquan High School

Manasquan High School is a traditional, older building that is maintained very well. Maintenance on the interior and exterior of the building is continual, and upgrades are scheduled (interior doors, carpeting, painting, etc.) on a regular basis.

Manasquan High School received recognition in the local press last year for major improvements on the 11th grade, state-mandated HSPA (High School Proficiency Assessment). MHS improved its Advanced Proficient status from 25.6% to 36.2% in Language Arts and 24.4% to 34.7% in Math.

All students enrolled in our AP courses took the College Board AP exam. In 2010-11, students took 178 Advanced Placement exams, scoring an average of 3.53, the highest in school history. The high school also had 88% of the students taking the test score at a “3” on at least one A.P. test. Every students taking Advanced Placement Calculus AB and Advanced Placement Calculus BC achieved a “passing grade” (“3” or above) on the end-of-course exam.

The high school also continued its partnership with UMDNJ (University of Medicine and Dentistry of New Jersey) to offer college credit through courses offered in the area of health and sciences. This year, MHS added a new course, Medical Terminology, to the program. Over 30 students received college credit in 2010-11.

Manasquan High School also encourages students to apply for acceptance to the Monmouth County Arts Program. This year, MHS had 9 students enrolled in the program.

Manasquan High School’s Academy of Finance continues to be a centerpiece of the high school program. Through our affiliation with the National Academy Foundation (NAF)

Manasquan offers a comprehensive curriculum (Introduction to Business, Entrepreneurship, Accounting, etc.) along with an internship with a local business to all students who qualify to enter the academy. In 2011, the Academy of Finance graduated over 30 students.

A program to recognize "Student of the Month" at all grade levels, continues as a partnership with The Brielle/Spring Lake Rotary. One student from each grade level and a teacher are selected each month. The award focuses on student achievement, leadership, and community service.

With regards to technology, continued training was provided for staff and administrators related to the Genesis student information system and for teachers' web pages development. The Genesis Parent Portal was opened in 2010-2011, giving parents access to their child's daily and period attendance.

Special Education

The Special Education program is an integral part of each school. In the 2010-2011 school year the number of educationally disabled students in the district was 152 High School Students, 102 Elementary School Students, 8 Pre-School Disabled Students and 33 (7 Manasquan, 26 Sending Districts) other students were sent to facilities outside the district. Most of the 254 students were placed in general education classes with in class resource services. In addition Manasquan has four Learning Language Disabled teachers instructing two class in the high school and two classes in the elementary school. There is also an in-house Preschool Disabled program operating in the Elementary School. The Alternative School shared by Manasquan and Wall was discontinued on the Manasquan High School campus. Child Study Team members were shared with Sea Girt approximately ½ day per week.

Core Curriculum Content Standards

Our district curriculum is aligned to the New Jersey Core Curriculum Content Standards and the Common Core Standards. Collaborating with the sending districts, new curriculum has been developed in the UbD design for grades K-8 in Mathematics and Language Arts. In grades 9-12 a number of courses in each discipline have been revised. Each summer teachers from all grade levels and disciplines spend many hours collaborating and writing curriculum.

Staff Development

The Manasquan School District provides its teaching staff with many opportunities for professional development.

In the beginning of the school year on two days in September and one in October the district provided extensive in-service programs for the staff. The district also provided an in-service day in January. Staff members are permitted and encouraged to attend workshops outside the district in addition to the in-house services already provided. This year Steve Barkley presented a half-day workshop for high school staff and a half-day workshop for elementary staff on Professional Learning Communities. In January, Tracey Severns provided a full day workshop on data driven decision-making to our elementary staff. Both schools used the other professional development time meeting in professional learning communities.

Technology

Throughout the district, technology integration and building 21st century skills remains a focus. Technology is used to enrich instruction and curriculum, increase productivity, and to enhance communication.

The district possesses more than 600 computers, all of which are connected to the Internet via a new high-speed broadband connection. New desk top computers were purchased for each classroom. Also new computers were placed in Lab C at MES. The district also purchased 20 IPAD2's to use in special education classes and for teacher evaluation.

The district is an entirely wireless campus, with network connections accessible from all locations. The connections can be less than reliable because some wiring is old and needs replacement. All administrators, teachers and support staff have access to computers, printers, networked copiers, e-mail, work-order systems, and the Internet within their work areas. The district has and will continue to emphasize technology training in district in-service programs for all staff.

Personnel

The district employed 213 people during the 2010-2011 school year. The certificated staff numbered 161 and educational support personnel 52. In the 2010-2011 school year the district welcomed 11.5 new staff members; some were new hires while others were replacements for maternity leaves and retirements. We also had 2 people return from maternity leave.

Pupil Enrollment

The district completed the 2010-2011 fiscal year with an Average Daily Enrollment of 1696.8, which is 1.8 students less than 2009-2010 enrollment. The following details the changes in the student enrollment of the district over the last 20 years. The table presents the actual historical pupil enrollment as of June 30 of each year:

FISCAL YEAR	ENROLLMENT JUNE 30	PERCENTAGE CHANGE
1991-92	1253.8	0.264%
1992-93	1312.8	4.706%
1993-94	1393.2	6.124%
1994-95	1489.1	6.883%
1995-96	1534.8	3.069%
1996-97	1577.1	2.756%
1997-98	1573.0	-0.260%
1998-99	1576.1	0.197%
1999-00	1595.9	1.256%
2000-01	1587.5	-0.526%
2001-02	1664.5	4.850%
2002-03	1726.3	3.713%
2003-04	1726.5	0.012%
2004-05	1723.1	-0.197%
2005-06	1720.6	-0.145%
2006-07	1712.3	-0.482%
2007-08	1702.0	-0.602%
2008-09	1712.3	0.605%
2009-10	1698.6	-0.800%
2010-11	1696.8	-0.106%

2. ECONOMIC CONDITION AND OUTLOOK:

The population of families with school age children is relatively stable in Manasquan, and the school enrollment has remained static since last year. Any future increases in the population served will be largely due to continued changes in ownership with only small changes resulting from expansion and/or development in Manasquan. It appears that any additional growth in the High School enrollment will most likely be due to our Sending/Receiving relationships with the seven surrounding towns, either through development, population shifts or both.

3. MAJOR INITIATIVES:

- A.) The teachers and administrators will continue to incorporate technology into all area of instruction.
- B.) The staff will continue their work on UbD design and PLC's.
- C.) The district will continue to follow its Long Range Facility Plan and Technology Plan.
- D.) The district will continue to focus on Community Relations within the district and sending districts.
- E.) The district will continue to focus on maximizing student achievement.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the district is responsible for establishing and maintaining an internal control system 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 system 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 awards, the district also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws, regulation, contracts and grants related to those programs. This internal control system is also subject to periodic evaluation by the district management.

As part of the District's single audit, described earlier, tests are made to determine adequacy of the internal control system, 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, special revenue funds and the debt service fund. Project length budgets are approved for the capital improvements

accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. **CASH MANAGEMENT:**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the ACT.

7. **RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds and worker's compensation. A schedule of insurance coverage is found in J-20.

8. **OTHER INFORMATION:**

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company, CPA's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, as amended and the related OMB Circular A-133 and the New Jersey OMB Circular 04-04'. The Auditor's Report on the basic financial statements and as well as both the required and other supplementary information 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.

9. ACKNOWLEDGMENTS:

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

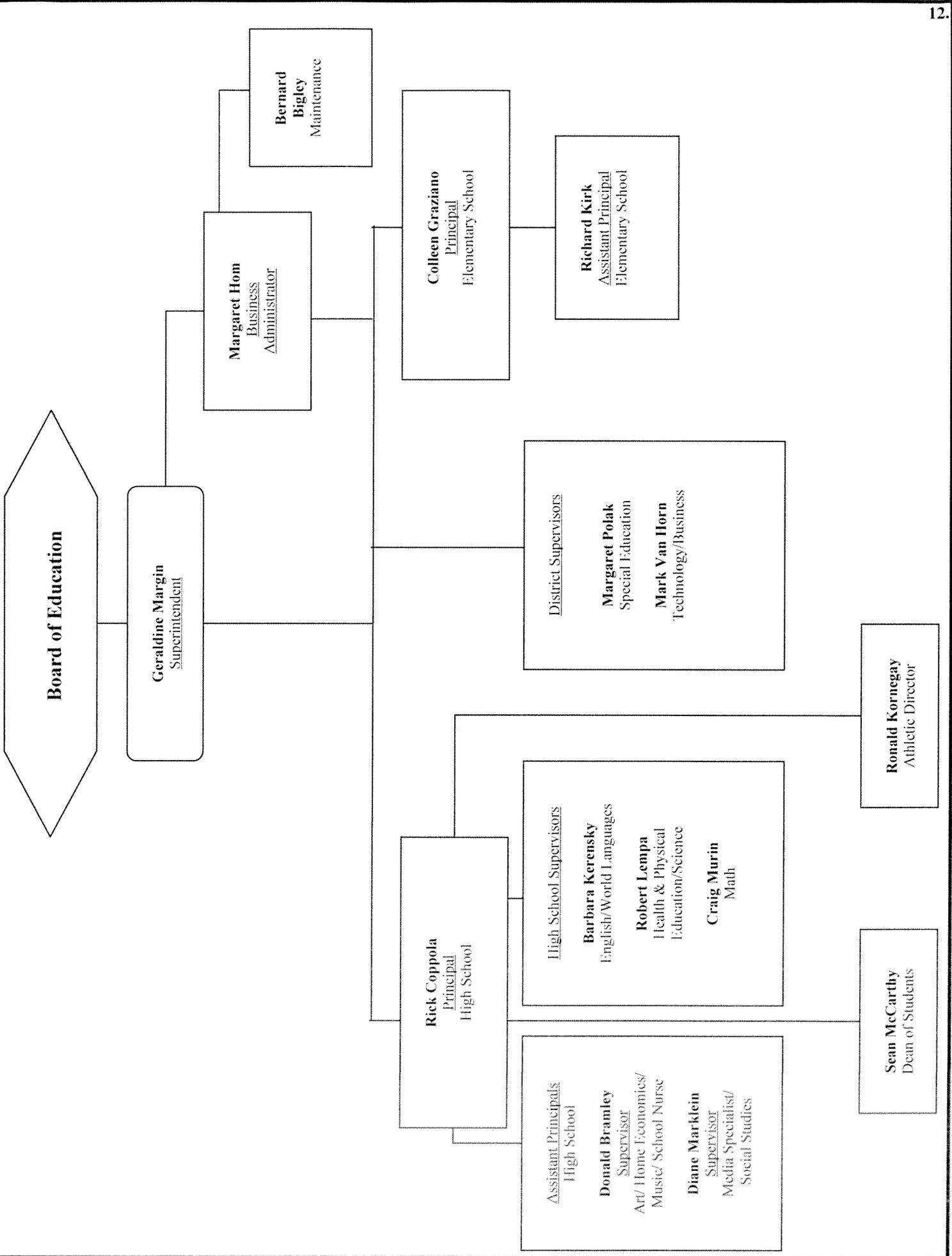
Respectfully submitted,



Geraldine Margin
Superintendent
Secy.



Margaret Moran Hom
Business Admin./Bd.



**MANASQUAN BOARD OF EDUCATION
MANASQUAN, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2011**

Members of the Board of Education	Term Expires
Christine Muly, President	2013
Peter Kenny, Vice President	2012
Trisha Brown	2012
Thomas B. Bauer	2012
Jack Campbell	2014
Linda DiPalma	2014
Sherry Adams/Mark Furey (Belmar)	2012
Michelle LaSala	2014
Karen Surgent/Kerry J. Morgan (Spring Lake Heights)	2012
Thomas Pelligrino	2012
Jim Smith	2013
Katherine Verdi	2013
 Other Officials	
Geraldine Margin, Superintendent	
Margaret Moran Hom, Business Administrator/Board Secretary	
Joanne S. Madden, Treasurer	

**MANASQUAN BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

AUDIT FIRM

Robert A. Hulsart & Company
2807 Hurley Pond Road
Wall, New Jersey 07719

ATTORNEY

Wayne J. Oppito
6 William Lane
Wayside, New Jersey 07712

McOmber & McOmber
54 Shrewsbury Avenue
Red Bank, New Jersey 07701

Lindabury, McCormick, Estabrook & Cooper, P.C.
53 Cardinal Drive
P.O. Box 2369
Westfield, N.J. 07091-2369

OFFICIAL DEPOSITORY

Wachovia (Wells Fargo) Bank
Allaire Plaza
Wall, New Jersey 07719

**FINANCIAL
SECTION**

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
 ROBERT A. HULSART, JR., C.P.A., P.S.A.

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
 of the Board of Education
 Manasquan School District
 County of Monmouth
 Manasquan, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Manasquan School District, in the County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Manasquan Board of Education'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 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 opinion.

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 Manasquan Board of Education, in the County of Monmouth, State of New Jersey, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 23, 2011, on our consideration of the Manasquan Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of this 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. This report is an integral part of our audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages 17 through 24 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Manasquan Board of Education's basic financial statements. The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedules 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 respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company

August 23, 2011

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

**MANASQUAN PUBLIC SCHOOL DISTRICT
BOROUGH OF MANASQUAN**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

UNAUDITED

The discussion and analysis of Manasquan Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- ◆ General revenues accounted for \$25,377,289 in revenue or 95.09% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$1,310,065 or 4.91% to total revenues of \$26,687,354.
- ◆ Total assets of governmental activities increased by \$569,741 as cash and cash equivalents, receivables decreased by \$285,283 and capital assets decreased by \$526,391.
- ◆ The School District had \$25,568,255 in expenses; only \$1,310,065 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes and tuition) of \$25,377,289 were adequate to provide for these programs.
- ◆ The General Fund had \$24,297,148 revenues and \$23,576,477 in expenditures. The General Fund's balance increased \$720,671 from 2010. This increase was anticipated by the Board of Education.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Manasquan Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Manasquan Public school district, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the school district as a whole, the financial positions of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- ◆ Governmental Activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major (all) funds begins with Schedule B-1. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School district's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

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

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Table 1 provides a summary of the School District's net assets for 2010 and 2011.

	<u>2010</u>	<u>2011</u>
Assets		
Current and other assets	\$ 1,918,511	\$ 2,299,381
Capital assets, net	<u>19,800,208</u>	<u>19,254,514</u>
Total Assets	<u>\$21,718,719</u>	<u>\$ 21,553,895</u>
Liabilities		
Long-term liabilities	\$ 880,913	\$ 999,168
Other liabilities	<u>9,756,629</u>	<u>8,831,880</u>
Total Liabilities	<u>\$10,637,542</u>	<u>\$ 9,831,048</u>
Net Assets		
Invested in capital assets, net of debt	\$ 9,958,330	\$10,137,370
Restricted	1,423,329	1,407,355
Unrestricted	<u>(300,482)</u>	<u>178,122</u>
Total Net Assets	<u>\$11,081,177</u>	<u>\$11,722,847</u>

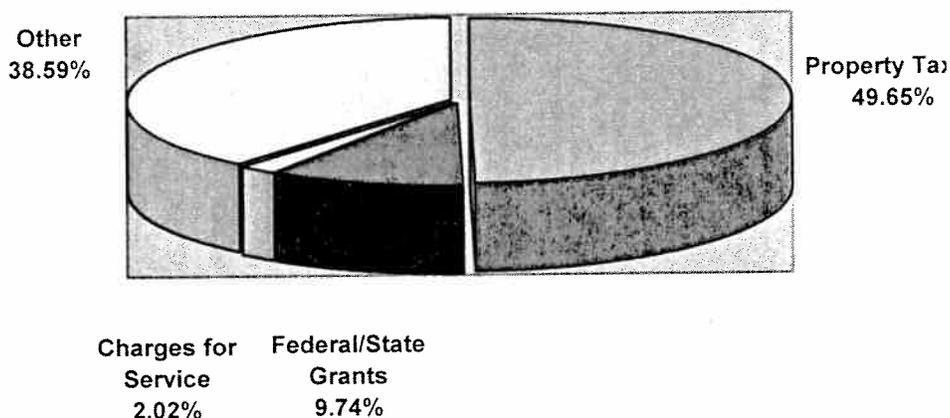
Table 2 shows the changes in net assets from fiscal year 2010 to 2011.

	<u>2010</u>	<u>2011</u>
Revenues		
Program revenues		
Charges for services	\$ 534,310	\$ 537,854
Operating grants and contributions	900,405	772,211
General revenues		
Property taxes	12,983,460	13,251,492
Grants and entitlements	2,559,540	1,826,029
Other	<u>9,491,903</u>	<u>10,299,768</u>
Total Revenues	<u>26,469,618</u>	<u>26,687,354</u>
Program Expenses		
Instruction	10,328,311	9,963,148
Support services		
Pupils and instructional staff	3,504,455	3,401,219
General administration, school administration, business	7,704,866	7,727,361
Operations and maintenance of Facilities	2,228,963	2,402,744
Pupil Transportation	488,417	351,776
Interest on debt	383,508	359,470
Food service/Surf Team	637,527	663,657
Other	<u>516,764</u>	<u>698,880</u>
Total Expenses	<u>25,792,811</u>	<u>25,568,255</u>
Inc./Dec. in Net Assets	<u>\$ 676,807</u>	<u>\$ 1,119,099</u>

Governmental Activities

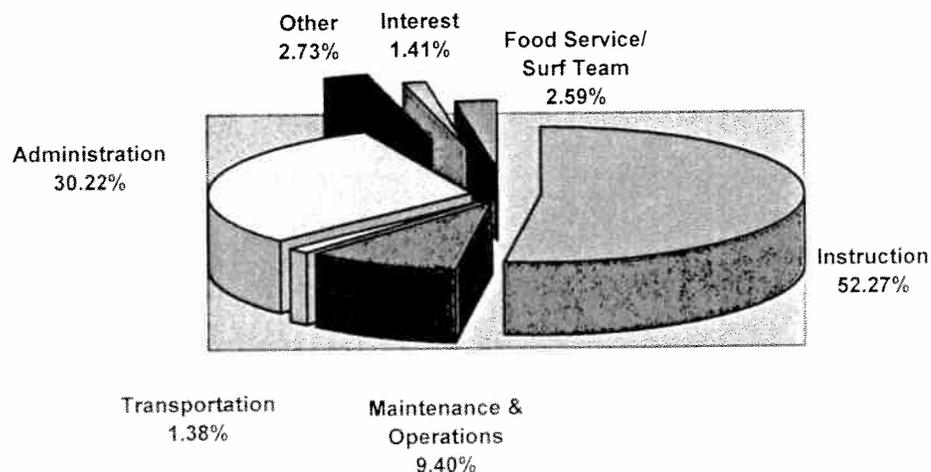
The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 49.65% of revenues for governmental activities for the Manasquan Public School District for fiscal year 2011. The District's total revenues were \$26,687,354 for the fiscal year ended June 30, 2011. Federal, state and local grants accounted for another 9.74%. Tuition, interest revenue and miscellaneous income make up 38.59% and charges for services equal 2.02%.

Sources of Revenues for Fiscal Year 2011



The total cost of all program and services was \$25,568,255. Instruction comprised 52.27% of District expenses. Administration equaled 30.22% and the balance of 17.51% was comprised of operations and maintenance, transportation, interest payments, other payments, food service and surf team.

Expenses for Fiscal Year 2011



Business-Type Activities

Revenues for the District's business-type activities (food service and surf team) were comprised of charges for services and federal and state reimbursements.

- ◆ Food service expenditures exceeded revenues by \$23,173
- ◆ Charges for services represent \$528,967 of revenue. This represents amount paid by patrons for daily food services.
- ◆ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was \$95,135.
- ◆ The Surf Team is partially supported by a parent group. The current year revenues plus the beginning balance left positive net assets of \$142.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Comparisons to 2010 have been shown below.

Table 3

	Total Cost of Services 2011	Net Cost of Services 2011	Total Cost of Services 2010	Net Cost of Services 2010
Instruction	\$ 9,963,148	\$ 9,577,220	\$10,328,311	\$ 9,850,016
Support services				
Pupils and instructional staff	3,401,219	3,177,670	3,504,455	3,171,503
General administration, school administration, business	7,727,361	7,663,313	7,704,866	7,704,866
Operation and maintenance of facilities	2,402,744	2,402,744	2,228,963	2,228,963
Pupil transportation	351,776	351,776	488,417	488,417
Interest and fiscal charges	359,470	359,470	383,508	383,508
Other	<u>698,880</u>	<u>698,880</u>	<u>516,764</u>	<u>516,764</u>
Total Expenses	<u>\$24,904,598</u>	<u>\$24,231,073</u>	<u>\$25,155,284</u>	<u>\$24,344,037</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District including all employee benefits, workers compensation and social security.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Extracurricular activities includes expenses related to student activities provided by the School district which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Other includes unallocated depreciation and amortization.

The School District's Funds

Information about the School District's major funds starts with Schedule B-2. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$26,050,738 and expenditures of \$25,779,975. The net change in fund balance for the year was in the General Fund, an increase of \$720,761. This growth shows that the School District is able to meet current operating costs with no urgent need for additional funds. The capital projects fund balance also decreased by \$449,113 and the debt service fund balance decreased by \$795.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds (excluding capital projects) for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2009</u>	<u>Percent Increase (Decrease)</u>
Local Sources	\$23,560,326	90.44%	\$1,079,672	4.80%
State Sources	1,918,542	7.37%	(776,156)	(28.80%)
Federal Sources	571,515	2.19%	(98,528)	(14.71%)
Total Revenue	\$26,050,383	100.00%	\$ 204,988	.79%

The increase in Local Sources of \$1,079,672 was attributed to increases in the local tax levy, an increase in tuition revenues and new shared service agreements.

The decrease in State Sources of \$776,156 was attributed to changes in state aid revenues.

The decrease in Federal Sources of \$98,528 was attributed to a decrease in grant awards; in particular the end of the ARRA funds and Project SERV.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2011.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2010</u>	<u>Percent Increase (Decrease)</u>
Current:				
Instruction	\$10,162,753	40.12%	(39,049)	(0.38%)
Undistributed expenditures	13,883,100	54.81%	(43,601)	(0.31%)
Capital outlay	204,149	.81%	(161,006)	(44.09%)
Debt service:				
Principal	710,000	2.80%	20,000	2.90%
Interest	370,860	1.46%	(23,350)	(5.92)%
Total Expenditures	\$ 25,330,862	100.00%	(\$247,006)	(0.98%)

The decrease in Current - Instruction of \$39,049 was attributed to a decrease in supplies and textbooks.

The decrease in Current-Undistributed Expenditures of \$43,601 was primarily attributed to a decrease in outside placement expenditures.

The decrease of \$161,006 in capital outlay was primarily attributed to the renovation of 2 bathrooms in the high school; the bid came in significantly lower than the identical bid in the prior year.

The decrease in debt service of \$3,350 is in accordance with the districts bond schedule.

General Fund Budgeting Highlights

The School district's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2011, the School District amended its General Fund budget as needed. The School district uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

- ◆ Staffing changes based on student needs.
- ◆ Additional costs for student transportation both in regular education and special education.
- ◆ Accounting changes in maintenance and operations.
- ◆ Changes in appropriations to prevent budget overruns.

The District's final budget for the general fund used \$0.00 from surplus.

- ◆ Actual revenues were \$290,414 higher than expenses. The original budget projected the use of \$139,518 from surplus but the tuition revenues and extraordinary aid exceeded the amounts in the original budget projection.
- ◆ The actual general fund expenditures were \$23,576,477.

Capital Assets

At the end of the fiscal year 2011, the School District had \$19,095,407 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2011 balances compared to 2010 and 2009.

Table 4
Capital Assets (Net of Depreciation) at June 30

	2009	2010	2011
Land	\$ 1,068,680	\$ 1,068,680	\$ 1,068,680
Construction in Progress	0	0	0
Site Improvements	379,166	354,433	318,176
Buildings	17,397,475	17,260,586	16,978,284
Machinery and Equipment	827,531	938,099	730,267
Totals Capital Assets	\$19,672,852	\$19,621,798	\$19,095,407

Overall capital assets decreased \$526,391 from fiscal year 2010 to fiscal year 2011. This decrease was due primarily to increased depreciation.

Debt Administration

At June 30, 2011, the School district had \$9,557,024 outstanding debt. Of this amount \$439,880 is for compensated absences, \$9,112,000 for bonds payable and \$5,144 for capital leases.

For the Future

The Manasquan Public School District is in very good financial condition presently. A major concern is the continued enrollment growth of the district with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and state funding is limited.

Manasquan is primarily a residential community, with very few ratables; thus the burden of taxes is placed primarily on homeowners. The Manasquan School District has and will continue to look for ways to relieve this burden.

In conclusion, the Manasquan Public School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School district's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Margaret Moran Hom, School Business Administrator/Board Secretary at Manasquan Board of Education, 169 Broad Street, Manasquan, NJ 08736.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

MANASQUAN SCHOOL DISTRICTSTATEMENT OF NET ASSETS

Exhibit A-1

JUNE 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 382,617	84,522	467,139
Receivables, Net	323,072	6,641	329,713
Inventory		4,149	4,149
Restricted Assets:			
Cash and Cash Equivalents	1,493,757		1,493,757
Capital Reserve Account - Cash	4,623		4,623
Capital Assets, Net	<u>19,095,407</u>	<u>159,107</u>	<u>19,254,514</u>
Total Assets	<u>\$ 21,299,476</u>	<u>254,419</u>	<u>21,553,895</u>
<u>Liabilities</u>			
Accounts Payable	\$ 242,341	13,990	256,331
Deferred Revenue	17,693		17,693
Noncurrent Liabilities:			
Due Within One Year	725,144		725,144
Due Beyond One Year	<u>8,831,880</u>		<u>8,831,880</u>
Total Liabilities	<u>\$ 9,817,058</u>	<u>13,990</u>	<u>9,831,048</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	\$ 9,978,263	159,107	10,137,370
Restricted For:			
Debt Service	662		662
Capital Projects	1,029		1,029
Other Purposes	1,441,039		1,441,039
Unrestricted	<u>61,425</u>	<u>81,322</u>	<u>142,747</u>
Total Net Assets	<u>\$ 11,482,418</u>	<u>240,429</u>	<u>11,722,847</u>

The accompanying notes to financial statements are an integral part of this statement.

MANASQUAN SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<u>Functions/Programs</u>						
Governmental Activities:						
Instruction:						
Regular	\$7,305,273			(7,305,273)		(7,305,273)
Special Education	1,763,423		385,928	(1,377,495)		(1,377,495)
Other Special Instruction	134,068			(134,068)		(134,068)
Other Instruction	760,384			(760,384)		(760,384)
Support Services:						
Tuition	574,831			(574,831)		(574,831)
Student & Instruction Related Services	2,826,388		223,549	(2,602,839)		(2,602,839)
General Administrative Services	526,375			(526,375)		(526,375)
School and Business Administrative Services	1,611,840			(1,611,840)		(1,611,840)
Plant Operations and Maintenance	2,402,744			(2,402,744)		(2,402,744)
Pupil Transportation	351,776			(351,776)		(351,776)
Unallocated Benefits	5,589,146		64,048	(5,525,098)		(5,525,098)
Interest on Long-Term Debt	359,470			(359,470)		(359,470)
Unallocated Depreciation	698,880			(698,880)		(698,880)
Total Government Activities	24,904,598	-	673,525	(24,231,073)	-	(24,231,073)
Business-Type Activities:						
Food Service	659,787	537,854	98,686		(23,247)	(23,247)
Surf Team	3,870				(3,870)	(3,870)
Total Business-Type Activities	663,657	537,854	98,686	-	(27,117)	(27,117)
Total Primary Government	25,568,255	537,854	772,211	(24,231,073)	(27,117)	(24,258,190)

MANASQUAN SCHOOL DISTRICT

Exhibit A-2
Sheet 2 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

	Program Revenues		Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purpose, Net				12,171,782		12,171,782
Taxes Levied for Debt Service				1,079,710		1,079,710
Federal and State Aid Not Restricted				1,826,029		1,826,029
Tuition Received				10,126,111		10,126,111
Investment Earnings				4,924	76	5,000
Miscellaneous Income				168,657		168,657
Total General Revenues, Special Items, Extraordinary Items and Transfers				25,377,213	76	25,377,289
Change in Net Assets				1,146,140	(27,041)	1,119,099
Adjustments to Net Assets - Prior Periods				(477,429)		(477,429)
Net Assets - Beginning				10,813,707	267,470	11,081,177
Net Assets - Ending	\$ -			11,482,418	240,429	11,722,847

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

FUND FINANCIAL STATEMENTS – B

MANASQUAN SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 1,788,281		92,409	307	1,880,997
Interfund Receivable	100,530			355	100,885
Accounts Receivable	7,043				7,043
Receivables from Other Governments	144,390	171,639			316,029
Total Assets	<u>\$ 2,040,244</u>	<u>171,639</u>	<u>92,409</u>	<u>662</u>	<u>2,304,954</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Accounts Payable	\$ 97,900	53,416	91,025		242,341
Interfund Payable		100,530	355		100,885
Deferred Revenue		17,693			17,693
Total Liabilities	<u>97,900</u>	<u>171,639</u>	<u>91,380</u>	<u>-</u>	<u>360,919</u>
Fund Balance:					
Restricted For:					
Tuition 2009-10 Reserve	150,000				150,000
Maintenance Reserve	450,000				450,000
Emergency Reserve	50,000				50,000
Capital Reserve Account	4,623				4,623
Capital Projects			1,029		1,029
Excess Surplus - Current Year	213,684				213,684
Committed To:					
Other Purposes	2,000				2,000
Assigned To:					
Designated for Subsequent Years Expenditures:				310	310
Maintenance Reserve	400,000				400,000
Tuition Reserve	100,000				100,000
Designated by the Board of Education for Subsequent Year's Expenditures	35,366				35,366
Unassigned:					
General Fund	536,671				536,671
Debt Service Fund				352	352
Total Fund Balances	<u>1,942,344</u>	<u>-</u>	<u>1,029</u>	<u>662</u>	<u>1,944,035</u>
Total Liabilities and Fund Balance	<u>\$ 2,040,244</u>	<u>171,639</u>	<u>92,409</u>	<u>662</u>	

Amounts reported for governmental activities in the Statement of Net Assets (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$28,734,229 and the accumulated depreciation is \$9,638,822. 19,095,407

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 (see Note 3) (9,557,024)

Net assets of governmental activities \$ 11,482,418

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

MANASQUAN SCHOOL DISTRICT

Exhibit B-2
Sheet 1 of 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$12,171,782			1,079,710	13,251,492
Tuition Charges	10,126,111				10,126,111
Interest Earned	4,569		355		4,924
Miscellaneous	168,657	9,497			178,154
Total Local Sources	<u>22,471,119</u>	<u>9,497</u>	<u>355</u>	<u>1,079,710</u>	<u>23,560,681</u>
State Sources	1,826,029	92,513			1,918,542
Federal Sources	571,515				571,515
Total Revenues	<u>24,297,148</u>	<u>673,525</u>	<u>355</u>	<u>1,079,710</u>	<u>26,050,738</u>
<u>Expenditures</u>					
Current:					
Regular Instruction	7,504,878				7,504,878
Special Education Instruction	1,377,495	385,928			1,763,423
Other Special Instruction	134,068				134,068
Other Instruction	760,384				760,384
Support Services and Undistributed Costs:					
Tuition	574,831				574,831
Student and Instruction Related Services	2,602,839	223,549			2,826,388
General Administrative Services	526,375				526,375
School and Other Administrative Services	1,611,840				1,611,840
Plant Operations and Maintenance	2,402,744				2,402,744
Pupil Transportation	351,776				351,776
Unallocated Benefits	5,525,098	64,048			5,589,146
Debt Service:					
Principal				710,000	710,000
Interest and Other Charges				370,860	370,860
Capital Outlay	204,149		449,113		653,262
Total Expenditures	<u>23,576,477</u>	<u>673,525</u>	<u>449,113</u>	<u>1,080,860</u>	<u>25,779,975</u>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	720,671	-	(448,758)	(1,150)	270,763
Other Financing Sources/(Uses):					
Transfers In				355	355
Transfers Out			(355)		(355)
Total Other Financing Sources/(Uses)	-	-	(355)	355	-
Net Change in Fund Balances	720,671		(449,113)	(795)	270,763
Fund Balance - July 1	1,221,673		450,142	1,457	1,673,272
Fund Balance - June 30	\$ 1,942,344	-	1,029	662	1,944,035

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

MANASQUAN SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS Exhibit B-3

TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ 270,763
<p>Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:</p> <p>Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>	
Depreciation Expense	(698,880)
Capital Outlays	<u>653,262</u>
	(45,618)
Liquidation of noncurrent liabilities are reflected in this fund's financial statements as an expense (use of current financial resources) but are not reported in the statement of activities.	710,000
Generally expenditures recognized in this fund's financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred.	11,390
Revenues that are not available to pay current obligations are not reported in this fund's financial statement, but they are presented in the statement of activities.	<u>199,605</u>
Change in Net Assets of Governmental Activities (A-2)	<u><u>\$ 1,146,140</u></u>

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

MANASQUAN SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF NET ASSETSPROPRIETARY FUNDSJUNE 30, 2011

	Business-Type Activities - Enterprise Funds		Totals
	Food Service	Surf Team	
<u>Assets</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 84,380	142	84,522
Accounts Receivable:			
Federal	5,455		5,455
State	266		266
Other	920		920
Inventories	4,149		4,149
Total Current Assets	<u>95,170</u>	<u>142</u>	<u>95,312</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	397,635		397,635
Less: Accumulated Depreciation	<u>(238,528)</u>		<u>(238,528)</u>
Total Noncurrent Assets	<u>159,107</u>	<u>-</u>	<u>159,107</u>
Total Assets	<u>\$ 254,277</u>	<u>142</u>	<u>254,419</u>
<u>Liabilities</u>			
Accounts Payable	<u>\$ 13,990</u>		<u>13,990</u>
<u>Net Assets</u>			
Invested in Capital Assets net of Related Debt	\$ 159,107		159,107
Unrestricted	<u>81,180</u>	<u>142</u>	<u>81,322</u>
Total Net Assets	<u>\$ 240,287</u>	<u>142</u>	<u>240,429</u>

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

MANASQUAN SCHOOL DISTRICTSTATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETSPROPRIETARY FUNDS

Exhibit B-5

JUNE 30, 2011

	Business-Type Activities - Enterprise Funds		Totals
	Food Service	Surf Team	
Operating Revenues:			
Charge for Services:			
Daily Sales	\$ 528,967		528,967
Miscellaneous	165		165
Catering	8,722		8,722
Total Operating Revenues	<u>537,854</u>	<u>-</u>	<u>537,854</u>
Operating Expenses:			
Cost of Sales	284,901		284,901
Salaries	212,309		212,309
Employee Benefits	26,619		26,619
Worker's Compensation	5,940		5,940
Cost of Supplies	17,491		17,491
General Liability Insurance	35,962		35,962
Management Fees	18,000		18,000
Repairs	18,351		18,351
Miscellaneous	20,911	3,870	24,781
Depreciation	19,303		19,303
Total Operating Expenses	<u>659,787</u>	<u>3,870</u>	<u>663,657</u>
Operating Income (Loss)	(121,933)	(3,870)	(125,803)
Nonoperating Revenues (Expenses):			
Interest Revenue	74	2	76
State Sources:			
State School Lunch Program	3,551		3,551
Federal Sources:			
National School Lunch Program	79,355		79,355
Food Distribution Program	15,780		15,780
Total Nonoperating Revenues (Expenses)	<u>98,760</u>	<u>2</u>	<u>98,762</u>
Change in Net Assets	(23,173)	(3,868)	(27,041)
Total Net Assets - Beginning	<u>263,460</u>	<u>4,010</u>	<u>267,470</u>
Total Net Assets - Ending	<u>\$ 240,287</u>	<u>142</u>	<u>240,429</u>

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

MANASQUAN SCHOOL DISTRICTSTATEMENT OF CASH FLOWSPROPRIETARY FUNDS

Exhibit B-6

JUNE 30, 2011

	Business-Type Activities - Enterprise Funds		Totals
	Food Service	Surf Team	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 537,854		537,854
Payments to Employees	(212,309)		(212,309)
Payments to Suppliers	(397,507)	(3,870)	(401,377)
Net Cash Provided (Used by) Operating Activities	<u>(71,962)</u>	<u>(3,870)</u>	<u>(75,832)</u>
Cash Flows from Noncapital Financing Activities:			
State Sources	3,551		3,551
Federal Sources	79,355		79,355
Net Cash Provided (Used by) Noncapital Financing Activities	<u>82,906</u>		<u>82,906</u>
Cash Flows from Investing Activities:			
Interest Received	74	2	76
Net Increase (Decrease) in Cash & Cash Equivalents	11,018	(3,868)	7,150
Balances - Beginning of Year	<u>73,362</u>	<u>4,010</u>	<u>77,372</u>
Balances - End of Year	<u>\$ 84,380</u>	<u>142</u>	<u>84,522</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income	\$ (121,933)	(3,870)	(125,803)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities			
Depreciation	19,303		19,303
Federal Commodities	15,780		15,780
(Increase)/Decrease in Accounts Receivable	389		389
Increase/(Decrease) in Accounts Payable	13,990		13,990
(Increase)/Decrease in Inventories	509		509
Net Cash Provided (Used by) Operating Activities	<u>\$ (71,962)</u>	<u>(3,870)</u>	<u>(75,832)</u>

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

MANASQUAN SCHOOL DISTRICTSTATEMENT OF FIDUCIARY NET ASSETS

Exhibit B-7

FIDUCIARY FUNDSJUNE 30, 2011

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Fund</u>
Assets:		
Cash and Cash Equivalents	\$ 96,730	79,228
Total Assets	<u>\$ 96,730</u>	<u>79,228</u>
Net Assets:		
Held in Trust for Unemployment Claims and Other Purposes	\$ 96,730	
Reserved for Scholarships		79,228
Total Net Assets	<u>\$ 96,730</u>	<u>79,228</u>

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

MANASQUAN SCHOOL DISTRICTSTATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

Exhibit B-8

FIDUCIARY FUNDSFOR THE YEAR ENDED JUNE 30, 2011

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Fund</u>
<u>Additions</u>		
Contributions:		
Plan Member	\$ 111,669	
Other		15,715
Total Contributions	<u>111,669</u>	<u>15,715</u>
Investment Earnings:		
Interest	77	88
Net Investments Earnings	<u>77</u>	<u>88</u>
Total Additions	<u>111,746</u>	<u>15,803</u>
<u>Deductions</u>		
Unemployment Claims	86,296	
Scholarships Awarded		18,600
Total Deductions	<u>86,296</u>	<u>18,600</u>
Change in Net Assets	25,450	(2,797)
Net Assets - Beginning of Year	<u>71,280</u>	<u>82,025</u>
Net Assets - End of the Year	<u>\$ 96,730</u>	<u>79,228</u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION
MANASQUAN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2011

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds and account groups of the District over which the Board exercises operating control. The operations of the District include an elementary and a high school located in Manasquan Borough. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore the District is not includable in any other reporting entity on the basis of such criteria.

The District receives high school students from Brielle, Sea Girt, Spring Lake, Spring Lake Heights, Lake Como and Belmar on a tuition basis which represent about 70% of the high school students.

B. Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the government as a whole. These financial statements are constructed around the concept of a primary government as defined by GASB-14 (The Financial Reporting Entity) and therefore encompass the primary government and its component units except for fiduciary funds of the primary government and component units that are fiduciary in nature. Financial statements of fiduciary funds are not presented in the government-wide financial statements but are included in the fund financial statements.

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Government-Wide Financial Statements (Continued)

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include (1) charges for services which report fees and other charges to users of the District's services and (2) operating grants and contributions. These revenues are subject to externally imposed restrictions to these program uses. Tax levies and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

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

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP). The District's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The government-wide and proprietary fund financial statements apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. County tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the county tax levy. In general, other revenues are recognized when cash is received.

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

D. Fund Accounting:

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

Governmental Fund Types

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

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued):

Proprietary Fund Type

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Types

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

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

E. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office 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. 6A:23-2.2(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2011 were insignificant.

The Public School Education Act of 1975 limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

NOTE 1: Summary of Significant Accounting Policies (Continued)**E. Budgets/Budgetary Control (Continued):**

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. Individual transfers were not material in relation to the original appropriations. All uncommitted budget appropriations lapse at year-end.

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis is 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.

Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 24,198,345	673,525
Difference – budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized.		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	98,803	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	_____	_____
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds.	\$ 24,297,148	673,525

NOTE 1: Summary of Significant Accounting Policies (Continued)**E. Budgets/Budgetary Control (Continued):**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 23,576,477	673,525
Differences – budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	_____	_____
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds.	\$ 23,576,477	673,525

F. Encumbrances:

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

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

G. Short-Term Interfund Receivables/Payables:

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

H. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

NOTE 1: Summary of Significant Accounting Policies (Continued)

H. Inventories and Prepaid Expenses (Continued)

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

I. Capital Assets and Depreciation

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company during the 2011 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report included capital assets purchased during the 2010-2011 fiscal year and prior with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2011, fiscal year 2011 depreciation expense, total accumulated depreciation and book values were also provided. The district upgraded for subsequent years with its in-house system. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

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

	Balance				Balance
	<u>July 1, 2010</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Retirements</u>	<u>June 30, 2011</u>
Governmental Activities:					
Land	\$ 1,068,680	_____	_____	_____	1,068,680
Depreciable Assets:					
Site Improvements	1,107,743				1,107,743
Buildings	24,057,332	155,900			24,213,232
Equipment	2,327,985	16,589			2,344,574
Total	<u>27,493,060</u>	<u>172,489</u>	_____	_____	<u>27,665,549</u>

NOTE 1: Summary of Significant Accounting Policies (Continued)

I. Capital Assets and Depreciation (Continued)

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2011</u>
Less: Accumulated Depreciation:					
Sites	753,310	36,257			789,567
Buildings	6,796,746	438,202			7,234,948
Equipment	<u>1,389,886</u>	<u>224,421</u>	_____	_____	<u>1,614,307</u>
Total Accumulated Depreciation	<u>8,939,942</u>	<u>698,880</u>	_____	_____	<u>9,638,822</u>
Net Depreciable Assets	<u>18,553,118</u>	<u>(526,391)</u>	_____	_____	<u>18,026,727</u>
Governmental Activities Capital Assets (Net)	\$ 19,621,798	(526,391)			19,095,407
Business-Type Activities:					
Equipment	\$ 397,635				397,635
Less: Accumulated Depreciation:					
Equipment	<u>219,225</u>	<u>19,303</u>	_____	_____	<u>238,528</u>
Business-Type Capital Assets (Net)	\$ 178,410	(19,303)			159,107

Accumulated depreciation was allocated to governmental activities as follows:

	<u>Prior Years'</u> <u>Accumulated</u> <u>Depreciation</u>	<u>Current Year</u> <u>Depreciation</u> <u>Expense</u>	<u>Adjustments</u>	<u>Retirements</u>	<u>Total</u> <u>Accumulated</u> <u>Depreciation</u>
Unallocated	\$ 8,939,942	698,880			9,638,822

NOTE 1: Summary of Significant Accounting Policies (Continued)**J. Compensated Absences**

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

K. Deferred Revenue

Deferred revenue in the general and special revenue funds represent cash which has been received but not yet earned. Deferred revenue in the general fund represents monies received for fiscal year 2011. See Note 1(F) regarding the special revenue fund.

L. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve (See Note 14).

NOTE 2: Cash and Cash Equivalents and Investments

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

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

Deposits

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

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

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

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

NOTE 2: Cash and Cash Equivalents and Investments (Continued)**Deposits (Continued)**

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

Investments

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

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

As of June 30, 2011, cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>
Checking, Money Market Accounts And Certificate of Deposit	\$ 2,247,791

During the period ended June 30, 2011, the District did not hold any investments. The carrying amount of the District's cash and cash equivalents at June 30, 2011 was \$2,247,791 and the bank balance was \$2,956,065. Of the bank balance, \$100,000 was covered by federal depository insurance and \$2,856,065 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following three categories described below:

FDIC	\$ 100,000
GUDPA	<u>2,856,065</u>
	\$ 2,956,065

NOTE 3: General Long-Term Debt

During the fiscal year ended June 30, 2011, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>	<u>Due</u> <u>in One</u> <u>Year</u>	<u>Long</u> <u>Term</u>
Compensated						
Absences Payable \$	639,485		199,605	439,880		439,880
Capital Leases	19,878		14,734	5,144	5,144	
Bonds Payable	<u>9,822,000</u>		<u>710,000</u>	<u>9,112,000</u>	<u>720,000</u>	<u>8,392,000</u>
	\$ 10,481,363		924,339	9,557,024	725,144	8,831,880

A. Bonds Payable

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

1. Addition to the high school refunding on 1-1-04 for \$3,180,000 at interest from 2.00% to 4.25% with a balance of \$1,595,000 maturing on January 15, 2016.
2. Addition to the elementary school on 2-23-05 for \$9,652,000 at interest from 3.375% to 4.00% with a balance of \$7,517,000 maturing January 15, 2024.

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

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011-2012	\$ 720,000	346,010	1,066,010
2012-2013	745,000	319,235	1,064,235
2013-2014	760,000	291,535	1,051,535
2014-2015	785,000	263,335	1,048,335
2015-2016	790,000	234,235	1,024,235
2016-2017 to 2020-2021	2,715,000	833,402	3,548,402
2021-2022 to 2024-2025	<u>2,597,000</u>	<u>263,320</u>	<u>2,860,320</u>
	\$ 9,112,000	2,551,072	11,663,072

NOTE 3: General Long-Term Debt (Continued)**A. Bonds Payable (Continued)****Schedule of Bonds Payable**

<u>Description</u>	<u>Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2011</u>
High School Addition	01-01-04	2% to 4.25%	\$ 1,595,000
Elementary School Addition	02-23-05	3.375% to 4%	<u>7,517,000</u>
			\$ 9,112,000

B. Bonds Authorized But Not Issued

As of June 30, 2011, the Board had no authorized but not issued bonds.

C. Capital Leases Payable:

The District has a lease from Savin Corp. for copying machines. These capital leases are for a term of five years. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2011.

<u>Year Ended June 30</u>	<u>Amount</u>
2012	\$ 5,219
Less: Amount Representing Interest	<u>75</u>
Present Value of Net Minimum Lease Payments	\$ 5,144

Summary of Leases

1. Savin copier lease at 6.90% maturing 11-1-11 with a balance of \$5,219 at 6-30-11.

NOTE 4: Pension Plans

Description of Plans – All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teacher's Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) – The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) – The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

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

NOTE 4: Pension Plans (Continued)

Significant Legislation - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Funding Policy – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

During the year ended June 30, 2011, the State of New Jersey contributed \$711,080 to the TPAF for normal and post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$810,572 during the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

Three-Year Trend Information for PERS

<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/09	\$ 135,259	100%	\$ 0
6/30/10	164,880	100%	0
6/30/11	206,934	100%	0

NOTE 4: Pension Plans (Continued)

Three-Year Trend Information for TPAF (Paid On-Behalf of the District)

<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/11	\$ 711,080	100%	0
6/30/10	710,771	100%	0
6/30/09	679,520	100%	0

NOTE 5: 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 eligible for 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 prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

NOTE 6: Interfund Receivables and Payables

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 100,530	
Special Revenue Fund		100,530
Debt Service Fund	355	
Capital Projects Fund		355

NOTE 7: Compensated Absences

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

NOTE 7: Compensated Absences (Continued)

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

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, no liability existed for compensated absences in the Food Service Fund.

NOTE 8: Capital Reserve Account

A capital Reserve account was established by the Borough of Manasquan Board of Education by inclusion of \$508 on July 1, 2001 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.

Fund placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A 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-5.1(d) 7*, 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:

Beginning Balance, July 1, 2010	\$ 4,611
Interest Added	<u>12</u>
Balance June 30, 2011	\$ 4,623

NOTE 9: Risk Management

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

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

NOTE 9: Risk Management (Continued)

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Reimbursed</u>	<u>Balance</u>
2010-2011	\$ 111,746	86,296	96,730
2009-2010	77,926	83,370	71,280
2008-2009	12,302	15,731	76,724

NOTE 10: Tuition Adjustments

Regulations specify that tuition adjustments for any given school year shall be remitted/ received in the two following years after the tuition rate is certified. These adjustments have not been reflected on the June 30, 2011 financial statements.

NOTE 11: Economic Dependency

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

NOTE 12: Operating Leases

The District had no operating leases as of June 30, 2011.

NOTE 13: Contingent Liabilities

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

NOTE 14: 2% Calculation of Excess Surplus

2010-11 Total General Fund Expenditures Per the CAFR	\$ 23,576,477
Decreased by:	
On-Behalf TPAF Pension & Social Security	_ (1,521,652)
Adjusted 2010-11 General Fund Expenditures	\$ 22,054,825
2% of Adjusted 2010-11 General Fund Expenditures	\$ 441,097
Increased by: Allowable Adjustment	_ 95,574
Maximum Unassigned Fund Balance	\$ 536,671

Section 2

Total General Fund – Fund Balances @ 6-30-11	\$ 1,942,344
Decreased by:	
Year-End Encumbrances	(2,000)
Other Restricted Fund Balances	(1,154,623)
Assigned Fund Balance – Unreserved – Designated for Subsequent Year's Expenditures	_ (35,366)
Total Unassigned Fund Balance	\$ 750,355

Section 3

Restricted – Excess Surplus 2010-2011	\$ 213,684
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Detail of Allowable Adjustments

Extraordinary Aid	\$ 92,826
Additional Non Public Transportation Aid	_ 2,748
Total Adjustments	\$ 95,574

Detail of Other Restricted Fund Balance

Statutory Restrictions:	
Capital Reserve	\$ 4,623
Maintenance Reserve	850,000
Tuition Reserve	250,000
Emergency Reserve	_ 50,000
Total Other Reserved Fund Balance	\$ 1,154,623

NOTE 15: Long-Term Debt - Refunding

During 2004, the government advance refunded a general obligation bond issue. The government issued \$3,180,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt account group. This advance refunding was undertaken to reduce total debt service payments over the next 12 years by \$125,207 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$117,011.

At June 30, 2011 outstanding general obligation bonds of \$3,020,000 are considered to be defeased. These are analyzed by fund type, as follows:

	Defeased Debt <u>Outstanding</u>
General Long-Term Debt Account Group	\$ 3,020,000

NOTE 16: Fund Balance Appropriated

General Fund – Of the \$1,942,344 General Fund fund balance at June 30, 2011, \$250,000 has been legally reserved for tuition adjustment in accordance with *N.J.A.C. 6A:23-3.1(f)(8)*; \$2,000 is reserved for encumbrances; \$4,623 has been reserved in the Capital Reserve Account; \$50,000 has been reserved for emergencies; \$850,000 has been reserved for maintenance; \$213,684 is excess surplus; assigned fund balance designated for subsequent year's expenditures is \$35,366; and \$536,671 is unassigned.

NOTE 17: Calculation of Excess Surplus

In accordance with *N.J.S.A. 18A:7F-7*, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There is an excess fund balance at June 30, 2011 of \$213,684.

NOTE 18: Significant Accounting Pronouncements

In June 2009, the FASB issued FASB ASC 105, Generally Accepted Accounting Principles, which establishes the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, the District has updated references to GAAP in its financial statements issued for the period ended June 30, 2011. The adoption of FASB ASC 105 did not impact the District's financial position or results of operations.

NOTE 18: Recent Accounting Pronouncements (Continued)

In May 2009, the FASB updated ASC 855, Subsequent Events, which is effective for reporting periods ending after June 15, 2009. ASC 855 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued, or are available to be issued. The District adopted the amended sections of ASC 855 and it did not have an impact on the District's financial statements. The District evaluated all events or transactions that occurred after June 30, 2011 through August 23, 2011.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES – C

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 12,171,782		12,171,782	12,171,782	-
Tuition	10,132,677		10,132,677	10,126,111	(6,566)
Child Study Team	38,580		38,580	38,580	-
Athletic Jointure/Business Office Shared Services	17,415		17,415	46,000	28,585
Interest Earned	5		5	4,569	4,564
Miscellaneous	80,000		80,000	84,077	4,077
Total Local Sources	<u>22,440,459</u>	<u>-</u>	<u>22,440,459</u>	<u>22,471,119</u>	<u>30,660</u>
State Sources:					
Extraordinary Aid	110,000		110,000	202,826	92,826
Non-Public Transportation			-	2,748	2,748
TPAF Pension Contribution			-	711,080	711,080
TPAF Social Security Contribution			-	810,572	810,572
Total State Sources	<u>110,000</u>	<u>-</u>	<u>110,000</u>	<u>1,727,226</u>	<u>1,617,226</u>
Total Revenues	<u>22,550,459</u>	<u>-</u>	<u>22,550,459</u>	<u>24,198,345</u>	<u>1,647,886</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 2 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Regular Programs - Instruction:					
Preschool/Kindergarten - Salaries of Teachers	303,620	(10,000)	293,620	271,020	22,600
Grades 1-5 - Salaries of Teachers	1,455,695	(38,015)	1,417,680	1,413,048	4,632
Grades 6-8 - Salaries of Teachers	1,000,625	3,770	1,004,395	991,783	12,612
Grades 9-12 - Salaries of Teachers	4,012,035	(78,350)	3,933,685	3,917,547	16,138
Total Regular Programs - Instruction	<u>6,771,975</u>	<u>(122,595)</u>	<u>6,649,380</u>	<u>6,593,398</u>	<u>55,982</u>
Regular Programs - Home Instruction:					
Salaries	58,000	28,010	86,010	86,010	-
Purchase of Professional/Educational Services	7,000	1,505	8,505	8,505	-
Total Regular Programs - Home Instruction	<u>65,000</u>	<u>29,515</u>	<u>94,515</u>	<u>94,515</u>	<u>-</u>
Regular Programs - Undistributed Instruction:					
Purchased Technical Services	63,590	4,424	68,014	67,793	221
Other Purchased Services	53,050	(8,540)	44,510	44,448	62
General Supplies	455,225	174,780	630,005	628,311	1,694
Textbooks	62,835	12,379	75,214	74,993	221
Other Objects	4,710	(3,290)	1,420	1,420	-
Total Regular Programs - Undistributed Instruction	<u>639,410</u>	<u>179,753</u>	<u>819,163</u>	<u>816,965</u>	<u>2,198</u>
Total Regular Programs - Instruction	<u>7,476,385</u>	<u>86,673</u>	<u>7,563,058</u>	<u>7,504,878</u>	<u>58,180</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 3 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final to Actual</u>
Special Education Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	250,840	62,885	313,725	311,812	1,913
Other Salaries For Instruction		5,100	5,100	4,791	309
General Supplies	3,000	300	3,300	1,800	1,500
Textbooks	1,400	(600)	800		800
Total Learning and/or Language Disabilities	<u>255,240</u>	<u>67,685</u>	<u>322,925</u>	<u>318,403</u>	<u>4,522</u>
Resource Room/Center:					
Salaries of Teachers	1,026,685	(102,906)	923,779	911,964	11,815
Other Salaries Instruction	5,540		5,540	2,618	2,922
General Supplies	3,000		3,000	1,893	1,107
Textbooks	1,000		1,000		1,000
Total Resource Room/Center	<u>1,036,225</u>	<u>(102,906)</u>	<u>933,319</u>	<u>916,475</u>	<u>16,844</u>
Pre-School Disabilities-Full-Time:					
Salaries of Teachers	62,150	1,470	63,620	62,710	910
Other Salaries For Instruction	24,355	511	24,866	21,547	3,319
General Supplies	1,000	(630)	370		370
Total Pre-School Disabilities-Full-Time	<u>87,505</u>	<u>1,351</u>	<u>88,856</u>	<u>84,257</u>	<u>4,599</u>
Home Instruction					
Salaries of Teachers	17,790	16,545	34,335	34,335	-
Purchased Professional Educational Services	2,000	22,025	24,025	24,025	-
Total Home Instruction	<u>19,790</u>	<u>38,570</u>	<u>58,360</u>	<u>58,360</u>	<u>-</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 4 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final to Actual</u>
Total Special Education - Instruction	1,398,760	4,700	1,403,460	1,377,495	25,965
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	77,680	(71,110)	6,570		6,570
General Supplies	4,220		4,220		4,220
Total Basic Skills/Remedial - Instruction	81,900	(71,110)	10,790	-	10,790
Bilingual Education - Instruction:					
Salaries of Teachers	73,490	56,500	129,990	129,455	535
General Supplies	4,145	1,825	5,970	4,613	1,357
Textbooks	1,915	(1,915)			
Total Bilingual Education - Instruction	79,550	56,410	135,960	134,068	1,892
School Sponsored Co-Curricular Activities - Instruction:					
Salaries	152,260	(5,018)	147,242	147,242	-
Purchased Services (300-500 Series)	5,420	3,815	9,235	9,232	3
Supplies and Materials	6,600	(968)	5,632	5,632	-
Other Objects	995	1,003	1,998	1,998	-
Total School Sponsored Co-Curricular	165,275	(1,168)	164,107	164,104	3
School Sponsored Co-Curricular Athletics - Instruction					
Salaries	403,105	(11,529)	391,576	384,403	7,173
Purchased Services (300-500 Series)	79,305	(6,568)	72,737	69,728	3,009
Supplies and Materials	78,585	36,040	114,625	114,447	178
Other Objects	6,000	2,155	8,155	7,702	453
Transfers to Cover Deficit (Agency Fund)	39,000	(18,930)	20,070	20,000	70
Total School Sponsored Co-Curr. Athletics - Instruction	605,995	1,168	607,163	596,280	10,883
Total Distributed Expenditures	9,807,865	76,673	9,884,538	9,776,825	107,713

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 5 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures:					
Instruction:					
Tuition in State - Special	93,222	(23,100)	70,122	56,139	13,983
Tuition to County Vocational School:					
Regular	290,000	(64,850)	225,150	199,450	25,700
Special	23,750	1,250	25,000	25,000	-
Tuition to Private School for Handicapped - In State	409,978	(115,700)	294,278	294,242	36
Total Instruction	<u>816,950</u>	<u>(202,400)</u>	<u>614,550</u>	<u>574,831</u>	<u>39,719</u>
Attendance & Social Work:					
Salaries	30,050	470	30,520	30,461	59
Health Services:					
Salaries	225,450	18,816	244,266	244,231	35
Purchased Professional/Technical Services	12,500	794	13,294	12,849	445
Other Purchased Services (400-500 Series)	1,300		1,300	430	870
Supplies and Materials	8,500	(3,533)	4,967	4,431	536
Miscellaneous Expenses	500	198	698	592	106
Total Health Services	<u>248,250</u>	<u>16,275</u>	<u>264,525</u>	<u>262,533</u>	<u>1,992</u>
Other Support Services Students Related Services:					
Salaries	172,205	(85,286)	86,919	75,364	11,555
Purchased Professional/Technical Services	176,450	(5,000)	171,450	134,415	37,035
Supplies and Materials	1,800		1,800	1,563	237
Total Other Support Services Students Related Services	<u>350,455</u>	<u>(90,286)</u>	<u>260,169</u>	<u>211,342</u>	<u>48,827</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 6 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Support Services Students Extraordinary Services:					
Salaries	150,910	24,537	175,447	175,446	1
Purchased Professional/Technical Services	30,000	25,749	55,749	53,654	2,095
Total Other Support Srvs. Students Extraordinary Srvs.	<u>180,910</u>	<u>50,286</u>	<u>231,196</u>	<u>229,100</u>	<u>2,096</u>
Other Support Services Students - Regular Services:					
Salaries	595,775	(3,177)	592,598	592,598	-
Salaries of Secretarial & Clerical Assistants	43,400	148	43,548	43,548	-
Purchased Professional/Educational Services		225	225	225	-
Other Professional/Technical Services	27,270	(2,196)	25,074	22,986	2,088
Other Purchased Services	3,200		3,200	1,794	1,406
Supplies and Materials	11,000	5,000	16,000	11,754	4,246
Other Objects	1,400		1,400	1,167	233
Total Other Support Srvs. Students - Regular Services	<u>682,045</u>	<u>-</u>	<u>682,045</u>	<u>674,072</u>	<u>7,973</u>
Other Support Services Students - Special:					
Salaries of Other Professional Staff	390,180	45,266	435,446	434,688	758
Salaries of Secretarial & Clerical Assistants	47,100	360	47,460	40,551	6,909
Purchased Professional/Educational Services	7,500	(6,560)	940	940	-
Other Purchased Professional/Technical Services	4,000	(1,846)	2,154	500	1,654
Other Purchased Services (400-500 Series)	5,320	1,135	6,455	4,912	1,543
Supplies and Materials	5,210	(1,000)	4,210	4,151	59
Other Objects	300		300	300	-
Total Other Support Services Students - Special	<u>459,610</u>	<u>37,355</u>	<u>496,965</u>	<u>485,742</u>	<u>11,223</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 7 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	291,825	(25,074)	266,751	266,750	1
Salaries of Other Professional Staff	4,000	27,950	31,950	31,950	-
Salaries of Secretarial & Clerical Assistants	38,070	325	38,395	38,394	1
Other Purchased Services (400-500 Series)	1,750	(1,450)	300	283	17
Supplies & Materials	2,500	(319)	2,181	2,112	69
Other Objects	3,000	(881)	2,119	2,106	13
Total Improvement of Instructional Services	<u>341,145</u>	<u>551</u>	<u>341,696</u>	<u>341,595</u>	<u>101</u>
Educational Media/School Library:					
Salaries	191,820	(19,745)	172,075	171,947	128
Salaries-Tech Coordinators	145,655	22,880	168,535	161,010	7,525
Purchased Professional/Technical Services	5,500	(3,550)	1,950	7,939	1,950
Other Purchased Services (400-500 Series)	5,815	2,768	8,583	644	644
Supplies & Materials	16,080	(2,353)	13,727	11,676	2,051
Other Objects	1,000	(250)	750	529	221
Total Educational Media/School Library	<u>365,870</u>	<u>(250)</u>	<u>365,620</u>	<u>353,101</u>	<u>12,519</u>
Staff Training:					
Salaries of Other Professional Staff	1,100	(1,050)	50	50	-
Salaries of Secretarial/Clerical Assistants	4,230	40	4,270	4,266	4
Purchased Professional/Educational Services	500	(500)	-	-	-
Other Purchased Services	6,125	4,560	10,685	10,627	58
Total Staff Training	<u>11,955</u>	<u>3,050</u>	<u>15,005</u>	<u>14,893</u>	<u>112</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 8 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support Services - General Administration:					
Salaries	274,458	90	274,548	274,047	501
Legal Services	35,500	(3,067)	32,433	30,278	2,155
Other Purchased Professional Services	14,000		14,000	14,000	-
Purchased Technical Services	6,215	246	6,461	6,434	27
Communications/Telephone	104,960	423	105,383	104,538	845
Other Purchased Services (400-500 Series)	65,265	2,457	67,722	64,911	2,811
General Supplies	8,000	370	8,370	8,370	-
In-House Training/Meeting Supplies	1,000	(745)	255		255
Judgments	20,000	(2,975)	17,025		17,025
Miscellaneous Expenditures	15,500	(150)	15,350	12,371	2,979
Membership Dues and Fees	12,630		12,630	11,426	1,204
Total Support Services - General Administration	557,528	(3,351)	554,177	526,375	27,802
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	652,855		652,855	650,904	1,951
Salaries of Other Professional Staff	140,665	2,765	143,430	141,373	2,057
Salaries of Secretarial & Clerical Assistants	366,515	(12,729)	353,786	350,458	3,328
Purchased Professional & Technical Services	1,750	(1,750)	-		-
Other Purchased Services (400-500 Series)	18,670	7,014	25,684	24,679	1,005
Supplies & Materials	32,500	3,646	36,146	32,647	3,499
Other Objects	5,300	2,695	7,995	7,247	748
Total Support Services - School Administration	1,218,255	1,641	1,219,896	1,207,308	12,588

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 9 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support Services - Central Services:					
Salaries of Business Office	366,145	(727)	365,418	365,082	336
Purchased Technical Services	19,705	(6,511)	13,194	13,194	-
Other Purchased Services	8,160	(430)	7,730	7,728	2
Supplies	8,000	4,664	12,664	12,490	174
Other Objects	3,035	3,004	6,039	6,038	1
Total Support Services - Central Services	405,045	-	405,045	404,532	513
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	237,500	72,529	310,029	309,729	300
Total Required Maintenance for School Facilities	237,500	72,529	310,029	309,729	300
Other Operations & Maintenance of Plant:					
Salaries	708,855	(30,922)	677,933	676,875	1,058
Other Salaries	56,900	(12,686)	44,214	44,213	1
Purchased Professional/Technical Services	2,180	(218)	1,962	1,923	39
Cleaning, Repair & Maintenance Services	197,000	137,546	334,546	328,327	6,219
Other Purchased Property Services	12,500	(1,112)	11,388	11,387	1
Insurance	112,055	(2,562)	109,493	109,493	-
General Supplies	74,280	22,813	97,093	96,643	450
Energy (Heat & Electricity)	450,000	(25,812)	424,188	406,574	17,614
Other Objects	100	300	400	399	1
Energy-Natural Gas	263,200	(38,361)	224,839	216,241	8,598
Total Other Operations and Maintenance of Plant	1,877,070	48,986	1,926,056	1,892,075	33,981

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 10 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Care and Upkeep of Grounds					
Salaries	86,005	31,096	117,101	113,229	3,872
Cleaning, Repair and Maintenance, General Supplies	17,600	6,225	23,825	23,675	150
	29,300	41,164	70,464	64,036	6,428
Total Care and Upkeep of Grounds	132,905	78,485	211,390	200,940	10,450
Total Operations & Maintenance	2,247,475	200,000	2,447,475	2,402,744	44,731
Student Transportation:					
Contracted Services - Aid in Lieu	18,844	(1,000)	17,844	6,370	11,474
Contracted Services Other - Vendors	195,100	1,000	196,100	119,138	76,962
Contracted Services Home/School - Joint Agreement	1,100		1,100		1,100
Contracted Services Regular ESC	166,300		166,300	132,051	34,249
Contracted Services Special ESC	222,100		222,100	94,217	127,883
Total Student Transportation	603,444	-	603,444	351,776	251,668
Unallocated Benefits:					
Social Security Contributions	260,000	16,000	276,000	269,055	6,945
Unemployment Compensation	36,124	53,876	90,000	90,000	
Workmen's Compensation	161,925	(14,376)	147,549	144,496	3,053
Health Benefits	3,528,101	(168,343)	3,359,758	3,196,376	163,382
Tuition Reimbursement	10,125		10,125	7,713	2,412
Other Retirement Contributions	168,000	38,970	206,970	206,934	36
Other Employee Benefits	15,000	73,873	88,873	88,872	1
Total Unallocated Benefits	4,179,275	-	4,179,275	4,003,446	175,829

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 11 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
On-Behalf TPAF Pension Contribution (Non-Budgeted)			-	711,080	(711,080)
Reimbursed TPAF SS Contributions (Non-Budgeted)			-	810,572	(810,572)
Total On-Behalf Contributions			-	<u>1,521,652</u>	<u>(1,521,652)</u>
Total Personal Services - Employee Benefits	4,179,275	-	4,179,275	5,525,098	(1,345,823)
Total Undistributed Expenditures	12,698,262	13,341	12,711,603	13,595,503	(883,900)
Total General Current Expense	22,506,127	90,014	22,596,141	23,372,328	(776,187)
Capital Outlay:					
Equipment:					
Regular Programs - Instruction:	8,000	4,725	12,725	12,721	4
Grades 1-5		2,078	2,078	2,078	-
Grades 6-8		(17,255)	-		-
Grades 9-12	17,255				
Undistributed Expenditures - Support Services:					
Undistributed Plant Maintenance	8,500	6,011	14,511	14,511	-
Total Regular Programs - Instruction	33,755	(4,441)	29,314	29,310	4
Facilities Acquisition & Construction Services:					
Architectural/Engineering	25,000	(7,600)	17,400	739	16,661
Purchased Professional Services		7,027	7,027	7,027	-
Construction Services	225,000	(57,220)	167,780	167,073	707
Interest on Capital Reserve	5		5		5
Total Facilities Acquisition & Construction Services	250,005	(57,793)	192,212	174,839	17,373

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 12 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Capital Outlay	283,760	(62,234)	221,526	204,149	17,377
Total Expenditures	22,789,887	27,780	22,817,667	23,576,477	(758,810)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(239,428)	(27,780)	(267,208)	621,868	889,076
Fund Balance July 1	1,320,476		1,320,476	1,320,476	
Fund Balance June 30	<u>\$ 1,081,048</u>	<u>(27,780)</u>	<u>1,053,268</u>	<u>1,942,344</u>	<u>889,076</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 4,623	
Maintenance Reserve				450,000	
Emergency Reserve				50,000	
Tuition Reserve				150,000	
Excess Surplus - Current Year				213,684	
Committed Fund Balance:					
Year-End Encumbrances				2,000	
Assigned Fund Balance:					
Designated For Subsequent Year's Expenditures by the Board of Education				35,366	
Designated For Subsequent Year's Expenditures - Maintenance Reserve				400,000	
Designated For Subsequent Year's Expenditures - Tuition Reserve				100,000	
Unassigned Fund Balance				536,671	
				<u>1,942,344</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Final State Audit Payments not Recognized on GAAP Basis				-	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,942,344</u>	

MANASQUAN SCHOOL DISTRICT

Exhibit C-2

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final to Actual</u>
Revenues:					
Local Sources	\$ 9,497		9,497	9,497	
State Sources	92,513		92,513	92,513	
Federal Sources	571,515		571,515	571,515	
Total Revenues	<u>\$ 673,525</u>	<u>-</u>	<u>673,525</u>	<u>673,525</u>	<u>-</u>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 126,427		126,427	126,427	
Other Salaries	105,448		105,448	105,448	
Other Instructional Salaries	15,209		15,209	15,209	
Purchased Professional Technical Services	38,845		38,845	38,845	
General Supplies	40,072		40,072	40,072	
Textbooks	9,492		9,492	9,492	
Other Objects	50,435		50,435	50,435	
Total Instruction	<u>385,928</u>	<u>-</u>	<u>385,928</u>	<u>385,928</u>	<u>-</u>
Support Services:					
Salaries of Other Professional Staff	186,686		186,686	186,686	
Personal Services - Employee Benefits	64,048		64,048	64,048	
Purchased Professional - Educational Services	27,122		27,122	27,122	
Other Purchased Services	6,941		6,941	6,941	
Supplies and Materials	2,800		2,800	2,800	
Total Support Services	<u>287,597</u>	<u>-</u>	<u>287,597</u>	<u>287,597</u>	<u>-</u>
Total Expenditures	<u>\$ 673,525</u>	<u>-</u>	<u>673,525</u>	<u>673,525</u>	<u>-</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

MANASQUAN SCHOOL DISTRICTREQUIRED SUPPLEMENTARY INFORMATION

Exhibit C-3

BUDGETARY COMPARISON SCHEDULENOTE TO RSIFOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual Amounts (Budgetary Basis) "Revenue" from Budgetary Comparison Schedule	\$ 24,198,345	673,525
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized		
State Aid Payment Recognized for GAAP Statements in the Current Year, Previously Recognized for Budgetary Purposes	98,803	
State Aid Payment Recognized for Budgetary Purposes, Not Recognized for GAAP Statements Until the Subsequent Year.		
	<hr/>	<hr/>
Total Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 24,297,148</u>	<u>673,525</u>
<u>Uses/Outflows of Resources</u>		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 23,576,477	673,525
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but not Received are reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes		
	<hr/>	<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 23,576,477</u>	<u>673,525</u>

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

MANASQUAN SCHOOL DISTRICT

Exhibit E-1
Sheet 1 of 3

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Textbooks	Comp. Education	Transportation	Initial Exam. & Classification	Nonpublic Annual Exam. & Classification	Corrective Speech	Supplementary Instruction	Nursing	2009-2010 Teacher Recognition
Revenues									
State Sources	\$ 9,492	32,653	5,888	8,925	4,795	9,388	10,700	10,672	1,000
Federal Sources									
Local Revenues	\$ 9,492	32,653	5,888	8,925	4,795	9,388	10,700	10,672	1,000
Total Revenues									
Expenditures									
Instruction	\$ -	32,653							
Salaries of Teachers									
Other Salaries									
Other Salaries for Instruction									
Purchased Professional Technical Services									
General Supplies									
Textbooks	9,492								
Other Objects									
Total Instruction	9,492	32,653							
Support Services									
Salaries of Other Professional Staff									
Personal Services - Employee Benefits									
Purchased Professional Educational Services									
Other Purchased Services									
Supplies and Materials									
Total Support Services									
Total Expenditures	\$ 9,492	32,653	5,888	8,925	4,795	9,388	10,700	10,672	1,000

MANASSAS SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit E-1
Sheet 2 of 3

	<u>Title I</u>	<u>Title II A</u>	<u>Title III D</u>	<u>Title III</u>	<u>Title IV</u>	<u>I.D.E.A Flow-Thru Part B</u>	<u>I.D.E.A. Flow-Thru Preschool</u>	<u>Project Serve</u>
Revenues								
State Sources								
Federal Sources	77,650	29,109	91	8,773	401	221,321	5,807	144,082
Local Revenues								
Total Revenues	<u>77,650</u>	<u>29,109</u>	<u>91</u>	<u>8,773</u>	<u>401</u>	<u>221,321</u>	<u>5,807</u>	<u>144,082</u>
Expenditures								
Instruction								
Salaries of Teachers	61,346			4,000				77,336
Other Salaries		24,112						15,209
Other Salaries for Instruction								38,845
Purchased Professional Technical Services			91	3,702	98	4,748	121	1,686
General Supplies								
Textbooks					67			
Other Objects					165			
Total Instruction	<u>61,346</u>	<u>24,112</u>	<u>91</u>	<u>7,702</u>	<u>165</u>	<u>4,748</u>	<u>121</u>	<u>133,076</u>
Support Services								
Salaries of Other Professional Staff	12,269			1,071		169,700	4,700	11,006
Personal Services - Employee Benefits	4,035	4,822				33,940	940	
Purchased Professional Educational Services		75				12,933	46	
Other Purchased Services		100			236			
Supplies and Materials	16,304							
Total Support Services	<u>16,304</u>	<u>4,997</u>	<u>-</u>	<u>1,071</u>	<u>236</u>	<u>216,573</u>	<u>5,686</u>	<u>11,006</u>
Total Expenditures	<u>77,650</u>	<u>29,109</u>	<u>91</u>	<u>8,773</u>	<u>401</u>	<u>221,321</u>	<u>5,807</u>	<u>144,082</u>

MANASQUAN SCHOOL DISTRICT

Exhibit E-1
Sheet 3 of 3

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	ARRA I.D.E.A. Flow-Thru Part B	ARRA I.D.E.A. Flow-Thru Preschool	Perkins	NISBAIG Grant	Totals
Revenues					
State Sources					92,513
Federal Sources	63,698	5,920	14,663	8,497	571,515
Local Revenues					9,497
Total Revenues	<u>63,698</u>	<u>5,920</u>	<u>14,663</u>	<u>8,497</u>	<u>673,525</u>
Expenditures					
Instruction					
Salaries of Teachers					126,427
Other Salaries	32,428				105,448
Other Salaries for Instruction					15,209
Purchased Professional Technical Services					38,845
General Supplies					40,072
Textbooks					9,492
Other Objects					50,435
Total Instruction	<u>32,428</u>	<u>5,466</u>	<u>14,663</u>	<u>8,497</u>	<u>385,928</u>
Support Services					
Salaries of Other Professional Staff	12,286				186,686
Personal Services - Employee Benefits					64,048
Purchased Professional Educational Services	10,033				27,122
Other Purchased Services	6,151	454			6,941
Supplies and Materials	2,800				2,800
Total Support Services	<u>31,270</u>	<u>454</u>	<u>-</u>	<u>-</u>	<u>287,597</u>
Total Expenditures	<u>63,698</u>	<u>5,920</u>	<u>14,663</u>	<u>8,497</u>	<u>673,525</u>

CAPITAL PROJECTS FUND – F

MANASQUAN SCHOOL DISTRICTCAPITAL PROJECTS FUND

Exhibit F-1

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGESIN FUND BALANCE - BUDGETARY BASISFOR THE YEAR ENDED JUNE 30, 2011Revenues and Other Financing Sources

Interest Earned	\$ 355
Total Revenues	<u>355</u>

Expenditures and Other Financing Uses

Construction	449,113
Total Expenditures	<u>449,113</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures (448,758)

Other Financing Sources Sources/(Uses):

Operating Transfer to Debt Service	(355)
Total Other Financing Sources/(Uses)	<u>(355)</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses (449,113)

Fund Balance - Beginning 450,142

Fund Balance - Ending \$ 1,029

MANASQUAN SCHOOL DISTRICT**CAPITAL PROJECTS FUND**

Exhibit F-1a

SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE**AND PROJECT STATUS - BUDGETARY BASIS****ADDITION TO ELEMENTARY SCHOOL****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<u>Revenues and Other Financing Sources</u>				
State Sources - SCC Grant	\$ 3,097,009	-	3,097,009	3,097,009
Bond Proceeds and Transfers	9,652,991	-	9,652,991	9,652,991
Total Revenues	<u>12,750,000</u>	<u>-</u>	<u>12,750,000</u>	<u>12,750,000</u>
<u>Expenditures and Other Financing Uses</u>				
Purchased Professional and Technical Services	1,167,796		1,167,796	1,167,796
Miscellaneous	161,190		161,190	161,190
Construction Services	10,970,872	449,113	11,419,985	11,421,014
Total Expenditures	<u>12,299,858</u>	<u>449,113</u>	<u>12,748,971</u>	<u>12,750,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 450,142</u>	<u>(449,113)</u>	<u>1,029</u>	<u>-</u>
<u>Additional Project Information</u>				
Project Number		2930-060-04-1000		
Grant Date		11/3/2004		
Bond Authorization Date		2/15/2005		
Bonds Authorized		9,652,991		
Bonds Issued		9,652,000		
Original Authorized Cost		12,750,000		
Capital Reserve		991		
Percentage Completion		99%		

PROPRIETARY FUNDS – G

MANASQUAN SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS

Exhibit G-1

ENTERPRISE FUNDS

JUNE 30, 2011

	Business-Type Activities - Enterprise Funds		Totals
	Food Service	Surf Team	
<u>Assets</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 84,380	142	84,522
Accounts Receivable:			
Federal	5,455		5,455
State	266		266
Other	920		920
Inventories	4,149		4,149
Total Current Assets	<u>95,170</u>	<u>142</u>	<u>95,312</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	397,635		397,635
Less: Accumulated Depreciation	(238,528)		(238,528)
Total Noncurrent Assets	<u>159,107</u>	<u>-</u>	<u>159,107</u>
Total Assets	<u>\$ 254,277</u>	<u>142</u>	<u>254,419</u>
<u>Liabilities</u>			
Accounts Payable	<u>\$ 13,990</u>		<u>13,990</u>
<u>Net Assets</u>			
Invested in Capital Assets net of Related Debt	\$ 159,107		159,107
Unrestricted	<u>81,180</u>	<u>142</u>	<u>81,322</u>
Total Net Assets	<u>\$ 240,287</u>	<u>142</u>	<u>240,429</u>

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS

ENTERPRISE FUNDS

JUNE 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Food Service</u>	<u>Surf Team</u>	<u>Totals</u>
Operating Revenues:			
Charge for Services:			
Daily Sales	\$ 528,967		528,967
Miscellaneous	165		165
Catering	8,722		8,722
Total Operating Revenues	<u>537,854</u>	<u>-</u>	<u>537,854</u>
Operating Expenses:			
Cost of Sales	284,901		284,901
Salaries	212,309		212,309
Employee Benefits	26,619		26,619
Worker's Compensation	5,940		5,940
Cost of Supplies	17,491		17,491
General Liability Insurance	35,962		35,962
Management Fees	18,000		18,000
Repairs	18,351		18,351
Miscellaneous	20,911	3,870	24,781
Depreciation	19,303		19,303
Total Operating Expenses	<u>659,787</u>	<u>3,870</u>	<u>663,657</u>
Operating Income (Loss)	(121,933)	(3,870)	(125,803)
Nonoperating Revenues (Expenses):			
Interest Revenue	74	2	76
State Sources:			
State School Lunch Program	3,551		3,551
Federal Sources:			
National School Lunch Program	79,355		79,355
Food Distribution Program	15,780		15,780
Total Nonoperating Revenues (Expenses)	<u>98,760</u>	<u>2</u>	<u>98,762</u>
Change in Net Assets	(23,173)	(3,868)	(27,041)
Total Net Assets - Beginning	<u>263,460</u>	<u>4,010</u>	<u>267,470</u>
Total Net Assets - Ending	<u>\$ 240,287</u>	<u>142</u>	<u>240,429</u>

MANASQUAN SCHOOL DISTRICT

Exhibit G-3

COMBINING STATEMENT OF CASH FLOWSENTERPRISE FUNDSJUNE 30, 2011

	Business-Type Activities - Enterprise Funds		Totals
	Food Service	Surf Team	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 537,854		537,854
Payments to Employees	(212,309)		(212,309)
Payments to Suppliers	(397,507)	(3,870)	(401,377)
Net Cash Provided (Used by) Operating Activities	<u>(71,962)</u>	<u>(3,870)</u>	<u>(75,832)</u>
Cash Flows from Noncapital Financing Activities:			
State Sources	3,551		3,551
Federal Sources	79,355		79,355
Net Cash Provided (Used by) Noncapital Financing Activities	<u>82,906</u>		<u>82,906</u>
Cash Flows from Investing Activities:			
Interest Received	74	2	76
Net Increase (Decrease) in Cash & Cash Equivalents	11,018	(3,868)	7,150
Balances - Beginning of Year	<u>73,362</u>	<u>4,010</u>	<u>77,372</u>
Balances - End of Year	<u>\$ 84,380</u>	<u>142</u>	<u>84,522</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income	\$ (121,933)	(3,870)	(125,803)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities			
Depreciation	19,303		19,303
Federal Commodities	15,780		15,780
(Increase)/Decrease in Accounts Receivable	389		389
Increase/(Decrease) in Accounts Payable	13,990		13,990
(Increase)/Decrease in Inventories	509		509
Net Cash Provided (Used by) Operating Activities	<u>\$ (71,962)</u>	<u>(3,870)</u>	<u>(75,832)</u>

FIDUCIARY FUND – H

MANASQUAN SCHOOL DISTRICT

Exhibit H-1

TRUST AND AGENCY FUND

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2011

	<u>Student Activities</u>	<u>Agency Account</u>	<u>Non-Expendable Trust Scholarship</u>	<u>Unemployment</u>	<u>Totals June 30, 2011</u>
Assets:					
Cash and Cash Equivalents	\$ 206,242	599	79,228	96,730	382,799
Total Assets	\$ 206,242	599	79,228	96,730	382,799
Liabilities:					
Due to Student Groups	\$ 206,242				206,242
Payroll Withholdings		599			599
Total Liabilities	\$ 206,242	599			206,841
Net Assets:					
Reserved - Unemployment Benefits				96,730	96,730
Reserved - Scholarships			79,228		79,228
Total Net Assets		\$ 79,228		96,730	175,958

MANASQUAN SCHOOL DISTRICT

Exhibit H-2

SCHOLARSHIP NONEXPENDABLE TRUST FUNDSTATEMENT OF CHANGESIN FIDUCIARY NET ASSETSJUNE 30, 2011

	<u>2011</u>
Additions:	
Deposits	\$ 15,715
Interest on Investments	88
Total Additions	<u>15,803</u>
Deductions:	
Scholarship Payments	<u>18,600</u>
Total Deductions	<u>18,600</u>
Change in Net Assets	(2,797)
Net Assets June 30, 2010	<u>82,025</u>
Net Assets June 30, 2011	<u><u>\$ 79,228</u></u>

MANASQUAN SCHOOL DISTRICT

Exhibit H-3

81.

STUDENT ACTIVITY AGENCY FUND

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2011</u>
Elementary School:				
Manasquan Elementary	\$ 19,214	58,408	55,522	22,100
High School:				
Recording Studio		9,721	4,943	4,778
Manasquan High School	<u>170,175</u>	<u>341,480</u>	<u>332,291</u>	<u>179,364</u>
Total - All Schools	<u>\$ 189,389</u>	<u>409,609</u>	<u>392,756</u>	<u>206,242</u>

MANASQUAN SCHOOL DISTRICT

PAYROLL AGENCY FUND

Exhibit H-4

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
Assets:				
Cash and Cash Equivalents	\$ 20,143	8,944,417	8,963,961	599
Total Assets	<u>\$ 20,143</u>	<u>8,944,417</u>	<u>8,963,961</u>	<u>599</u>
Liabilities:				
Salaries, Payroll Deductions and Withholdings	\$ 20,143	8,944,417	8,963,961	599
Total Liabilities	<u>\$ 20,143</u>	<u>8,944,417</u>	<u>8,963,961</u>	<u>599</u>

LONG-TERM DEBT – I

MANASQUAN SCHOOL DISTRICT

Exhibit I-1

GENERAL LONG-TERM DEBT ACCOUNT GROUP

SCHEDULE OF LONG-TERM DEBT GROUP

JUNE 30, 2011

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Annual Date</u>	<u>Maturities Amount</u>	<u>Interest Rate</u>	<u>Beginning Balance July 1, 2010</u>	<u>Paid</u>	<u>Ending Balance June 30, 2011</u>
Addition to High School	12-1-95	\$ 5,000,000	1-15-12 1-15-13 1-15-14 1-15-15 1-15-16	\$ 315,000 325,000 320,000 325,000 310,000	3.860%	\$ 1,915,000	320,000	1,595,000
Addition to Elementary School	2-23-05	9,652,000	1-15-12 1-15-13 1-15-14 1-15-15 1-15-16 1-15-17 1-15-18 1-15-19 1-15-20 1-15-21 1-15-22 1-15-23 1-15-24 1-15-25	405,000 420,000 440,000 460,000 480,000 500,000 520,000 540,000 565,000 590,000 615,000 645,000 670,000 667,000	3.764%		390,000	7,517,000
						\$ 9,822,000	710,000	9,112,000

MANASQUAN SCHOOL DISTRICT

GENERAL LONG-TERM DEBT ACCOUNT GROUP

Exhibit I-2

STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES

JUNE 30, 2011

<u>Series</u>	<u>Interest Payable</u>	<u>Amount of Original Issue</u>	<u>Beginning Balance July 1, 2010</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2011</u>
Savin Copiers - Old National Bank	6.90%	\$ 65,899	\$ 19,878	14,734	5,144

MANASQUAN SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

Exhibit I-3

DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Fund to Actual</u>
Revenues:					
Local Sources					
Local Tax Levy	\$ 1,079,710		1,079,710	1,079,710	
Total Revenues	<u>1,079,710</u>	<u>-</u>	<u>1,079,710</u>	<u>1,079,710</u>	<u>-</u>
Expenditures:					
Regular Debt Service Interest	370,860		370,860	370,860	
Redemption of Principal	710,000		710,000	710,000	
Total Expenditures	<u>1,080,860</u>	<u>-</u>	<u>1,080,860</u>	<u>1,080,860</u>	<u>-</u>
Excess Revenues Over Expenditures	(1,150)	-	(1,150)	(1,150)	-
Other Financing Sources (Uses):					
Transfer from Capital Projects - Interest	355		355	355	
Total Excess Revenues Over Expenditures and Other Financing Sources (Uses)	<u>(795)</u>	<u>-</u>	<u>(795)</u>	<u>(795)</u>	<u>-</u>
Fund Balance July 1	1,457		1,457	1,457	-
Fund Balance June 30	\$ <u>662</u>	<u>-</u>	<u>662</u>	<u>662</u>	<u>-</u>

**STATISTICAL
SECTION**

Manasquan Board of Education
 Net Assets by Component,
 Last Nine Fiscal Years

J-1

Fiscal Year Ending June 30,

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental activities									
Invested in capital assets, net of related debt	3,291,876	3,885,026	(5,215,064)	(3,935,990)	4,661,563	7,990,282	9,127,231	9,779,920	9,978,263
Restricted	354,874	316,895	13,025,783	3,527,956	3,487,398	2,294,439	1,174,604	1,423,329	1,407,355
Unrestricted	112,445	(118,196)	(378,198)	251,629	82,881	(406,971)	(315,336)	(389,542)	96,800
Total governmental activities net assets	3,759,195	4,083,725	7,432,521	(156,405)	8,231,842	9,877,750	9,986,499	10,813,707	11,482,418
Business-type activities									
Invested in capital assets, net of related debt	68,445	57,857	48,523	52,641	45,482	44,255	174,596	178,410	159,107
Restricted	-	-	-	-	-	-	-	-	-
Unrestricted	101,497	92,218	102,224	105,610	127,280	112,055	88,842	89,060	81,322
Total business-type net assets	169,942	150,075	150,747	158,251	172,762	156,310	263,438	267,470	240,429
District-wide									
Invested in capital assets, net of related debt	3,360,321	3,942,883	(5,166,541)	(3,883,349)	4,707,045	8,034,537	9,301,827	9,958,330	10,137,370
Restricted	354,874	316,895	13,025,783	3,527,956	3,487,398	2,294,439	1,174,604	1,423,329	1,407,355
Unrestricted	213,942	(25,978)	(275,974)	357,239	210,161	(294,916)	(226,494)	(300,482)	178,122
Total District Net Assets	3,929,137	4,233,800	7,583,268	1,846	8,404,604	10,034,060	10,249,937	11,081,177	11,722,847

Manasquan Board of Education
 Changes in Net Assets,
 Last Nine Fiscal Years

J-2

	Fiscal Year Ending June 30,								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Expenses									
Governmental activities									
Instruction									
Regular	6,311,556	6,523,707	6,918,629	6,937,680	6,792,360	7,274,382	7,063,043	7,551,074	7,305,273
Special education	799,047	895,018	1,000,039	995,707	1,323,633	1,300,694	1,397,261	1,725,734	1,763,423
Other special education	238,867	261,291	299,630	313,255	327,044	368,333	264,954	279,203	134,068
Vocational	-	-	-	-	-	-	-	-	0
Other instruction	644,006	589,264	621,533	658,604	684,287	717,953	759,997	772,300	760,384
Nonpublic school programs	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-
Support Services									
Tuition	393,411	467,849	585,609	566,782	597,070	653,166	744,955	648,534	574,831
Student & instruction related services	1,629,223	1,833,225	2,459,923	2,185,494	2,300,633	2,314,895	2,712,004	2,855,921	2,826,388
General administrative services	439,447	433,011	500,067	460,074	461,989	540,949	531,885	555,444	526,375
School & Business Administrative Svcs	891,485	918,882	977,857	1,445,916	1,499,213	1,603,060	1,663,493	1,597,796	1,611,840
Unallocated Benefits	3,788,204	4,265,408	4,514,087	4,886,185	5,863,013	5,984,652	5,233,086	5,551,626	5,589,146
Plant operations and maintenance	1,776,937	1,494,428	1,678,412	1,883,385	1,786,425	2,468,433	2,460,063	2,228,963	2,402,744
Pupil transportation	321,605	404,440	445,514	464,503	541,179	532,769	567,314	488,417	351,776
Special Schools	-	-	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-
Interest on long-term debt	346,308	242,879	240,821	456,297	463,862	434,891	406,224	383,508	359,470
Unallocated depreciation	200,118	170,673	107,632	339,679	350,092	396,725	717,221	516,764	698,880
Total Governmental Activities Expenses	17,780,214	18,500,075	20,349,753	21,593,561	22,990,800	24,590,902	24,521,500	25,155,284	24,904,598
Business-Type Activities:									
Food service	526,618	596,766	612,216	601,081	626,349	661,200	664,102	637,527	659,787
Surf Team	-	8,642	14,580	19,206	10,196	16,111	10,641	-	3,870
Computer Classes	9,672	-	-	-	-	-	-	-	-
Total Business-Type Activities Expense	536,290	605,408	626,796	620,287	636,545	677,311	674,743	637,527	663,657
Total District Expenses:	18,316,504	19,105,483	20,976,549	22,213,848	23,627,345	25,268,213	25,196,243	25,792,811	25,568,255

Manasquan Board of Education
 Changes in Net Assets,
 Last Nine Fiscal Years

J-2

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Program Revenues									
Governmental activities:									
Charges for services:									
Instruction (tuition)	-	-	-	-	-	-	-	-	-
Business and other support services	-	-	-	-	-	-	-	-	-
Operating grants and contributions	350,918	418,678	461,075	481,962	528,833	421,228	424,097	811,247	673,525
Capital grants and contributions	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Rev.	350,918	418,678	461,075	481,962	528,833	421,228	424,097	811,247	673,525
Business-Type Activities:									
Charges for services									
Food service	488,226	519,782	556,344	551,879	575,066	567,742	565,989	534,310	537,854
Surf Team	-	11,320	13,700	17,595	11,450	17,460	11,260	-	-
Computer Classes	8,600	-	-	-	-	-	-	-	-
Operating grants and contributions	47,781	52,167	55,830	53,700	58,301	72,086	73,012	89,158	98,686
Capital grants and contributions	-	-	-	-	-	-	-	-	-
Total Business Type Activities Program Rev.	544,607	583,269	625,874	623,174	644,817	657,288	650,261	623,468	636,540
Total district program revenues	895,525	1,001,947	1,086,949	1,105,136	1,173,650	1,078,516	1,074,358	1,434,715	1,310,065
Net (Expense)/Revenue									
Governmental activities	(17,429,296)	(18,081,397)	(19,888,678)	(21,111,599)	(22,461,967)	(24,169,674)	(24,097,403)	(24,344,037)	(24,231,073)
Business-type activities	8,317	(22,139)	(922)	2,887	8,272	(20,023)	(24,482)	(14,059)	(27,117)
Total District-Wide Net Expense	(17,420,979)	(18,103,536)	(19,889,600)	(21,108,712)	(22,453,695)	(24,189,697)	(24,121,885)	(24,358,096)	(24,258,190)
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property taxes levied for general purposes, net	8,522,727	8,868,714	9,377,354	9,719,400	10,737,772	11,000,595	11,440,619	11,922,137	12,171,782
Taxes levied for debt service	557,085	555,937	512,268	1,203,012	1,155,296	821,788	880,839	1,061,323	1,079,710
Tuition	6,817,433	6,937,247	7,551,681	8,433,935	8,272,855	8,903,086	9,224,371	9,373,240	10,126,111
Unrestricted grants and contributions	1,921,992	2,249,533	5,536,318	2,515,985	3,272,073	3,351,361	2,413,944	2,559,540	1,826,029
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-
Investment earnings	73,566	65	74	31,000	435,322	192,281	28,399	5,047	4,924
Miscellaneous income	191,992	114,203	262,216	690,403	93,103	81,705	164,365	113,522	168,657
Transfers	-	-	(2,437)	9,295	65,899	-	-	-	-
Total Governmental Activities	18,084,795	18,725,699	23,237,474	22,603,030	24,032,320	24,350,816	24,152,537	25,034,809	25,377,213

Manasquan Board of Education
 Changes in Net Assets,
 Last Nine Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Business-Type Activities:									
Investment earnings	20,901	2,272	1,594	4,617	6,239	3,571	649	94	76
Transfers	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	20,901	2,272	1,594	4,617	6,239	3,571	649	94	76
Total District-Wide	18,105,696	18,727,971	23,239,068	22,607,647	24,038,559	24,354,387	24,153,186	25,034,903	25,377,289
Change in Net Assets									
Governmental activities	655,499	644,302	3,348,796	1,491,431	1,570,353	181,142	55,134	690,772	1,146,140
Business-type activities	29,218	(19,867)	672	7,504	14,511	(16,452)	(23,833)	-13,965	-27,041
Total District	684,717	624,435	3,349,468	1,498,935	1,584,864	164,690	31,301	676,807	1,119,099

Manasquan School District
Fund Balances, Governmental Funds,
Last Nine Fiscal Years

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	Fiscal Year Ending June 30,								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Fund									
Reserved	354,873	301,213	168,225	384,327	315,048	360,590	240,278	732,302	1,405,664
Unreserved	662,816	497,578	676,381	841,674	862,251	680,832	690,981	489,371	536,680
Total General Fund	1,017,689	798,791	844,606	1,226,001	1,177,299	1,041,422	931,259	1,221,673	1,942,344
All Other Governmental Funds									
Reserved	-	-	-	-	-	-	22,887	-	-
Unreserved, reported in									
Special revenue fund	(2,248)	15,680	8,365	-	-	-	-	-	1,029
Capital projects fund	-	-	12,457,081	2,696,545	2,258,395	1,303,654	597,982	450,142	662
Debt service fund	1	2	77,318	479,670	680,577	353,995	796	1,457	-
Permanent fund	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	-2,247	15,682	12,542,764	3,176,215	2,938,972	1,657,649	621,665	451,599	1,691

Manasquan Board of Education
 Changes in Fund Balance, Governmental Funds
 Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Tax levy	8,704,731	9,079,812	9,424,651	9,889,622	10,922,412	11,893,068	11,822,383	12,321,458	12,983,460	13,251,492
Tuition charges	5,992,028	6,817,433	6,937,247	7,551,681	8,433,935	8,272,855	8,903,086	9,224,371	9,373,240	10,126,111
Interest earnings	51,699	65	65	74	31,000	435,322	192,281	28,399	5,047	4,924
Miscellaneous	86,136	265,493	134,911	266,024	690,403	179,205	84,455	164,365	119,568	178,154
State sources	1,583,351	2,030,029	2,363,955	5,637,901	2,717,120	3,401,587	3,473,332	2,541,409	2,694,698	1,918,542
Federal sources	210,658	242,881	283,548	355,684	280,827	313,217	296,507	296,632	670,043	571,515
Total Revenue	16,628,603	18,435,713	19,144,377	23,700,986	23,075,697	24,495,254	24,772,044	24,576,634	25,846,056	26,050,738
Expenditures										
Instruction										
Regular Instruction	5,750,624	6,311,556	6,513,407	6,669,727	6,995,151	6,861,042	7,189,073	7,168,323	7,424,565	7,504,878
Special education instruction	710,519	799,047	895,018	1,000,039	995,707	1,323,633	1,300,694	1,397,261	1,725,734	1,763,423
Other special education	233,836	238,867	261,291	299,630	313,255	327,044	368,333	264,954	279,203	134,068
Other school programs	568,800	604,181	589,264	621,533	658,604	684,287	717,953	759,997	772,300	760,384
Adult/continuing education program										
Support Services:										
Tuition	570,830	393,411	467,849	585,609	566,782	597,070	653,166	744,955	648,534	574,831
Student & Instruction related services	1,638,776	1,629,223	1,762,794	2,016,656	2,185,494	2,300,631	2,314,895	2,712,004	2,855,921	2,826,388
General administrative services	445,741	439,446	433,011	429,490	460,074	461,989	540,949	531,885	555,444	526,375
School administrative services	846,168	863,315	918,882	952,719	976,196	1,019,356	1,044,376	1,117,008	1,201,927	1,207,308
Business administrative services	-	284,476	282,457	493,074	469,720	479,857	367,990	388,939	395,869	404,532
Plant operations and maintenance	1,325,278	1,767,624	1,494,428	1,670,010	1,883,385	1,786,425	2,468,433	2,460,063	2,228,963	2,402,744
Pupil transportation	316,996	321,605	404,440	445,514	464,503	541,179	532,769	567,314	488,417	351,776
Other Support Services	257,602	-	-	-	-	-	190,694	157,546	-	-
Employee Benefits	2,904,638	3,500,554	3,982,951	4,514,087	4,886,185	5,863,013	5,984,652	5,233,086	5,551,626	5,589,146
Food Service	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-
Capital outlay	333,526	688,177	799,298	563,408	10,002,723	1,368,959	1,291,326	999,399	512,995	653,262
Debt service:										
Principal	254,321	317,540	331,893	352,134	725,711	755,705	775,825	801,155	690,000	710,000
Interest and other charges	303,682	239,546	224,043	160,134	477,301	476,907	448,315	418,892	394,210	370,860
Total Expenditures	16,461,337	18,398,568	19,361,026	20,773,764	32,060,791	24,847,097	26,189,443	25,722,781	25,725,708	25,779,975
Excess (Deficiency) of Revenues over (under) Expenditures	167,266	37,145	(216,649)	2,927,222	(8,985,094)	(351,843)	(1,417,399)	(1,146,147)	120,348	270,763
Other Financing Sources (Uses)										
Proceeds from borrowing	-	-	-	-	-	-	-	-	-	-
Capital leases (non-budgeted)	-	158,695	-	-	-	65,899	-	-	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	-	-	-	-
Par amount of bonds	-	-	-	9,652,000	-	-	-	-	-	-
Original issue premium	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Deposit to escrow fund	-	-	-	-	-	-	-	-	-	-
Costs of issuance	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	(77,316)	-	278,224	75,770	8,896	661	91,355

Manasquan Board of Education
 Changes in Fund Balance, Governmental Funds
 Last Ten Fiscal Years

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Transfers out	-	77,316	(394,048)	(278,224)	(75,770)	(8,896)	(661)	(355)
Total Other Financing Sources (Uses)	0	9,652,000	9,295	65,899	0	0	0	0
Net Change in Fund Balances	167,266	12,579,222	(8,975,799)	(285,944)	(1,417,399)	(1,146,147)	120,348	270,763
Debt Service as a Percentage of Non-Capital Expenditures	3.390%	2.466%	3.752%	4.961%	4.674%	4.743%	4.215%	4.193%

Manasquan Board of Education
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
UNAUDITED

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<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenues</u>	<u>Rentals</u>	<u>Bus. Svcs/</u> <u>CST/ Ath.</u>	<u>Misc.</u>	<u>Total</u>
2002	51,699	5,992,028	-	27,000	45,382	6,116,109
2003	32,480	6,817,433	-	27,000	41,185	6,918,098
2004	23,313	6,937,247	-	29,000	61,955	7,051,515
2005	52,670	7,551,681	-	30,000	63,151	7,697,502
2006	133,714	8,433,935	-	31,000	82,969	8,681,618
2007	157,098	8,272,855	-	33,000	60,997	8,523,950
2008	116,511	8,903,086	-	34,320	47,385	9,101,302
2009	19,503	9,224,371	-	35,690	92,584	9,372,148
2010	4,386	9,373,240	-	53,115	60,407	9,491,148
2011	4,569	10,126,111	-	84,580	84,077	10,299,337

Manasquan Board of Education
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Resid.	Farm Reg.	Qfarm	Com.	Ind.	Apt.	Total Assessed Value	Less: Tax- Exempt Property	Public Utilities #	Net Valuation Taxable	Total Direct Sch. Tax Rate	Est. (Cty. Equal. Val.)
2002	183	2736	0	0	188	11	9	669,290,055	71,521,800	455,330	597,768,255	1.519	65.91
2003	166	2752	0	0	189	11	8	678,777,936	70,795,700	413,236	607,982,236	1.550	58.02
2004	92	2830	0	0	188	11	9	1,650,490,660	123,549,900	749,860	1,526,940,760	0.648	120.6
2005	133	2811	0	0	186	12	9	1,651,385,179	123,077,000	607,779	1,528,308,179	0.715	96.38
2006	128	2829	0	0	186	13	9	1,670,112,518	127,159,400	512,218	1,542,953,118	0.771	87.95
2007	130	2840	0	0	186	13	8	1,690,480,460	127,689,200	463,160	1,562,791,260	0.757	77.71
2008	121	2847	0	0	186	13	8	1,708,021,000	130,937,600	451,000	1,577,534,400	0.781	72.58
2009	106	2867	0	0	185	13	8	1,722,788,139	127,892,700	467,239	1,594,895,437	0.814	70.55
2010	94	2879	0	0	186	13	8	1,734,600,014	130,651,600	472,614	1,601,395,414	0.828	73.88
2011	108	2870	0	0	184	12	8	1,739,469,940	131,496,600	1,053,040	1,605,420,340	0.825	73.78

Manasquan Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30,	<u>Manasquan Board of Education</u>				<u>Overlapping Debt</u>		
	<u>Basic Rate</u>	<u>General Obligation Debt Svc.</u>	<u>Total Direct</u>	<u>Borough of Manasquan</u>	<u>Fire Districts</u>	<u>Monmouth County</u>	<u>Total Direct & Overlapping Tax Rate</u>
2002	1.426	0.093	1.519	0.621	0.078	0.678	2.896
2003	1.459	0.091	1.550	0.657	0.077	0.729	3.013
2004	0.612	0.036	0.648	0.272	0.032	0.314	1.266
2005	0.681	0.034	0.715	0.300	0.036	0.353	1.404
2006	0.696	0.075	0.771	0.315	0.038	0.343	1.467
2007	0.704	0.053	0.757	0.321	0.041	0.353	1.472
2008	0.725	0.056	0.781	0.331	0.040	0.357	1.509
2009	0.747	0.067	0.814	0.331	0.042	0.372	1.559
2010	0.760	0.068	0.828	0.345	0.044	0.373	1.590
2011	0.758	0.067	0.825	0.352	0.044	0.388	1.609

Manasquan Board of Education
Principal Property Taxpayers,
Current Year and Ten Years Ago

<u>Taxpayer</u>	<u>Taxable Assessed Value 2011</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value 2002</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
American Timber Co.			0.0000%	6,742,200	1	1.1279%
Graham C/O Sprint Prop Tax Dept	7,532,200	2	0.4692%	4,912,800	2	0.8219%
LEG_IT, LLC	4,592,900	3	0.2861%			0.0000%
Seabreeze LLC	3,000,000	7	0.1869%	4,233,800	3	0.7083%
Dana, Ronald	7,994,400	1	0.4980%	1,823,900	5	0.3051%
Giunco Realty & Giunco, John Sr.	4,289,200	4	0.2672%	1,798,500	6	0.3009%
Sea Watch Realty/Boro of Manasquan			0.0000%	1,410,200	9	0.2359%
Acme Markets	3,141,400	6	0.1957%	1,277,500	10	0.2137%
Osprey Realty Co.	2,822,000	8	0.1758%	1,753,200	7	0.2933%
S&B Associates	2,798,200	9	0.1743%			0.0000%
The Flanders			0.0000%	2,400,000	4	0.4015%
208 Properties LLC	3,751,800	5	0.2337%			0.0000%
Savoy, Thomas R & Saboy, Sheila D	2,229,100	10	0.1388%			0.0000%
The Parziale Family			0.0000%	1,477,500	8	0.2472%

Manasquan Board of Education
 Property Tax Levies and Collections,
 Last Ten Fiscal Years

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Amount</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>
2002	9,262,733.00	9,262,733.00	100.00%	-
2003	9,636,899.00	9,636,899.00	100.00%	-
2004	9,980,587.00	9,980,587.00	100.00%	-
2005	9,889,622.00	9,889,622.00	100.00%	-
2006	10,922,412.00	10,922,412.00	100.00%	-
2007	11,893,068.00	11,893,068.00	100.00%	-
2008	11,822,383.00	11,822,383.00	100.00%	-
2009	12,321,458.00	12,321,458.00	100.00%	-
2010	12,983,460.00	12,983,460.00	100.00%	-
2011	13,251,492.00	13,251,492.00	100.00%	-

Manasquan Board of Education
 Ratios of Outstanding Debt by Type,
 Last Ten Fiscal Years

Fiscal Year Ended <u>June 30,</u>	<u>Governmental Activities</u>			<u>Business-Type Activities</u>				
	General Obligation <u>Bonds</u>	Certificates of <u>Participation</u>	Capital <u>Leases</u>	Bond Anticipation Notes (<u>BANs</u>)	Capital <u>Leases</u>	Total <u>District</u>	Percentage of Personal <u>Income</u>	Per <u>Capita</u>
2002	4,779,005	0	176,678	0	0	4,955,683	1.82%	780
2003	4,461,465	0	253,677	0	0	4,715,142	1.72%	740
2004	4,270,527	0	178,705	0	0	4,449,232	1.52%	699
2005	13,570,395	0	99,958	0	0	13,670,353	4.55%	2169
2006	12,844,684	0	55,151	0	0	12,899,835	4.00%	2058
2007	12,088,979	0	80,722	0	0	12,169,701	3.56%	1952
2008	11,313,154	0	46,438	0	0	11,359,592		1817
2009	10,512,000	0	33,621	0	0	10,545,621		1687
2010	9,822,000	0	19,878	0	0	9,841,878		1574
2011	9,112,000	0	5,144	0	0	9,117,144		1459

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

General Bonded Debt Outstanding

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2002	4,779,005	-	4,779,005	0.7995%	752.36
2003	4,461,465	-	4,461,465	0.7338%	700.28
2004	4,270,529	-	4,270,529	0.2797%	671.15
2005	13,570,396	-	13,570,396	0.8879%	2,153.35
2006	12,844,684	-	12,844,684	0.8325%	2,048.92
2007	12,088,979	-	12,088,979	0.7736%	1,938.58
2008	11,313,154	-	11,313,154	0.7171%	1,809.82
2009	10,512,000	-	10,512,000	0.6591%	1,681.65
2010	9,822,000	-	9,822,000	0.6133%	1,571.27
2011	9,112,000	-	9,112,000	0.5676%	1,457.69

Manasquan Board of Education
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Governmental Unit</u>			
Debt repaid with property taxes Manasquan Borough	8,863,030	100.00%	8,863,030
Other debt			
County of Monmouth Borough's Share	488,135,115	1.73%	8,444,737
Utility Authority- Borough's Share	14,198,720	15.71%	2,230,619
Utility Authority- Sanitary Sewer Rehabilitation			<u>626,816</u>
Subtotal, overlapping debt			11,302,172
Manasquan School District Direct Debt			<u>9,112,000</u>
Total direct and overlapping debt			29,277,202

Manasquan Board of Education
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2011

Equalized valuation basis	
2011	1,601,395,414
2010	1,601,395,414
2009	<u>1,594,895,437</u>
	4,797,686,265

Average equalized valuation of taxable property	
	1,599,228,755
Debt limit (3% of average)	
	47,976,863
Net bonded school debt	
	<u>9,112,000</u>
	38,864,863

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	20,616,662	23,233,933	26,948,536	34,719,727	45,982,021	46,340,526	46,832,788	47,352,211	47,976,863	47,976,863
Total net debt appl. to limit	<u>4,779,005</u>	<u>4,461,465</u>	<u>4,461,096</u>	<u>13,570,396</u>	<u>12,844,684</u>	<u>12,088,979</u>	<u>11,313,154</u>	<u>10,512,000</u>	<u>9,822,000</u>	<u>9,112,000</u>
Legal debt margin	<u>15,837,657</u>	<u>18,772,468</u>	<u>22,487,440</u>	<u>21,149,331</u>	<u>33,137,337</u>	<u>34,251,547</u>	<u>35,519,634</u>	<u>36,840,211</u>	<u>38,154,863</u>	<u>38,864,863</u>

Total net debt applicable to the limit as a % of debt limit	23.18%	19.20%	16.55%	39.09%	27.93%	26.09%	24.16%	22.20%	20.47%	18.99%
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Manasquan Board of Education
 Demographic and Economic Statistics
 Last Ten Fiscal Years

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2002	6349	275,464,063	43,387	2.8
2003	6369	277,904,946	43,634	2.8
2004	6361	296,072,745	46,545	2.3
2005	6301	302,901,672	48,072	2.4
2006	6269	329,116,231	52,499	2.4
2007	6238	348,242,588	55,826	3.2
2008	6251	354,775,505	56,755	2.9
2009				4.8
2010				4.8
2011				

Manasquan Board of Education
Principal Employers,
Current Year and Ten Years Ago

<u>Employer</u>	<u>2011</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>

*No information available

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

Function/Program	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Instruction										
Regular	101.5	104.5	104.5	109.5	105.5	105.5	106	113	116	110
Special education	14	15	16	16	16	16	15	18	19	20
Other special education	1	1	1	1	1	1	1	1	2	2
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	8	10	9	10	10	10	10	12	9	9
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Student & instruction related services	32.4	36.4	36.4	37.4	37.4	37.4	37.4	33.4	32.3	31.3
General administration	3	3	3	3	3	3	3	3	3	3
School administrative services	10.6	10.6	10.6	10.6	10.6	10.6	10.6	11.6	11.6	11.6
Other administrative services	-	-	-	-	-	-	-	-	-	-
Central services	4	4	4	4	4	4	5	5	5	5
Administrative Information Technology	1.5	1.5	1.5	1.5	1.5	1.5	2	2	2	2
Plant operations and maintenance	15	15	16	16	16	16	16	18	19.1	19.1
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
Total	191.0	201.0	202.0	209.0	205.0	205.0	206.0	217.0	219.0	213.0

Manasquan School District
Operating Statistics

Fiscal Year	Pupil/Teacher Ratio										
	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Elementary	High School	ADE	ADA	% Change in ADE	Student Attendance %
2002	1707	15,246,254	8,932		112	12.7	12.5	1664.5	1584.6		95.20%
2003	1788	16,800,949	9,397	5.21%	119	11.8	13.2	1726.3	1640.8	3.71%	95.05%
2004	1803	17,599,117	9,761	3.88%	123	11.6	13.4	1726.5	1642.2	0.01%	95.12%
2005	1784	19,221,333	10,774	10.38%	133	11.4	12.2	1723.1	1632.6	-0.20%	94.75%
2006	1794	20,373,094	11,356	5.40%	127	11.6	12.7	1720.6	1633.4	-0.15%	94.93%
2007	1716	21,716,693	12,655	11.44%	120	11.1	12.8	1712.3	1634.8	-0.48%	95.47%
2008	1702	23,252,749	13,662	7.95%	121	11.0	12.6	1702.0	1614.5	-0.60%	94.86%
2009	1711	23,043,147	13,472	-1.39%	131	11.0	12.1	1712.3	1632.0	0.61%	95.31%
2010	1699	23,328,052	13,734	1.95%	132	10.8	11.9	1698.6	1610.2	-0.80%	94.80%
2011	1697	23,372,328	13,773	0.28%				1696.8	1604.3	-0.11%	94.55%

Manasquan School District
 School Building Information
 Last Ten Fiscal Years

Exhibit J-18

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>District Building</u>										
<u>Elementary</u>										
Manasquan Elementary School	89,500	89,500	89,500	89,500	89,500	89,500	111,800	111,800	111,800	111,800
Square Feet	537	537	537	537	537	537	738	738	738	738
Capacity (students)	694	698	699	686	711	686	690	698	711	688
Enrollment										
<u>High School</u>										
Manasquan High School	117,156	117,156	117,156	117,156	117,156	117,156	117,156	117,156	117,156	117,156
Square Feet	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051
Capacity (students)	1,013	1,090	1,104	1,098	1,083	1,030	1,012	1,014	988	1,009
Enrollment										

Manasquan School District
Schedule of Required Maintenance
Last Ten Fiscal Years

Undistributed Expenditures - Required
Maintenance for School Facilities

<u>Year</u>	School Facilities Project # (s)	<u>Manasquan High School</u>	<u>Manasquan Elementary School</u>
2002		99,043	23,989
2003		453,017	35,103
2004		109,058	12,348
2005		102,415	13,655
2006		201,638	27,209
2007		105,647	14,164
2008		359,326	54,936
2009		279,562	84,980
2010		71,550	32,000
2011		305,438	4,291
Total School Facilities		2,086,694	302,675

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Multi-Peril Policy (Incl. Boiler & Machinery)	43,412,184	2,500
General Automobile Liability	1,000,000	1,000
School Board Legal Liability	2,000,000	5,000
Catastrophic Excess Liability	10,000,000	-
Workers' Compensation	14,322,825	-
Student Accident Insurance (2)		
Accident Medical Expense Benefit	2,000,000	25,000
Catastrophic Cash Benefit		
Maximum Benefit Amount	500,000	-
Lump Sum after 6 months	100,000	-
Benefit Amount	40,000/yr.	-
Maximum Benefit Period	10 yrs.	-
Surety Bonds (3)		
Treasurer	250,000	-
Board Secretary/Business Administrator	250,000	-

- (1) Boynton & Boynton (Zurich, Zurich, NJSBAIG, NJSBAIG, NJSBAIG)
 (2) T.L. Groseclose (Life Insurance Company of North America)
 (3) Boynton & Boynton (Selective)

SINGLE AUDIT

SECTION

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT ON COMPLIANCE AND 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**

K-1

Honorable President and Members
 of the Board of Education
 Manasquan School District
 County of Monmouth
 Manasquan, New Jersey

We have audited the general-purpose financial statements of the Board of Education of the Manasquan School District, in the County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated August 23, 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 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 Manasquan Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Manasquan Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Manasquan Board of Education's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 Manasquan Board of Education's general-purpose 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 general-purpose 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.

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

Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company

August 23, 2011

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH

MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

IN ACCORDANCE WITH OMB CIRCULAR A-133 AND

NEW JERSEY OMB CIRCULAR 04-04

K-2

Honorable President and Members
 of the Board of Education
 Manasquan School District
 County of Monmouth
 Manasquan, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Manasquan School District, in the County of Monmouth, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2011. Manasquan Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Manasquan Board of Education's management. Our responsibility is to express an opinion on the Manasquan Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, 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 Manasquan Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Manasquan Board of Education's compliance with those requirements.

In our opinion, the Board of Education of the Manasquan School District, in the County of Monmouth, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the Board of Education of the Manasquan 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 Manasquan Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Manasquan Board of Education's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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. Manasquan Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Manasquan Board of Education's response and, accordingly, we express no opinion on it.

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

Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company

August 23, 2011

MANASQUAN SCHOOL DISTRICT

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance June 30, 2010	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2011	
			From	To							(Accounts Receivable)	Deferred Revenue
U.S. Department of Education: General Fund.	84-110-A	N/A	8/10/2010	9/30/2012	\$ 33,540	\$ -						
Education Jobs Fund												
U.S. Department of Education: Passed Through State Department of Education												
Special Revenue Fund												
NCLB												
Title I	84-010	NCLB09	9/1/2008	8/31/2009	49,847	(26)	26					
Title I	84-010	NCLB10	9/1/2009	8/31/2010	68,071	(24,744)	26,679	(1,935)				
Title I	84-010	NCLB11	9/1/2010	8/31/2011	77,490		42,554	(75,715)			(33,161)	
Title II A	84-367A	NCLB09	9/1/2008	8/31/2009	29,540	(235)	235					
Title II A	84-367A	NCLB10	9/1/2009	8/31/2010	30,156	(11,119)	11,119	(75)				
Title II A	84-367A	NCLB11	9/1/2010	8/31/2011	29,872		16,900	(29,034)				
Title II D	84-318	NCLB09	9/1/2008	8/31/2009	417	(370)						
Title II D	84-318	NCLB10	9/1/2009	8/31/2010	694	(625)	625					
Title II D	84-318	NCLB11	9/1/2010	8/31/2011	152			(91)				
Title III	84-365A	NCLB10	9/1/2009	8/31/2010	16,440	(13,742)	13,742	(421)				
Title III	84-365A	NCLB11	9/1/2010	8/31/2011	18,671			(48,352)				
Title IV	84-184	NCLB09	9/1/2008	8/31/2009	3,384	(400)	989	(401)				29
Title IV	84-184	NCLB10	9/1/2009	8/31/2010	3,454	(989)	22,603					
Perkins	84-084A	N/A	9/1/2009	8/31/2010	22,603	(22,603)						
Perkins	84-084A	N/A	9/1/2010	8/31/2011	14,663		179,911	(14,663)				
Project Serve	84-184S	N/A	1/20/2010	7/19/2011	249,834	(56,560)		(144,082)				
ARRA Title I	84-389	ARRA10	9/1/2009	8/31/2010	22,622	(5,523)	5,523					
ARRA IDEA A Part B - Basic	84-391	ARRA10	9/1/2009	8/31/2010	248,089	(39,651)	102,238	(63,698)				
ARRA IDEA Preschool	84-392	ARRA10	9/1/2009	8/31/2010	8,996	(1,300)	5,099	(5,920)				
IDEA												
Part B - Basic	84-027	FT09	9/1/2008	8/31/2009	217,374		144	(144)				
Part B - Basic	84-027	FT10	9/1/2009	8/31/2010	217,567	(39,310)	41,864	(2,554)				
Part B - Basic	84-027	FT11	9/1/2010	8/31/2011	222,564		123,613	(218,623)				
Preschool	84-173	FT10	9/1/2009	8/31/2010	6,506	(2,334)	2,334					
Preschool	84-173	FT11	9/1/2010	8/31/2011	6,913		3,211	(5,807)				
Total Special Revenue					29	(199,531)	599,409	(571,515)				29
U.S. Department of Agriculture - Passed Through State Department of Education												
National School Lunch Program	10-555	N/A	7/1/2009	6/30/2010	70,992	(6,514)	6,514					
National School Lunch Program	10-555	N/A	7/1/2010	6/30/2011	79,355		73,900	(79,355)				
Food Distribution Program	10-550	N/A	7/1/2010	6/30/2011	15,780		15,780	(15,780)				
Total U.S. Dept. of Agriculture					-	(6,514)	96,194	(95,135)				
Total Federal Financial Assistance					29	(206,045)	695,603	(666,650)				29

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

MANASQUAN SCHOOL DISTRICT

SCHEDULE OF STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

State Grantor/Program State Department of Education:	Grant or State Project Number	Program or Award Amount	Grant Period		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year Balances	Balance at June 30, 2011		MEMO	
			From	To					(Accounts Receivable)	Deferred Revenue	Budgetary Receivable	Total Cumulative Expenditures
General Fund												
Extraordinary Aid	11-495-034-5120-044	\$ 202,826	7/1/2010	6/30/2011	-		(202,826)		(202,826)		202,826	
Extraordinary Aid	10-495-034-5120-044	164,488	7/1/2009	6/30/2010	(164,488)	164,488			(2,748)		2,748	
Non Public Transportation	11-495-034-5120-014	2,748	7/1/2010	6/30/2011			(2,748)					
Non Public Transportation	10-495-034-5120-014	2,651	7/1/2009	6/30/2010	(2,651)	2,651			(39,346)		810,572	
Reimbursed TPAP S Contr	11-100-034-5095-002	810,572	7/1/2010	6/30/2011		771,226					771,226	
On-Behalf Pension Contr	11-100-034-5095-001	711,080	7/1/2010	6/30/2011		711,080			(244,920)		711,080	
Total General Fund					(167,139)	1,649,445					1,727,226	
Special Revenue Fund												
Teacher Recognition		1,000	7/1/2009	6/30/2010	(250)			(750)				
N.J. Nonpublic Aid, Chapter 192												
Compensatory Education	11-100-034-5120-067	38,514	7/1/2010	6/30/2011		38,514	(32,653)			(5,861)	32,653	
Transportation	10-100-034-5120-067	7,000	7/1/2009	6/30/2010	106			(106)				
Transportation	11-100-034-5120-067	5,888	7/1/2010	6/30/2011		5,888	(5,888)				5,888	
Chapter 193												
Initial Exam and Classification	11-100-034-5120-066	8,925	7/1/2010	6/30/2011		8,925	(8,925)				8,925	
Annual Exam and Classification	11-100-034-5120-066	4,795	7/1/2010	6/30/2011		4,795	(4,795)				4,795	
Examination and Classification	10-100-034-5120-066	29,066	7/1/2009	6/30/2010	2,931			(2,931)				
Corrective Speech	11-100-034-5120-066	14,864	7/1/2010	6/30/2011		14,864	(9,388)			(5,476)	9,388	
Supplementary Instruction	11-100-034-5120-066	10,700	7/1/2010	6/30/2011		10,700	(10,700)				10,700	
Non-Public Textbooks	11-100-034-5120-064	9,492	7/1/2010	6/30/2011		9,492	(9,492)				9,492	
Non-Public Nursing	11-100-034-5120-070	11,247	7/1/2010	6/30/2011		11,247	(10,672)			(575)	10,672	
Non-Public Nursing	10-100-034-5120-070	14,436	7/1/2009	6/30/2010	3			(3)				
Total Special Revenue					2,790	104,425	(92,513)	(3,790)			92,513	
State Department of Agriculture												
Enterprise Fund												
National School Lunch Program												
State Share	11-100-034-3360-023	3,551	7/1/2010	6/30/2011		3,285	(3,551)		(266)		3,551	
State Share	10-100-034-3360-023	4,689	7/1/2009	6/30/2010	(433)	433						
Total Enterprise Fund					(433)	3,718	(3,551)		(266)		3,551	
Total State Financial Assistance					\$ (164,782)	1,757,588	(1,823,290)	(3,790)	(245,186)		1,823,290	

(1) To be paid by Monmouth/Ocean Educational Services Commission.

See accompanying Notes to Schedules of Federal Awards and State Financial Assistance.

BOARD OF EDUCATION

K-5

MANASQUAN SCHOOL DISTRICT**NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE****JUNE 30, 2011****NOTE 1: General**

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

NOTE 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, 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.

NOTE 3: Relationship to General Purpose Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 \$98,803 for the general fund and \$0 for the special revenue fund. See Note 1 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 general purpose financial statements on a GAAP basis as presented below:

NOTE 3: Relationship to General Purpose Financial Statements

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$	1,727,226	1,727,226
Special Revenue Fund	571,515	92,513	664,028
Food Service Fund	<u>95,135</u>	<u>3,551</u>	<u>98,686</u>
Total Awards and Financial Assistance	\$666,650	1,823,290	2,489,940

NOTE 4: Relationship to Federal and State Financial Reports

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

NOTE 5: 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.

NOTE 6: Adjustment

Teacher Recognition was incorrectly identified as State Aid, but it is a Local Revenue, and the adjustment was made to eliminate as State Aid and reclassify as Local Revenue.

BOROUGH OF MANASQUAN SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part I - Summary of Auditor's Results

Financial Statement Section

Unqualified

(A) Type of auditor's report issued:

(B) Internal control over financial reporting:

1) Material weakness(es) identified?

_____ Yes x No

2) Significant deficiencies identified that were not considered to be material weaknesses?

_____ Yes x None Reported

(C) Noncompliance material to general purpose financial statements noted?

_____ Yes x No

Federal Awards

Internal control over compliance:

1) Material weakness(es) identified?

_____ Yes x No

2) Reportable condition(s) identified that are not considered to be material weaknesses?

_____ Yes x None Reported

Type of auditor's report issued 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?

_____ Yes x No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

84.027
84.173
84.391
84.392
84.184S

IDEA Part B
IDEA Preschool
ARRA IDEA Part B
ARRA IDEA Preschool
Project Serve

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

\$300,000

Auditee qualified as low-risk auditee?

_____ Yes x No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part I - Summary of Auditor's Results (Continued)

State Awards Section

(D) Dollar threshold used to determine Type A programs: \$300,000

(E) Auditee qualified as low-risk auditee? x Yes No

(F) Internal control over major programs:

(1) Material Weakness(es) identified? Yes x No

(2) Significant Deficiencies identified that were not considered to material weaknesses? Yes x No

(G) Type of auditor's report on compliance for major programs: Unqualified

(H) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 04-04? Yes x No

(I) Identification of major programs:

GMIS Number(s)

11-100-034-5095-002

Name of State Program

Reimbursed TPAF Social Security Contributions

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

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Part II - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the general purpose financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 *Government Auditing Standards*.

Finding: No matters were reported.

Criteria or specific requirement: N/A

Condition: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Views of Responsible Officials and Planned Corrective Actions:

BOROUGH OF MANASQUAN SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2011*Part III - State Financial Assistance Findings and Questioned Costs*

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

STATE AWARDS

Finding: No matters were reported.

Information on the State Program: N/A

Criteria or specific requirement:

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause:

Recommendation: N/A

Management's response: N/A

BOROUGH OF MANASQUAN SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Prior Audit Findings:

None