

Comprehensive Annual Financial Report

of the

**Township of Green Brook School District
County of Somerset
Green Brook, New Jersey
For the Fiscal Year Ended June 30, 2012**

Prepared by

**Township of Green Brook School District
Business Office**



TABLE OF CONTENTS

INTRODUCTORY SECTION	Page
Letter of Transmittal	1-5
Roster of Officials	6
Consultants and Advisors	7
Organizational Chart	8
FINANCIAL SECTION	
Independent Auditor's Report	9-11
REQUIRED SUPPLEMENTARY INFORMATION – Part I	12
Management's Discussion and Analysis (Unaudited)	13-24
BASIC FINANCIAL STATEMENTS	25
A. District-Wide Financial Statements	26
A-1 Statement of Net Assets	27
A-2 Statement of Activities	28
B. Major Fund Financial Statements	29
Governmental Funds:	
B-1 Balance Sheet	30-31
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	32
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Other Funds	34
Propriety Funds:	
B-4 Statement of Net Assets	35
B-5 Statement of Revenues, Expenses, and Changes in Net Assets	36
B-6 Statement of Cash Flows	37
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Assets	38
B-8 Statement of Changes in Fiduciary Net Assets	39
Notes to the Financial Statements	40-67

TABLE OF CONTENTS (Continued)

	Page
REQUIRED SUPPLEMENTARY INFORMATION – Part II	68
C. Budgetary Comparison Schedules	69
C-1 General Fund	70-77
C-1a General Fund-Education Jobs Fund Program	78
C-2 Special Revenue Fund	79
C-3 Budget to GAAP Reconciliation	80
OTHER SUPPLEMENTARY INFORMATION	81
D. School Level Schedules	N/A
E. Special Revenue Fund	82
E-1 Combining Schedule of Revenues and Expenditures-Budgetary Basis	83-85
F. Capital Projects Fund	86
F-1 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis	87
F-1a Schedule of Project Revenues, Expenditures, Project Balance, and Project Status-Budgetary Basis - Reconstruction of Middle School	88
F-1b Schedule of Project Revenues, Expenditures, Project Balance, and Project Status-Budgetary Basis - Reconstruction of IEF School	89
F-1c Schedule of Project Revenues, Expenditures, Project Balance, and Project Status-Budgetary Basis - Auditorium Renovations	90
F-1d Schedule of Project Revenues, Expenditures, Project Balance, and Project Status-Budgetary Basis - Mechanical System Upgrade-Auditorium	91
F-1e Schedule of Project Revenues, Expenditures, Project Balance, and Project Status-Budgetary Basis - Upgrade Casework Systems-Science & Art Rooms	92
F-1f Schedule of Project Revenues, Expenditures, Project Balance, and Project Status-Budgetary Basis - Mechanical Systems Upgrade-Gym	93
F-2 Summary Statement of Project Expenditures-Budgetary Basis	94
G. Proprietary Funds	95
Enterprise Fund:	
G-1 Statement of Net Assets	96
G-2 Statement of Revenues, Expenses and Changes in Fund Net Assets	97
G-3 Statement of Cash Flows	98

TABLE OF CONTENTS (Continued)

	Page
H. Fiduciary Fund	99
H-1 Combining Statements of Fiduciary Net Assets	100
H-2 Combining Statement of Changes in Fiduciary Net Assets	101
H-3 Schedule of Receipts and Disbursements-Student Activity Agency Fund	102
H-4 Schedule of Receipts and Disbursements-Payroll Funds	103
H-5 Schedule of Receipts and Disbursements-Other Agency Funds	N/A
I. Long-Term Debt	104
I-1 Schedule of Serial Bonds	105
I-2 Schedule of Obligations Under Capital Leases	106
I-3 Comparative Statements of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual – Debt Service Fund	107

STATISTICAL SECTION - UNAUDITED

Financial Trends

J-1 Net Assets by Component	108
J-2 Changes in Net Assets	109-110
J-3 Fund Balances – Governmental Funds	111
J-4 Changes in Fund Balances – Governmental Funds	112
J-5 General Fund Other Local Revenue by Source	113

Revenue Capacity

J-6 Assessed Value and Actual Value of Taxable Property	114
J-7 Direct and Overlapping Property Tax Rates	115
J-8 Principal Property Taxpayers - Current Year and Ten Years Ago	116
J-9 Property Tax Levies and Collections	117

Debt Capacity

J-10 Ratios of Outstanding Debt by Type	118
J-11 Ratios of Net Bonded Debt Outstanding	119
J-12 Direct and Overlapping Governmental Activities Debt	120
J-13 Legal Debt Margin Information	121

Demographic and Economic Information

J-14 Demographic and Economic Statistics	122
J-15 Principal Employers – Current Year and Ten Years Ago	123

Operating Information

J-16 Full-Time Equivalent District Employees by Function/Program	124
J-17 Operating Statistics	125
J-18 School Building Information	126
J-19 Schedule of Required Maintenance	127
J-20 Insurance Schedule	128-129

TABLE OF CONTENTS (Continued)

Page

SINGLE AUDIT SECTION

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	130-131
K-2	Independent Auditor's Report on Compliance with Requirements Applicable to Each Major State Financial Assistance Program and on Internal Control Over Compliance in Accordance with New Jersey OMB Circular 04-04	132-133
K-3	Schedule of Expenditures of Federal Awards, Schedule A	134
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	135
K-5	Notes to the Schedules of Federal Awards and State Financial Assistance	136-137
K-6	Schedule of Findings and Questioned Costs	138-139
K-7	Schedule of Prior Audit Findings	140

INTRODUCTORY SECTION

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Board Secretary
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Green Brook, New Jersey 08812
TELEPHONE: 732-968-1052
Mr. Armand Lamberti, Principal

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132 Jefferson Avenue
Green Brook, New Jersey 08812
TELEPHONE: 732-968-1172
Ms. Linda Pollard, Principal
Mrs. Donna Cook, Asst. Principal

October 9, 2012

Honorable President and Members of the Board of Education
Green Brook School District
Green Brook, New Jersey 08812

Dear Board Members:

The comprehensive annual financial report of the Green Brook School Township District for the fiscal year ending June 30, 2012 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis, the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and New Jersey OMB's Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

- (1) **REPORTING ENTITY AND ITS SERVICES:** Green Brook Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Green Brook Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-school through 8. These include general education, gifted and talented, instructional support, English language services, as well as special education programs. Pre-School disabled programs also service students ages 3-5. Students in grades 9-12 are sent to Watchung Hills Regional High School District on a tuition basis. This high school district offers a comprehensive program including regular vocational programs as well as special education programs for learning disabled students. At the conclusion of the 2011-2012 school year, 401 students in grades 9 - 12 attended Watchung Hills Regional High School. The following details the changes in the Pre-K-8 student enrollment of the District over the last five years:

Pre K-8 Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2008	977	-.1%
2009	985	.81%
2010	969	-.98%
2011	995	2.61%
2012	963	-0.03%

Overall, the district experienced a 0.03% decrease in students for grades Pre K-12.

- (2) **ECONOMIC CONDITION AND OUTLOOK:** The recent economic recession that the country has experienced has also taken its toll on Green Brook. An increasing number of students are applying for Free and Reduced Lunch. As the economy tries to rebound, the rateable situation is down is also declining. Homes and businesses are valued at less and the tax rate continues to rise to make up for this lost revenue. Towns and school districts across the state are facing challenging times in order to maintain the quality of education that has been expected in the past.
- (3) **MAJOR INITIATIVES:** The school district's Five-Year Curriculum Plan ensures continuous review of district programs on a cyclical basis. As a result of this plan, the district's programs are current and reflect high expectations for all students. Students in grades K-2 scored well above state and national averages on the Terra Nova tests. Green Brook students' total battery scores for general education students were reported as follows:

Grade 2	Total Score	89.0%
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On the New Jersey Assessment of Skills and Knowledge 8, 96.8% of the total student population and 99.2% of the general education population scored proficient on the language arts literacy section. In mathematics, 96% of all eighth grade students and 97.5% of the general education students scored proficient. 96% of the total student population and 98.3% of the general education population scored proficient in science.

On the New Jersey Assessment of Skills and Knowledge 7, 85.6% of the total population and 90.5% of the general education population scored proficient on the language arts literacy section. In mathematics, 81.4% of the total population and 85.7% of the general education population were proficient.

On the New Jersey Assessment of Skills and Knowledge 6, 91.5% of the total population and 96.8% of the general education population scored proficient on the language arts literacy section. In mathematics, 95.3% of the total population and 98.9% of the general education population were proficient.

On the New Jersey Assessment of Skills and Knowledge 5, 85.9% of the total population and 93.9% of the general education population scored proficient on the language arts literacy section. In mathematics, 95% of the total population and 93.9% of the general education population were proficient.

On the New Jersey Assessment of Skills and Knowledge 4, 73.5% of the total population and 81.6% of the general education population scored proficient on the language arts literacy section. In mathematics, 88.5% of the total population and 91.8% of the general education population were proficient. In science, 98.2% of the total population and 99% of the general education population were proficient.

On the New Jersey Assessment of Skills and Knowledge 3, 71.7% of the total population and 82% of the general education population scored proficient on the language arts literacy section. In mathematics, 87.7% of the total population and 92.1% of the general education population were proficient.

These results place District scores well above the State averages.

- (4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in

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

As a recipient of Federal awards and State financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

- (5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2012.

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

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

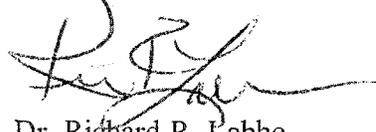
(8) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A chart detailing the District insurance coverage and applicable limits is included in the Statistical section.

(9) **OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountant or registered municipal accountants. The accounting firm of Suplee, Clooney & Co., CPA's, was selected by the Board's Finance Committee. In addition to meeting the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

(10) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Green Brook School 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 financial and accounting staff.

Respectfully submitted,



Dr. Richard R. Labbe
Superintendent



Michael F. Colling
Business Administrator/Board Secretary

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY**

**ROSTER OF OFFICIALS
June 30, 2012**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
James Benscoter, President	2013
Stephanie Green, Vice President	2012
Randi Friedman	2012
Bruce Martins	2012
Gerald E. Binder	2013
Anna Maillaro	2013
Mindy Markus-Rodden	2014
Maria Piccirilli	2014
John Sartor	2014

Other Officials

Dr. Richard R. Labbe, Superintendent

Michael F. Colling, Board Secretary/Business Administrator

Raymond Murray, Treasurer

Marc Zitomer, Esq., Board Attorney

**GREEN BROOK BOARD OF EDUCATION
GREEN BROOK, NEW JERSEY**

CONSULTANTS AND ADVISORS

Audit Firm

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308 East Broad Street
Westfield, New Jersey 07090

Attorney

Schenck Price Smith & King, LLC
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PO Box 991
Florham Park, NJ 07932

Official Depository's

PNC Bank
82 Greenbrook Rd.
Green Brook, NJ 08812

and

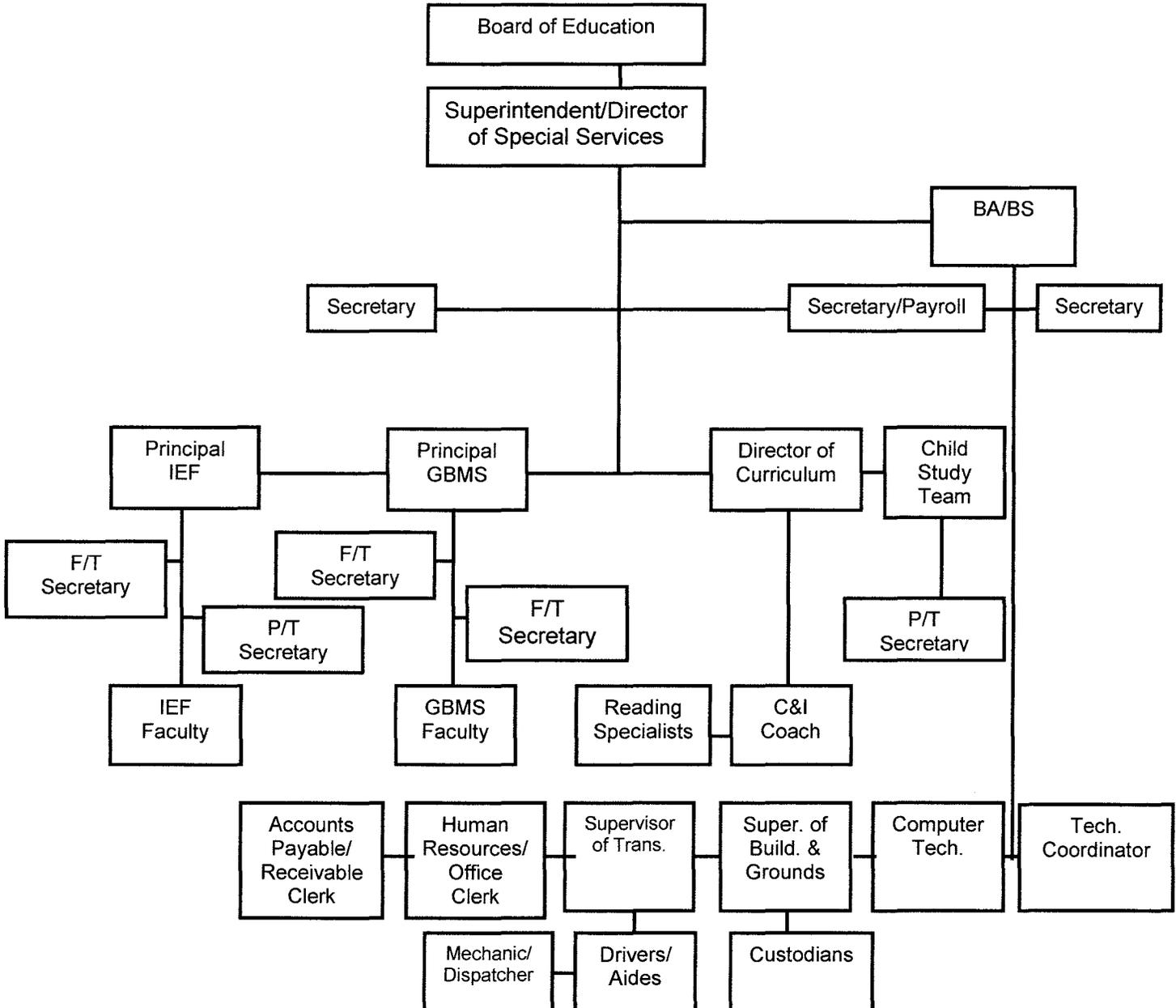
The Provident Bank
930 North Washington Ave
Green Brook, NJ 08812

POLICY

GREEN BROOK BOARD OF EDUCATION

ADMINISTRATION
1110/Page 1 of 1
ORGANIZATIONAL CHART

1110 ORGANIZATIONAL CHART



Adopted: June 18, 2012



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FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Township of Green Brook School District
County of Somerset
Green Brook, New Jersey 08812

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Green Brook School District, County of Somerset, New Jersey as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the provisions of U. S. Office of Management and Budget (OMB) Circular A-133 "Audits of State, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Green Brook School District, County of Somerset, New Jersey as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

SUPLEE, CLOONEY & COMPANY

In accordance with Government Auditing Standards, we have also issued our report dated October 2, 2012 on our consideration of the Township of Green Brook School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the Township of Green Brook School District's financial statements that collectively comprise the basic financial statements. The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal and State Awards, as listed in the table of contents, as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organization," New Jersey's OMB Circular NJOMB 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and State of New Jersey, Department of Education, Division of Finance are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Township of Green Brook School District, County of Somerset, New Jersey. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

SUPLEE, CLOONEY & COMPANY

In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The accompanying other information, such as the introductory and statistical sections, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 93

October 9, 2012

REQUIRED SUPPLEMENTARY INFORMATION – Part I

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

The Management's Discussion and Analysis of the Township of Green Brook School District (the "District") offers readers of the District's financial statements a narrative overview of the financial activities for the fiscal year ended June 30, 2012. The intent of this discussion is to look at the District's financial performance as a whole; therefore readers should also review the transmittal letter at the front of this report, along with the District's financial statements and notes to the financial statements to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information (RSI) specified in the Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis of State and Local Governments issued in June 1999.

Financial Highlights

- Revenue from governmental activities accounted for \$25,213,573.57 or 98.9 percent of total school district revenue. The other 1.1 percent of revenue was generated by the business type activities.
- Governmental fund revenues exceed expenditures by \$708,756.29.
- Total net assets of the District increased by \$2,039,616.29.

Overview of the Financial Statements

This Comprehensive Annual Financial Report ("CAFR") consists of three parts: Management's Discussion and Analysis (this section), The Basic Financial Statements, and Required Supplementary Information. The Basic Financial Statements include two kinds of statements that present different views of the District, District-wide Financial Statements and Fund Financial Statements.

- District-wide Financial Statements provide both short-term and long-term information about the District's overall financial status.
- Fund Financial Statements report the District's operations in more detail than the District-wide statements on individual parts of the District, the Governmental Funds, Proprietary Funds and Fiduciary Funds.

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

- Governmental Funds Statements tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- Proprietary Funds Statements offer short and long-term financial information about the activities the District operates like a business, which include food services.
- Fiduciary Funds Statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The notes to financial statements are also included, which are an integral part of the financial statements. The information in the notes provides detailed data on the District's financial operations.

Required supplementary information further explains and supports the financial statements with a comparison of the District's budget for the year. Exhibit A-1 reflects how the various parts of this annual report are arranged and related to one another.

District-wide Financial Statements

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

The District-wide Financial Statements report the District's net assets and how they have changed. Net assets, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net assets are an indicator of whether its financial position has improved or diminished. The causes of this change may be a result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the District-wide Financial Statements, the District's activities are divided into two categories, governmental and business-type activities.

- Governmental activities - All of the District's programs and services are reported here including, but not limited to regular and special education instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. Property taxes and state formula aid finance most of these activities.

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

- Business-type activities - These services are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. District charges fees to help it cover the costs of certain services it provided. The food service activities are reported as business activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on major funds. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes (i.e. long-term debt) or to show that it is properly using certain restricted revenues (i.e. entitlement grants).

The District maintains three financial funds:

- Governmental Funds: The District's activities reported in governmental funds 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 that measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps 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 government-wide Statement of Net Assets and Statement of Activities) and governmental funds statements is reconciled in the financial statements.
- Proprietary Funds: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide financial statements. The District's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flow.
- Fiduciary Funds: The District is the trustee, or fiduciary, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

Financial Analysis of the District as a Whole

The District's combined net assets have increased from the 2010-2011 fiscal year. The net assets from governmental funds increased \$2,026,777.50 as a result of an increase in State Aid revenues and an increase in lapsed appropriations as compared to 2010-2011. Net assets from business-type activities increased \$12,838.79. The increase in the restricted net assets from prior year is \$240,298.10. Exhibit A-1 below reflects the District's net assets as a whole. Exhibit A-2 reflects the changes in net assets from operating results.

**Exhibit A-1
Condensed Statement of Net Assets**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage
	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>Change</u>
Current and							
Other Assets	\$3,519,071.00	\$3,318,394.34	\$92,363.53	\$95,636.87	\$3,611,434.53	\$3,414,031.21	5.78%
Capital Assets	25,135,292.43	25,150,525.34	62,845.28	48,100.00	25,198,137.71	25,198,625.34	0.00%
Total Assets	28,654,363.43	28,468,919.68	155,208.81	143,736.87	28,809,572.24	28,612,656.55	0.69%
Long-Term							
Liabilities	17,600,442.24	18,642,346.31			17,600,442.24	18,642,346.31	-5.59%
Short-Term							
Liabilities	1,277,503.29	2,076,932.97	7,030.77	8,397.62	1,284,534.06	2,085,330.59	-38.40%
Total Liabilities	18,877,945.53	20,719,279.28	7,030.77	8,397.62	18,884,976.30	20,727,676.90	-8.89%
Net Assets:							
Invested in							
Capital Assets							
Net of Related							
Debt	7,498,441.81	5,997,822.07	62,845.28	48,100.00	7,561,287.09	6,045,922.07	25.06%
Restricted	1,962,557.72	1,722,259.62			1,962,557.72	1,722,259.62	13.95%
Unrestricted	315,418.37	29,558.71	85,332.76	87,239.25	400,751.13	116,797.96	243.11%
Total Net Assets	\$9,776,417.90	\$7,749,640.40	\$148,178.04	\$135,339.25	\$9,924,595.94	\$7,884,979.65	25.87%

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

**Exhibit A-2
Changes in Net Assets from Operating Results**

	Governmental Activities <u>FY 2012</u>	Business-Type Activities <u>FY 2012</u>	Total School District <u>FY 2012</u>
Revenue:			
Program Revenue:			
Charges for Services		\$253,913.45	\$253,913.45
Operating Grants and Contributions	\$1,401,195.10	65,083.36	1,466,278.46
General Revenue:			
Property Taxes	20,835,852.00		20,835,852.00
Federal and State Aid	1,390,171.30		1,390,171.30
Other	1,267,355.17		1,267,355.17
	<u>24,894,573.57</u>	<u>318,996.81</u>	<u>25,213,570.38</u>
Total Revenue			
Expenses:			
Instruction	14,832,675.90		14,832,675.90
Student & Instructional Related Services	1,934,930.80		1,934,930.80
Administrative and Business	2,183,469.73		2,183,469.73
Maintenance & Operations	1,330,322.47		1,330,322.47
Transportation	1,570,447.84		1,570,447.84
Other	1,015,949.33	306,158.02	1,322,107.35
	<u>22,867,796.07</u>	<u>306,158.02</u>	<u>23,173,954.09</u>
Total Expenses			
Increase/(Decrease) in Net Assets	<u>\$2,026,777.50</u>	<u>\$12,838.79</u>	<u>\$2,039,616.29</u>

Sources of Revenue for Fiscal Year 2012

The District's total revenue for the 2011-2012 school year was \$25,213,570.38 as reflected in Exhibit A-3 below. Property taxes accounted for 82.6 percent of the total revenue with the other 17.4 percent consisting of federal & state aid, charges for service, operating grants & contributions, and miscellaneous sources.

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

**Exhibit A-3
Sources of Revenue for Fiscal Year 2012**

<u>Sources of Revenue</u>	<u>Amount</u>	<u>Percentage</u>
Property Taxes	\$20,835,852.00	82.64%
Operating Grants & Contributions	1,466,278.46	5.82%
Other Sources	1,267,355.17	5.03%
Federal & State Aid Unrestricted	1,390,171.30	5.51%
Charges for Services	253,913.45	1.03%
	<u>\$25,213,570.38</u>	<u>100.00%</u>

Expenses for the Fiscal Year 2012 –

The total expenditures for the 2011-2012 fiscal year for all programs and services were \$23,173,954.09. Exhibit A-4 below summarizes these program costs. The District's expenses are predominantly related to instructing, providing services and transporting students, grades kindergarten through twelve, which accounts for 79.13 percent of the total District costs. Administrative and business expenses account for the costs of the Office of the Superintendent of Schools, the Business Office, and the Principal's Offices in both school buildings. Maintenance and operations account for the costs of keeping the school buildings and grounds safe, clean and in good operating condition, and includes all the utility costs related to the school facilities. Other costs include interest on long-term debt, unallocated depreciation expense and the costs of the business-type activities of the proprietary funds. It is important to note that depreciation expense on capital assets is included in expenses for the year under this accounting reporting model; expenses therefore include \$1,084,392.57 for depreciation.

**Exhibit A-4
Expenses for Fiscal Year 2012**

<u>Expense Category</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$14,832,675.90	64.00%
Student & Instructional Related Services	1,934,930.80	8.35%
Administrative and Business	2,183,469.73	9.42%
Maintenance & Operations	1,330,322.47	5.74%
Transportation	1,570,447.84	6.78%
Other	1,322,107.35	5.71%
	<u>\$23,173,954.09</u>	<u>100.00%</u>

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

Governmental Activities

Exhibit A-5 presents the net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) of six major District activities: instruction, student and instructional services, administration and business, maintenance and operations, transportation, and other. The net cost shows the financial burden placed on the District's taxpayers and the state by each of these functions.

**Exhibit A-5
Net Cost of Governmental Activities**

<u>Function/Program</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$13,858,236.10	64.59%
Student & Instruction Related Services	1,791,498.54	8.35%
Administrative and Business	2,050,100.87	9.56%
Maintenance & Operations	1,330,322.47	6.20%
Transportation	1,484,442.66	6.92%
Other	939,161.54	4.38%
	<u>\$21,453,762.18</u>	<u>100.00%</u>

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey Statutes and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting.

Over the course of the year, the Board of Education approved revisions to the general fund budget as needed. These budget amendments were necessary for the following reasons:

- Realign budgeted salary accounts as needed to account for staff transfers to various programs.
- Realigned appropriations in accordance with the prescribed chart of accounts as modified by the comprehensive educational improvement and financing act.
- Transferred from unexpended appropriations to purchase teaching materials and equipment to meet various program needs.

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

Capital Assets

During the fiscal year 2011-2012 the District's depreciation expense exceeded capital acquisitions, therefore capital assets net of depreciation decreased. Exhibit A-6 reflects the comparative balances of capital assets net of depreciation. The detail of the changes in capital assets is reflected in Note 3 to the financial statements.

**Exhibit A-6
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2011</u>	
Land and Site Improvements	\$1,197,996.00	\$1,223,775.00			\$1,197,996.00	\$1,223,775.00	-2.107%
Building and Building Improvements	23,590,365.22	23,276,770.49			23,590,365.22	23,276,770.49	1.347%
Machinery and Equipment	<u>346,931.21</u>	<u>649,979.85</u>	<u>\$62,845.28</u>	<u>\$48,100.00</u>	<u>409,776.49</u>	<u>698,079.85</u>	<u>-41.299%</u>
Total Assets	<u>\$25,135,292.43</u>	<u>\$25,150,525.34</u>	<u>\$62,845.28</u>	<u>\$48,100.00</u>	<u>\$25,198,137.71</u>	<u>\$25,198,625.34</u>	<u>-0.002%</u>

Debt Administration

At June 30, 2012 the District had \$18,012,480.40 of outstanding long-term debt, consisting of bonds payable, ERIP loan, compensated absences, and capital leases. The District will continue to pay down its debt, as the obligations are due. Exhibit A-7 reflects the comparison of outstanding debt for the past two fiscal years. More information of the District's long-term debt is presented in Note 4 to the financial statements.

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

**Exhibit A-7
Outstanding Long-term Debt**

	Total School Debt		Total Percentage Change
	FY 2012	FY 2011	
Capital Leases	\$180,028.12	\$291,880.77	-38.32%
Compensated Absences	133,082.31	123,948.22	7.37%
Bonds & Loans Payable	17,699,369.97	19,120,527.66	-7.43%
	<u>\$18,012,480.40</u>	<u>\$19,536,356.65</u>	<u>-7.80%</u>

The District's Future

Green Brook is a growing suburban town where community members actively participate in school-centered events. Enrollment in the district is currently 963 students (a total of 394 students in the Irene E. Feldkirchner Elementary School and 569 students in the Green Brook Middle School).

The Green Brook Township School District offers an extensive curriculum that includes: language arts literacy, mathematics, science, social studies, engineering, technological literacy, special education, physical education, health education, vocal and instrumental music, visual and performing arts, English As A Second Language, world languages (Spanish and Latin), speech, supplemental instruction, library skills, and gifted and talented education. At the middle school, extra-curricular programs include: soccer, basketball, cross country, baseball, softball, track, yearbook, student council, fall and spring theatrical productions, community service, literacy magazine, chess club, robotics club, environmental club, craft club, cooking club, creative writing club, talent show, homework club, peer tutoring, Junior Achievement, Family Science, Family Math, Family Tools and Technology, Math League, Science Adventures, Middle School Design Challenge and Gym Nights. At the elementary school, Family Math, theatrical performances, intramurals, computers, glee club, student council, and safety patrol are offered as extra-curricular programs.

A Five-Year Curriculum Plan that ensures that all subject areas are reviewed and updated on a regular, cyclical basis guides educational programs. This plan accommodates and addresses the core curriculum content standards including the career education and consumer, family and life skills standards adopted by the New Jersey Department of Education. All programs are current and reflect high expectations for all students.

Professional development is an integral part of the district's continuing goal to maintain educational excellence. Administrators and faculty working through the Local Professional Development Plan have formulated an annual comprehensive in-district professional development program. Faculty members have been and continue to be part of the professional development activities associated with Rutgers University, Raritan Valley Community College, Somerset County Educational Technology Training Center, The College of New Jersey, and Kean University. The district is a priority teacher-training site for the graduate teacher education program at Rutgers University.

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

Green Brook School District is extremely fortunate to have an active, supportive Parent-Teacher Organization. The PTO has made generous donations to support all aspects of the school community, including technology, libraries, and playgrounds. The parents' efforts, combined with the support of the Board of Education, clearly exhibit the community's commitment to provide a quality education for its students.

An innovative district Technology Plan enhances the instruction program, facilities and promotes independent and cooperative learning, provides relevance to students' lives and futures, and increases the probability of effective use of learned material. The Technological Literacy Program extends beyond the classroom and traditional school day and prepares technologically literate students, staff, and parents.

The district provides a full range of special education programs and services. Preschool Disabled classes are housed in the elementary school and LLD classes are housed in elementary and middle schools. Special Education programs at each school offer in-class support as well as replacement instruction. In addition, related services include speech, counseling, occupational and physical therapy, and instructional aides for students requiring them.

The Board of Education supports an exemplary Staff Development Plan, including a Mentoring Program for pre-tenured teachers and administrators. New teachers are also required to attend a day of new teacher orientation. In addition, they receive training with individually assigned teacher mentors. The Board of Education routinely budgets in excess of \$55,000 for staff development and curriculum development projects. The collective bargaining agreement with the Green Brook Education Association also provides for required attendance at four full-day staff development programs.

During the 2011/2012 school year, the Green Brook Township School District experienced the Quality Single Accountability Continuum (QSAC) performance review by the State of New Jersey Department of Education. The following five areas were evaluated and the district was designated as a "high performing district".

Instruction and Program	96%
Fiscal Management	98%
Governance	100%
Operations	100%
Personnel	100%

**TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GREEN BROOK, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
UNAUDITED**

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Business Administrator/Board Secretary's office, Green Brook Township School District, 132 Jefferson Avenue, Green Brook, New Jersey 08812.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2012.

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 1,873,612.18	\$ 73,363.45	\$ 1,946,975.63
Receivables, net	904,319.04	1,923.38	906,242.42
Interfunds receivable		12,216.20	12,216.20
Inventory		4,860.50	4,860.50
Deferred Bond Issuance Costs	201,908.45		201,908.45
Restricted assets:			
Restricted cash and cash equivalents	539,231.33		539,231.33
Capital assets:			
Land	967,773.00		967,773.00
Other capital assets, net	24,167,519.43	62,845.28	24,230,364.71
Total assets	<u>\$ 28,654,363.43</u>	<u>\$ 155,208.81</u>	<u>\$ 28,809,572.24</u>
LIABILITIES			
Accounts payable	\$ 70,195.45	\$	\$ 70,195.45
Interfunds payable	12,090.41		12,090.41
Deferred revenue	80,267.69	7,030.77	87,298.46
Interest payable	182,003.13		182,003.13
Noncurrent liabilities:			
Due within one year	932,946.61		932,946.61
Due beyond one year	17,600,442.24		17,600,442.24
Total liabilities	<u>\$ 18,877,945.53</u>	<u>\$ 7,030.77</u>	<u>\$ 18,884,976.30</u>
NET ASSETS			
Investment in capital assets, net of related debt	\$ 7,498,441.81	\$ 62,845.28	\$ 7,561,287.09
Restricted for:			
Capital projects fund	449,241.39		449,241.39
Other purposes	1,513,316.33		1,513,316.33
Unrestricted	<u>315,418.37</u>	<u>85,332.76</u>	<u>400,751.13</u>
Total net assets	<u>\$ 9,776,417.90</u>	<u>\$ 148,178.04</u>	<u>\$ 9,924,595.94</u>

See accompanying notes to financial statements.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2012

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 12,171,358.06	\$	\$ 795,837.10	\$ (11,375,520.96)	\$	\$ (11,375,520.96)
Special education	2,227,928.34		149,900.51	(2,078,027.83)		(2,078,027.83)
Other	433,389.50		28,702.19	(404,687.31)		(404,687.31)
Support services:						
Student and instruction related services	1,934,930.80		143,432.26	(1,791,498.54)		(1,791,498.54)
General administrative services	606,592.32		32,657.62	(573,934.70)		(573,934.70)
School administrative services	865,241.25		68,357.88	(796,883.37)		(796,883.37)
Central services	493,383.44		32,353.36	(461,030.08)		(461,030.08)
Administration information technology	218,252.72			(218,252.72)		(218,252.72)
Plant operations and maintenance	1,330,322.47			(1,330,322.47)		(1,330,322.47)
Student transportation services	1,570,447.84		86,005.18	(1,484,442.66)		(1,484,442.66)
Interest on long term debt	1,015,949.33		63,949.00	(952,000.33)		(952,000.33)
Total governmental activities	<u>\$ 22,867,796.07</u>	<u>\$</u>	<u>\$ 1,401,195.10</u>	<u>\$ (21,466,600.97)</u>	<u>\$</u>	<u>\$ (21,466,600.97)</u>
Business-type activities:						
Food service	\$ 306,158.02	\$ 253,913.45	\$ 65,083.36	\$	\$ 12,838.79	\$ 12,838.79
Total business-type activities	<u>\$ 306,158.02</u>	<u>\$ 253,913.45</u>	<u>\$ 65,083.36</u>	<u>\$</u>	<u>\$ 12,838.79</u>	<u>\$ 12,838.79</u>
Total primary government	<u>\$ 23,173,954.09</u>	<u>\$ 253,913.45</u>	<u>\$ 1,466,278.46</u>	<u>\$ (21,466,600.97)</u>	<u>\$ 12,838.79</u>	<u>\$ (21,453,762.18)</u>
General Revenues:						
Taxes:						
Property taxes - general				\$ 19,411,783.00	\$	\$ 19,411,783.00
Property taxes - debt service				1,424,069.00		1,424,069.00
Federal and state aid not restricted				1,390,171.30		1,390,171.30
Miscellaneous income				1,267,355.17		1,267,355.17
Total general revenues				<u>\$ 23,493,378.47</u>	<u>\$</u>	<u>\$ 23,493,378.47</u>
Change in net Assets				<u>\$ 2,026,777.50</u>	<u>\$ 12,838.79</u>	<u>\$ 2,039,616.29</u>
Net Assets - beginning				<u>\$ 7,749,640.40</u>	<u>\$ 135,339.25</u>	<u>\$ 7,884,979.65</u>
Net Assets ending				<u>\$ 9,776,417.90</u>	<u>\$ 148,178.04</u>	<u>\$ 9,924,595.94</u>

See accompanying notes to financial statements.

MAJOR FUND FINANCIAL STATEMENTS

The Individual fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS AND OTHER DEBITS:					
Assets:					
Cash and cash equivalents	\$ 1,326,317.35	\$ 202,678.81	\$ 284,376.13	\$ 60,239.89	\$ 1,873,612.18
Capital reserve account	539,231.33				539,231.33
Accounts receivable:					
State	222,648.02		616,692.00		839,340.02
Federal	22,603.51	38,495.39			61,098.90
Other		3,880.12			3,880.12
Interfund	628,608.16				628,608.16
Total assets	\$ 2,739,408.37	\$ 245,054.32	\$ 901,068.13	\$ 60,239.89	\$ 3,945,770.71
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 70,195.45	\$	\$	\$	\$ 70,195.45
Interfunds payable	12,216.20	243,082.59	385,399.78		640,698.57
Deferred revenue	11,869.00	1,971.73	66,426.96		80,267.69
Total liabilities	\$ 94,280.65	\$ 245,054.32	\$ 451,826.74	\$	\$ 791,161.71
Fund balances:					
Restricted for:					
Capital reserve account	\$ 539,231.33	\$	\$	\$	\$ 539,231.33
Excess surplus-current year	982,262.50				982,262.50
Capital projects fund			448,626.39		448,626.39
Debt service fund				21,120.89	21,120.89
Committed for:					
Year-end encumbrances	229,037.91		615.00		229,652.91
Designated for subsequent years expenditures	352,814.00			39,119.00	391,933.00
Unassigned:					
General fund	541,781.98				541,781.98
Total fund balances	\$ 2,845,127.72	\$	\$ 449,241.39	\$ 60,239.89	\$ 3,154,609.00
Total liabilities and fund balances	\$ 2,739,408.37	\$ 245,054.32	\$ 901,068.13	\$ 60,239.89	\$ 3,945,770.71

See accompanying notes to financial statements.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

Total Fund Balances (Brought Forward)	\$	3,154,609.00
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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.

Cost of Assets	\$	36,363,995.28	
Accumulated Depreciation		<u>(11,228,702.85)</u>	
			25,135,292.43

Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Serial bonds payable	\$	(17,465,000.00)	
Original Issue Premium, net		(1,741,419.45)	
Deferred Amount on Refunding Bonds, net		1,220,511.00	
Bond Issue Costs, net		201,908.45	
ERIP Payable		(234,369.97)	
Capital leases payable		(180,028.12)	
Compensated absences payable		<u>(133,082.31)</u>	
			(18,331,480.40)

Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.

Accrued Interest Payable		<u>(182,003.13)</u>	
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Net Assets of Governmental Activities	\$	<u>9,776,417.90</u>
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See accompanying notes to financial statements.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local tax levy	\$ 19,411,783.00			\$ 1,424,069.00	\$ 20,835,852.00
Tuition	77,721.05				77,721.05
Transportation fees from other LEA's	125,045.30				125,045.30
Miscellaneous revenues	76,407.76	18,217.84	465,628.78	521,403.75	1,081,658.13
Interest earned on capital reserve	1,148.53				1,148.53
Total revenues-local sources	<u>\$ 19,692,105.64</u>	<u>\$ 18,217.84</u>	<u>\$ 465,628.78</u>	<u>\$ 1,945,472.75</u>	<u>\$ 22,121,425.01</u>
State sources	\$ 1,949,459.87		\$ 418,137.66	\$ 63,949.00	\$ 2,431,546.53
Federal sources	36,785.64	304,816.39			341,602.03
Total revenues	<u>\$ 21,678,351.15</u>	<u>\$ 323,034.23</u>	<u>\$ 883,766.44</u>	<u>\$ 2,009,421.75</u>	<u>\$ 24,894,573.57</u>
EXPENDITURES:					
Current expense:					
Instruction:					
Regular	\$ 4,004,620.39	\$ 303,437.23			\$ 4,308,057.62
Special education	1,156,477.41				1,156,477.41
Other instruction	230,585.08				230,585.08
Support services:					
Tuition	6,541,477.08				6,541,477.08
Student and instruction related services	1,396,400.71	19,597.00			1,415,997.71
General administrative services	394,172.47				394,172.47
School administrative services	547,294.33				547,294.33
Central services	278,187.91				278,187.91
Administration information technology	103,582.08				103,582.08
Plant operations and maintenance	1,086,051.02				1,086,051.02
Student transportation services	1,179,859.58				1,179,859.58
Employee benefits	3,511,337.35				3,511,337.35
Capital outlay	158,065.46		1,045,344.98		1,203,410.44
Debt service:					
Principal				1,085,000.00	1,085,000.00
Interest				942,418.75	942,418.75
Cost of issuance of refunding bonds				201,908.45	201,908.45
Total expenditures	<u>\$ 20,588,110.87</u>	<u>\$ 323,034.23</u>	<u>\$ 1,045,344.98</u>	<u>\$ 2,229,327.20</u>	<u>\$ 24,185,817.28</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,090,240.28</u>	<u>\$</u>	<u>\$ (161,578.54)</u>	<u>\$ (219,905.45)</u>	<u>\$ 708,756.29</u>
Other financing sources (uses):					
Operating transfer out	\$	\$	\$ (300,934.78)	\$	\$ (300,934.78)
Operating transfer in	300,934.78				300,934.78
Refunding bond proceeds				17,375,000.00	17,375,000.00
Payment to refunding bonds escrow				(17,694,000.00)	(17,694,000.00)
Original issue premium				1,741,419.45	1,741,419.45
Payment of refunding escrow agent				(1,220,511.00)	(1,220,511.00)
Total financing sources(uses):	<u>\$ 300,934.78</u>	<u>\$</u>	<u>\$ (300,934.78)</u>	<u>\$ 201,908.45</u>	<u>\$ 201,908.45</u>
Net change in fund balances	\$ 1,391,175.06	\$	\$ (462,513.32)	\$ (17,997.00)	\$ 910,664.74
Fund balances, July 1, 2011	1,253,952.66		911,754.71	78,236.89	2,243,944.26
Fund balances, June 30, 2012	<u>\$ 2,645,127.72</u>	<u>\$ -0-</u>	<u>\$ 449,241.39</u>	<u>\$ 60,239.89</u>	<u>\$ 3,154,609.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Total net change in fund balances - governmental funds (from B-2)	\$	910,664.74
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
Depreciation expense	\$	(1,076,786.85)
Capital outlays-Capitalized (net)		<u>1,061,553.94</u>
		(15,232.91)
Repayment of bond principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net assets and is not reported in the statements of activities.		
Paid - principal on bond		18,779,000.00
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
Refunding Bond Proceeds		(17,375,000.00)
Original Issue Premium on Refunding Bonds		(1,741,419.45)
Deferred Amount on Refunding Bond Payments to Escrow Agent		<u>1,220,511.00</u>
		(17,895,908.45)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		
Payment of capital leases payable		111,852.65
Payment of ERIP loan		17,157.69
Bond Issue costs are reported in the Governmental Funds as expenditures in the year the bonds are issued. However, on the Statement of Activities the costs are amortized over the life of the Bonds		
		201,908.45
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		
		(73,530.58)
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>(9,134.09)</u>
Change in net assets of governmental activities	\$	<u><u>2,026,777.50</u></u>

See accompanying notes to financial statements.

OTHER FUNDS

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2012

	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u> <u>ENTERPRISE FUND</u> <u>FOOD</u> <u>SERVICE</u>
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 73,363.45
Accounts receivable:	
State	141.33
Federal	1,782.05
Interfund	12,216.20
Inventories	4,860.50
	4,860.50
Total current assets	\$ 92,363.53
Noncurrent assets:	
Furniture, machinery & equipment	\$ 122,772.00
Less accumulated depreciation	(59,926.72)
	62,845.28
Total noncurrent assets	\$ 62,845.28
Total assets	\$ 155,208.81
LIABILITIES:	
Current liabilities:	
Prepaid lunch fees	\$ 4,764.21
Deferred revenue	2,266.56
	7,030.77
Total current liabilities	\$ 7,030.77
Total liabilities	\$ 7,030.77
NET ASSETS:	
Invested in capital assets - net	\$ 62,845.28
Unrestricted	85,332.76
	148,178.04
Total net assets	\$ 148,178.04

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u> <u>ENTERPRISE FUND</u> <u>FOOD</u> <u>SERVICE</u>
OPERATING REVENUES:	
Charges for services:	
Lunch sales	\$ <u>253,913.45</u>
Total operating revenues	\$ <u>253,913.45</u>
OPERATING EXPENSES:	
Cost of sales	\$ 130,727.46
Salaries	93,189.03
Employee benefits	39,032.75
Other purchased services	24,392.47
Supplies and materials	11,210.59
Depreciation	<u>7,605.72</u>
Total operating expenses	\$ <u>306,158.02</u>
Operating income (loss)	\$ <u>(52,244.57)</u>
NONOPERATING REVENUES (EXPENSES):	
State sources	
State school lunch program	\$ 3,023.94
Federal sources	
National school lunch program	39,261.10
National food distribution commodities	<u>22,798.32</u>
Total nonoperating revenues (expenses)	\$ <u>65,083.36</u>
Net income	\$ 12,838.79
Total net assets - July 1	<u>135,339.25</u>
Total net assets - June 30	\$ <u><u>148,178.04</u></u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u> <u>ENTERPRISE FUND</u> <u>FOOD</u> <u>SERVICE</u>
Cash flows from operating activities:	
Receipts from customers	\$ 254,422.53
Payments to employees	(93,189.03)
Payments to employee benefits	(39,032.75)
Payment to suppliers	<u>(164,705.21)</u>
Net cash provided (used for) by operating activities	\$ <u>(42,504.46)</u>
Cash flows from noncapital financing activities:	
State sources	\$ 2,738.28
Federal sources	<u>56,019.13</u>
Net cash provided by (used for) noncapital financing activities	\$ <u>58,757.41</u>
Cash flows from capital and related financing activities	
Purchase of capital assets	\$ <u>(22,351.00)</u>
Net cash provided by (used for) capital and related financing activities	\$ <u><u>(22,351.00)</u></u>
Net increase (decrease) in cash and cash equivalents	\$ (6,098.05)
Cash and cash equivalents - July 1	<u>79,461.50</u>
Cash and cash equivalents - June 30	\$ <u><u>73,363.45</u></u>
Operating income (loss)	\$ (52,244.57)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:	
Depreciation	7,605.72
Change in assets and liabilities:	
(Increase) Decrease in Inventory	1,625.31
Increase (Decrease) in deferred revenue	<u>509.08</u>
Net cash provided (used) by operating activities	\$ <u><u>(42,504.46)</u></u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENTS OF FIDUCIARY NET ASSETS
JUNE 30, 2012

	<u>AGENCY FUNDS</u>		<u>STATE</u>
	<u>STUDENT</u> <u>ACTIVITY</u>	<u>PAYROLL</u>	<u>UNEMPLOYMENT</u> <u>COMPENSATION</u> <u>TRUST</u>
ASSETS:			
Cash and cash equivalents	\$ 31,503.24	\$ 35,079.04	\$ 31,136.89
Total assets	<u>\$ 31,503.24</u>	<u>\$ 35,079.04</u>	<u>\$ 31,136.89</u>
LIABILITIES:			
Payroll deductions and withholdings	\$	\$ 34,953.25	\$
Due to student groups	31,503.24		
Due general fund		125.79	
Total liabilities	<u>\$ 31,503.24</u>	<u>\$ 35,079.04</u>	<u>\$</u>
NET ASSETS:			
Reserve for state unemployment	\$	\$	\$ 31,136.89
Total net assets	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 31,136.89</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>STATE UNEMPLOYMENT COMPENSATION TRUST</u>
ADDITIONS:	
Contributions:	
Board contributions	\$ 75,000.00
Employee deductions	23,126.17
Interest	19.25
Total contributions	<u>\$ 98,145.42</u>
Total additions	<u>\$ 98,145.42</u>
DEDUCTIONS:	
Unemployment claims	<u>\$ 74,899.77</u>
Total deductions	<u>\$ 74,899.77</u>
Change in net assets	<u>\$ 23,245.65</u>
Net assets - July 1	<u>\$ 7,891.24</u>
Net assets - June 30	<u><u>\$ 31,136.89</u></u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Green Brook School District have been prepared in conformity with U.S. 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.

Reporting Entity

The Township of Green Brook School District is a Type II District located in Somerset County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a nine member board elected to three-year terms 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 are set forth in Statement No. 14 of the Governmental Accounting Standards Board entitled "The Financial Reporting Entity" (GASB 14) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards. Under GASB Statement 14 the financial reporting entity is determined by 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 one elementary school and one middle school. 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.

Basis of Presentation, Basis of Accounting

The District's basic financial statements consist of District-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

District-Wide Statements: The Statement of Net Assets and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Assets presents the financial condition of the governmental and business-type activity of the District at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as generally revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Types

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

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund – The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

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

Debt Service Fund – Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund

Enterprise Fund - The enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund Types -

Agency Funds - The agency funds are used to account for assets held by the district on behalf of others and are custodial in nature. The agency funds included in this category are as follows:

Unemployment Compensation Insurance Trust Fund - A trust fund used to account for assets to finance the costs of unemployment benefits. Since the Board has adopted the direct reimbursement method, the District is under obligation to appropriate sufficient funds out of its general fund and hold them in trust for this purpose.

Payroll and Student Activities Funds (Agency) - These are agency funds 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.

Basis of Accounting - Measurement Focus

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting - Measurement Focus (Continued)

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Account Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

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. 6:20-2A.2(m)1. All budget amendments and transfers must be approved by School Board resolution. All budget amounts presented in the accompanying required supplementary information reflect the original annual budget and all legally authorized revisions, such as amendments and transfers, which represents the final or amended budget.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control (Continued)

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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 legally mandated recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

Encumbrance Accounting

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 and capital projects 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.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available expendable resources.

Inventories and Prepaid Expenses

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure in the year of purchase.

Capital Assets

The District has an established formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office & Computer Equipment	5-10
Instructional Equipment	10
Ground Equipment	15

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

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

District employees are granted varying amounts of sick days in accordance with the District's employment contract and personnel policy. Upon retirement, employees with at least 75 accumulated sick days are eligible to be compensated for up to 175 days. The rate of compensation varies from \$30.00 to \$100.00 per day in accordance with the contract.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick days that are expected to become eligible for payment upon retirement. The District estimates its accrued compensated absences liability based on the accumulated sick days at the balance sheet date by those employees who are currently eligible to receive retirement payments.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Fund Equity

Fund balance reserves are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designations of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unreserved fund balances represent the amount available for future budgetary operations.

Unrestricted retained earnings represent the remains of the District's equity in the cumulative earnings of the food service fund.

Deferred Revenue

Deferred revenue in the special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under generally accepted accounting principles.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Net Assets

Net Assets represent the difference between assets and liabilities. Net Assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves

In fiscal year 2012, the District implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This statement modifies fund balance reporting and clarifies fund type definitions. This new Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Reserves (Continued)

The restricted fund balance classification includes amounts that are subject to externally enforceable legal restriction such as by constitutional provision, enabling legislation or other government imposed restrictions. The committed fund balance classification includes amounts constrained for a specific purpose by a government using its highest decision-making authority. The assigned fund balance classification includes amounts for all funds, other than the general fund with any remaining positive balances not already classified as restricted or committed. For the general fund, amounts constrained with the intent to be used for a specific purpose by the governing board or an official delegated authority by the board. The unassigned fund balance classification includes for the general fund, amounts not classified as restricted, committed or assigned. The general fund is the only fund that will report a positive unassigned fund balance. For all other governmental funds the amount of a residual deficit would be classified as unassigned. Fund balance restrictions have been established for excess surplus, excess surplus-designated for subsequent year's expenditures, capital reserve and emergency reserve.

Revenues Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues Exchange and Non-Exchange Transactions (Continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

Proprietary Funds Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales of food service. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function in the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately in the Statement of Activities.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, certificates of deposits, deposits in the New Jersey Cash Management Fund, deposits in the governmental money market fund, deposits in the New Jersey Asset and Rebate Management Program and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a Banking Institution that is a member of the Federal Reserve System, and has capital funds of not less than \$25,000,000.00. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

The Township of Green Brook School District had the following cash and cash equivalents at June 30, 2012:

	<u>Cash in</u>	<u>Reconciling</u>	<u>Reported</u>
	<u>Bank</u>	<u>Items</u>	<u>Total</u>
General Fund	\$ 2,052,242.25	(\$186,693.57)	\$ 1,865,548.68
Special Revenue Fund	202,678.81		202,678.81
Capital Projects Fund	284,376.13		284,376.13
Debt Service Fund	60,239.89		60,239.89
Enterprise Fund	86,198.25	(12,834.80)	73,363.45
Fiduciary Fund	129,737.49	(32,018.32)	97,719.17
	<u>\$ 2,815,472.82</u>	<u>(\$231,546.69)</u>	<u>\$ 2,583,926.13</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2012, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$500,000.00 was covered by Federal Depository Insurance and \$ 2,315,472.82 was covered under the provisions of NJGUDPA.

Investments

The purchase of investments by the Board is strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

At June 30, 2012, the District had no outstanding investments.

Based upon the limitation set forth by New Jersey Statutes 18A:20-37 and its existing investment practices, the District is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risks for its deposits and investments.

NOTE 3: CHANGE IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Ending Balance</u>
Governmental activities:			
Capital assets that are not depreciated:			
Land	\$ 967,773.00	\$ _____	\$ 967,773.00
Total capital assets that are not depreciated	<u>\$ 967,773.00</u>	<u>\$ _____</u>	<u>\$ 967,773.00</u>
Capital assets being depreciated:			
Site improvements	\$ 608,882.00	\$ _____	\$ 608,882.00
Building and building improvements	30,215,902.49	1,045,344.98	31,261,247.47
Machinery and equipment	3,509,883.85	16,208.96	3,526,092.81
Total capital assets being depreciated	<u>\$ 34,334,668.34</u>	<u>\$ 1,061,553.94</u>	<u>\$ 35,396,222.28</u>
Total gross assets	<u>\$ 35,302,441.34</u>	<u>\$ 1,061,553.94</u>	<u>\$ 36,363,995.28</u>
Less: accumulated depreciation for:			
Site improvements	\$ (352,880.00)	\$ (25,779.00)	\$ (378,659.00)
Building and building improvements	(6,939,132.00)	(731,750.25)	(7,670,882.25)
Machinery and equipment	(2,859,904.00)	(319,257.60)	(3,179,161.60)
	<u>\$ (10,151,916.00)</u>	<u>\$ (1,076,786.85)</u>	<u>\$ (11,228,702.85)</u>
Governmental activities capital assets, net	<u>\$ 25,150,525.34</u>	<u>\$ (15,232.91)</u>	<u>\$ 25,135,292.43</u>
Business type activities:			
Machinery and equipment	\$ 100,421.00	\$ 22,351.00	\$ 122,772.00
Less: accumulated depreciation	<u>(52,321.00)</u>	<u>(7,605.72)</u>	<u>(59,926.72)</u>
Proprietary fund capital assets, net	<u>\$ 48,100.00</u>	<u>\$ 14,745.28</u>	<u>\$ 62,845.28</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 3: CHANGE IN CAPITAL ASSETS (CONTINUED)

Depreciation was charged to the following expense functions of the district:

Instruction:	
Regular	\$ 107,678.69
Special	107,678.69
Other	107,678.69
Support Services:	
Student & Instruction related services	107,678.69
General administrative services	107,678.69
School administrative services	107,678.69
Central services	107,678.69
Administration information technology	107,678.69
Plant operations & maintenance	107,678.69
Transportation	<u>107,678.64</u>
 Total Depreciation Expenses, Governmental Activities	 \$ <u><u>1,076,786.85</u></u>

NOTE 4: LONG-TERM DEBT

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 4: LONG-TERM DEBT (CONTINUED)

The Board has entered into various capital leases for copier equipment and school buses. The following is a schedule of the future minimum lease payments under capital leases, and the present value of the net minimum lease payments at June 30, 2012:

	<u>Balance</u> <u>6/30/11</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>6/30/12</u>	<u>Due Within</u> <u>One Year</u>
Bonds	\$18,869,000.00	\$17,375,000.00	\$18,779,000.00	\$17,465,000.00	\$800,000.00
Original Issue Premium		1,741,419.45		1,741,419.45	
Deferred Amount on Refunding		(1,220,511.00)		(1,220,511.00)	
Early Retirement Incentive Plan	251,527.66		17,157.69	234,369.97	18,573.22
Capital Leases	291,880.77		111,852.65	180,028.12	114,373.39
Compensated Absences	<u>123,948.22</u>	<u>9,134.09</u>	<u> </u>	<u>133,082.31</u>	<u> </u>
Totals	<u>\$19,536,356.65</u>	<u>\$ 530,042.54</u>	<u>\$ 1,533,010.34</u>	<u>\$18,533,388.85</u>	<u>\$932,946.61</u>

Capital Leases Payable:

The Board has entered into various capital leases for copier equipment and school buses. The following is a schedule of the future minimum lease payments under capital leases, and the present value of the net minimum lease payments at June 30, 2012.

<u>Year</u>	<u>Amount</u>
2012-2013	\$ 120,942.82
2013-2014	39,478.93
2014-2015	20,512.14
2015-2016	<u>9,395.04</u>
Total Minimum Lease Payments	\$ 190,328.93
Less: Amounts Representing Interest	<u>10,300.81</u>
Present Value of Minimum Lease Payments	<u>\$ 180,028.12</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 4: LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all debt outstanding as of June 30, 2012, including interest payments on issued debt, are as follows:

Fiscal Year Ended <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 800,000.00	\$ 697,625.00	\$ 1,497,625.00
2014	830,000.00	666,875.00	1,496,875.00
2015	860,000.00	641,975.00	1,501,975.00
2016	890,000.00	616,175.00	1,506,175.00
2017	920,000.00	589,475.00	1,509,475.00
2018	960,000.00	552,675.00	1,512,675.00
2019	1,005,000.00	514,275.00	1,519,275.00
2020	1,045,000.00	474,075.00	1,519,075.00
2021	1,095,000.00	432,275.00	1,527,275.00
2022	1,130,000.00	388,475.00	1,518,475.00
2023	1,175,000.00	343,275.00	1,518,275.00
2024	1,230,000.00	295,400.00	1,525,400.00
2025	1,290,000.00	233,900.00	1,523,900.00
2026	1,355,000.00	169,400.00	1,524,400.00
2027	1,410,000.00	115,200.00	1,525,200.00
2028	<u>1,470,000.00</u>	<u>58,800.00</u>	<u>1,528,800.00</u>
	\$ <u>17,465,000.00</u>	\$ <u>6,789,875.00</u>	\$ <u>24,254,875.00</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 4: LONG-TERM DEBT (CONTINUED)

The Bonds Issued and Outstanding at year end are comprised of the following issues:

School Bonds

\$21,707,000.00 of 2003 School Bonds partially refunded in FY 2012 due in annual installments of \$600,000.00 through May 2013 at an interest rate of 4.125%.	\$ 600,000.00
\$8,200,000.00 of 2011 Refunding School Bonds due in annual installments of \$200,000.00 to \$1,095,000.00 through January 2021 at variable interest rates of 3.0% to 4.0%.	7,805,000.00
\$9,175,000.00 of 2012 Refunding School Bonds due in annual installments of \$1,130,000.00 to \$1,470,000.00 through May 2028 at variable interest rates of 3.5% to 5.0%.	<u>9,060,000.00</u>
	<u>\$ 17,465,000.00</u>

Under New Jersey Statutes the District may incur debt in an amount not to exceed 3% of the averaged equalized valuation basis of real property. For the fiscal year ended June 30, 2012, the District borrowing capacity under N.J.S. 18A:24-19 would be as follows:

<u>Year</u>	<u>Equalized Valuation of Real Property</u>
2011	\$1,494,120,146.00
2010	1,488,986,744.00
2009	<u>1,570,717,250.00</u>
	<u>\$4,553,824,140.00</u>
Average equalized valuation of property	\$1,517,941,380.00
School borrowing margin (3% of \$1,517,941,380.00)	45,538,241.40
Net bonded school debt as of June 30, 2012	<u>17,465,000.00</u>
School borrowing power available	<u>\$28,073,241.40</u>

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 5: 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 Teachers' 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 provision 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 of 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 55 and are generally determined to be 1/55 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).

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 5: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions - 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 provides 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 contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the member's accounts.

Significant Legislation – Chapter 103, P.L. 2007 changed the contribution rate of the TPAF and PERS to 5.5% of annual compensation; imposed an annual maximum contribution base for members hired on or after July 1, 2007; and amended the early retirement reduction formula for new members. Any members of the system enrolled on or after July 1, 2007 must be at least 60 years of age in order to retire without a reduction in their retirement allowance. In addition, the funding of the postretirement medical benefits through the TPAF was eliminated. Chapter 92, P.L. 2007 changed the pension loan interest rate to 4.69% per annum. The legislation also removed language from the existing law that permitted the State Treasurer to reduce employer pension contributions needed to fund the system when excess assets are available.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions 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 TPAF.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 5: PENSION PLANS (CONTINUED)

Contribution Requirements (Continued)

<u>Year</u> <u>June 30,</u>	<u>Three-Year Trend Information for PERS</u>		<u>Net Pension</u> <u>Obligation</u>
	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	
2012	\$ 229,410.00	100.00%	\$ 229,410.00
2011	218,302.00	100.00%	174,837.00
2010	174,837.00	100.00%	174,837.00

During the fiscal years ended June 30, 2012, 2011, and 2010, the State of New Jersey did not contribute to the TPAF pension system on behalf of the District.

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$427,466.87 during the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

NOTE 6: GASB 45 – OTHER POST-RETIREMENT BENEFITS

For eligible retired employees, the School District participates in the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 *et seq.*, to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 6: GASB 45 – OTHER POST-RETIREMENT BENEFITS (CONTINUED)

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 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 state disability retirement. P.L. 2007, Chapter 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, 2012, there were 93,323 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2012.

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2012, 2011, and 2010 were \$586,745, \$382,967, and \$367,174, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 7: LITIGATION

The Board attorney's letter advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the Board of Education and which might materially affect the Board's financial position.

NOTE 8: CONTINGENCIES

The Board receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2011-2012 fiscal year were subject to the U.S. OMB A-133 and New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the Board's annual audit. Findings and questioned costs, if any, relative to federal awards and state financial assistance programs will be discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. Further, the School Child Nutrition Program is a recipient of federal reimbursements and is subject to certain related federal regulations. These federal reimbursements are subject to subsequent audit and interpretation by the New Jersey Department of Education. The Board management does not believe such an audit would result in material amounts of disallowed costs.

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. The District maintains commercial coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

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 to the State. The following table 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 and previous two years:

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Board & Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011-12	\$ 19.25	\$ 98,126.17	\$ 74,899.77	\$ 31,136.89
2010-11		152,232.02	144,405.94	7,891.24
2009-10	6.89	80,057.25	89,695.54	65.16

NOTE 10: FUND BALANCE APPROPRIATED

General Fund - Of the \$2,645,127.72 in General Fund Balance at June 30, 2012, \$229,037.91 has been committed for year-end encumbrances; \$539,231.33 has been restricted in the Capital Reserve Account; \$982,262.50 has been restricted as excess surplus; \$313,993.76 has been restricted as excess surplus - subsequent years' expenditures; \$38,820.24 has been committed for subsequent year expenditures, and \$541,781.98 is unassigned.

NOTE 11: CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c73 (S1701), the designation for Reserved Fund Balance Excess Surplus is a required calculation pursuant to the New Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance resulting from the year ended June 30, 2012 is \$982,262.50.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 11: CALCULATION OF EXCESS SURPLUS (CONTINUED)

General Fund Expenditures	
Fiscal Year Ended June 30, 2012	\$20,588,110.87
Less:	
On-Behalf TPAF Pension and Social Security Reimbursement and Assets Acquired Under Capital Leases	1,014,211.87
Adjusted General Fund Expenditures	19,573,899.00
Excess Surplus Percentage	2.00%
2% of Adjusted 2011-12 General Fund Expenditures	391,477.98
Add: Allowable Adjustments	220,345.00
Maximum Unreserved/Undesignated Fund Balance	611,822.98
Total Unreserved/Undesignated Fund Balance	1,594,085.48
General Fund Expenditures:	
Excess Surplus	\$982,262.50

NOTE 12: CAPITAL RESERVE ACCOUNT

A capital reserve account was originally established by the Township of Green Brook School District by inclusion of \$1.00 in the fiscal year 2001 budget, 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. The balance remaining in the reserve as of June 30, 2012 is \$539,231.33.

Funds 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.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 12: CAPITAL RESERVE ACCOUNT (CONTINUED)

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

Beginning balance, July 1, 2011		\$288,082.80
Increased by:		
Interest earnings	\$1,148.53	
Designated per board resolution	<u>250,000.00</u>	
		<u>251,148.53</u>
Ending balance, June 30, 2012		<u><u>\$539,231.33</u></u>

NOTE 13: DEFERRED COMPENSATION

The District offers its employees a choice of the deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. Since the District does not have any property or rights to the plan assets and no fiduciary relationship exists between the District and the deferred compensation plan, the plan assets are not included in the District's financial statements as of June 30, 2012.

NOTE 14: INTERFUNDS

The following interfund balances remained on the District's balance sheet at June 30, 2012:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$628,608.16	\$12,216.20
Special Revenue Fund		243,082.59
Capital Projects Fund		385,399.78
Enterprise Fund	12,216.20	
Fiduciary Fund		125.79
	<u>\$640,824.36</u>	<u>\$640,824.36</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between the funds were made.

Township of Green Brook School District
Notes to the Financial Statements
June 30, 2012

NOTE 15: INVENTORY

Inventory in the Food Service Fund at June 30, 2012 consisted of the following:

Food and Supplies	<u>\$4,860.50</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION – Part II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Local sources:					
Local tax levy	\$ 19,411,783.00	\$	\$ 19,411,783.00	\$ 19,411,783.00	\$
Tuition	60,372.00		60,372.00	77,721.05	17,349.05
Transportation fees from other LEA's	55,871.00		55,871.00	125,045.30	69,174.30
Unrestricted miscellaneous	90,000.00		90,000.00	76,407.76	(13,592.24)
Interest earned on capital reserve				1,148.53	1,148.53
Total revenues-local sources	\$ 19,618,026.00	\$	\$ 19,618,026.00	\$ 19,692,105.64	\$ 74,079.64
State sources:					
Categorical special education aid	\$ 550,293.00	\$ 178,150.00	\$ 728,443.00	\$ 728,443.00	\$
Categorical security aid		30,272.00	30,272.00	30,272.00	
Extraordinary aid				202,597.00	202,597.00
Non-public transportation aid				17,748.00	17,748.00
On-behalf TPAF pension contribution (non-budgeted)				586,745.00	586,745.00
Reimbursed TPAF social security cont. (non-budgeted)				427,466.87	427,466.87
Total - state sources	\$ 550,293.00	\$ 208,422.00	\$ 758,715.00	\$ 1,993,271.87	\$ 1,234,556.87
Federal sources:					
Education jobs funds	\$	\$ 36,785.64	\$ 36,785.64	\$ 36,785.64	\$
Total - federal sources	\$	\$ 36,785.64	\$ 36,785.64	\$ 36,785.64	\$
Total revenues	\$ 20,168,319.00	\$ 245,207.64	\$ 20,413,526.64	\$ 21,722,163.15	\$ 1,308,636.51
EXPENDITURES:					
CURRENT EXPENSE:					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	\$ 241,760.00	\$ 15,261.46	\$ 257,021.46	\$ 244,171.23	\$ 12,850.23
Grades 1-5	1,943,000.00	4,954.27	1,947,954.27	1,944,214.48	3,739.79
Grades 6-8	1,515,749.00	39,407.00	1,555,156.00	1,540,192.23	14,963.77
Regular programs - home instruction:					
Salaries of teachers	5,000.00		5,000.00	3,420.00	1,580.00
Purchased professional and education services	355,000.00	(355,000.00)			
Regular programs - undistributed instruction:					
Other salaries for instruction	36,720.00	(15,000.00)	21,720.00	11,560.00	10,160.00
Other purchased services	45,000.00		45,000.00	32,619.00	12,381.00
General supplies	264,851.00	(10,345.05)	254,505.95	202,806.94	51,699.01
Textbooks	41,034.00	(1,333.31)	39,700.69	25,636.51	14,064.18
Total regular programs	\$ 4,448,114.00	\$ (322,055.63)	\$ 4,126,058.37	\$ 4,004,620.39	\$ 121,437.98

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Learning and/or language disabilities:					
Salaries of teachers	\$ 102,400.00	\$ 51,756.89	\$ 154,156.89	\$ 153,657.85	\$ 499.04
Other salaries for instruction		80,212.44	80,212.44	80,212.44	
General supplies	6,215.00		6,215.00	2,401.17	3,813.83
Total neurologically impaired	\$ 108,615.00	\$ 131,969.33	\$ 240,584.33	\$ 236,271.46	\$ 4,312.87
Resource room:					
Salaries of teachers	\$ 673,355.00	\$ (150,355.49)	\$ 522,999.51	\$ 522,339.47	\$ 660.04
Other salaries for instruction		200,040.54	200,040.54	198,881.43	1,159.11
General supplies	3,169.00	3,400.00	6,569.00	1,912.95	4,656.05
Textbooks	273.00		273.00	73.00	200.00
Total resource room	\$ 676,797.00	\$ 53,085.05	\$ 729,882.05	\$ 723,206.85	\$ 6,675.20
Autism:					
Salaries of teachers	\$ 51,475.00	\$ 937.94	\$ 52,412.94	\$ 51,943.97	\$ 468.97
Salaries of other professional staff		28,006.64	28,006.64	26,370.46	1,636.18
Purchased professional - educational services	15,000.00	(2,308.00)	12,692.00	6,544.52	6,147.48
Purchased technical services	1,500.00		1,500.00		1,500.00
General supplies	4,222.00		4,222.00	4,222.00	
Other objects	845.00		845.00	652.20	192.80
Total autism	\$ 73,042.00	\$ 26,636.58	\$ 99,678.58	\$ 89,733.15	\$ 9,945.43
Preschool disabilities-part-time:					
Salaries of teachers	\$ 41,175.00	\$ 41,446.00	\$ 82,621.00	\$ 82,191.75	\$ 429.25
Other salaries for instruction		24,905.00	24,905.00	24,406.20	498.80
General supplies	668.00	1,500.00	2,168.00	668.00	1,500.00
Total preschool handicapped - part- time	\$ 41,843.00	\$ 67,851.00	\$ 109,694.00	\$ 107,265.95	\$ 2,428.05
Total special education	\$ 900,297.00	\$ 279,541.96	\$ 1,179,838.96	\$ 1,156,477.41	\$ 23,361.55
Basic skills/remedial:					
Salaries of teachers	\$ 15,537.00	\$ 58,563.00	\$ 74,100.00	\$ 73,584.50	\$ 515.50
General supplies	4,550.00		4,550.00	260.70	4,289.30
Total basic skills/remedial	\$ 20,087.00	\$ 58,563.00	\$ 78,650.00	\$ 73,845.20	\$ 4,804.80
Bilingual education:					
Salaries of teachers	\$ 29,512.00	\$ (5,188.27)	\$ 24,323.73	\$ 23,836.45	\$ 487.28
General supplies	2,436.00	(1,000.00)	1,436.00		1,436.00
Total bilingual education	\$ 31,948.00	\$ (6,188.27)	\$ 25,759.73	\$ 23,836.45	\$ 1,923.28

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
School sponsored cocurricular activities:					
Salaries	\$ 23,017.00	\$	\$ 23,017.00	\$ 3,084.10	\$ 19,932.90
Supplies and materials	2,005.00		2,005.00		2,005.00
Total school sponsored cocurricular activities	\$ 25,022.00	\$	\$ 25,022.00	\$ 3,084.10	\$ 21,937.90
School sponsored athletics:					
Salaries	\$ 41,398.00	\$	\$ 41,398.00	\$ 36,687.50	\$ 4,710.50
Purchased services	2,300.00	(194.00)	2,106.00	2,008.75	97.25
Supplies and materials	6,474.00		6,474.00	6,235.90	238.10
Other objects	5,000.00	280.00	5,280.00	4,079.30	1,200.70
Total school sponsored athletics	\$ 55,172.00	\$ 86.00	\$ 55,258.00	\$ 49,011.45	\$ 6,246.55
Other instructional programs:					
Salaries	\$ 89,951.00	\$ 4,745.92	\$ 94,696.92	\$ 80,807.88	\$ 13,889.04
Supplies and materials	3,870.00		3,870.00		3,870.00
Total other instructional programs	\$ 93,821.00	\$ 4,745.92	\$ 98,566.92	\$ 80,807.88	\$ 17,759.04
Community service programs:					
Supplies and materials	\$ 1,000.00	\$	\$ 1,000.00	\$	\$ 1,000.00
Total community service programs	\$ 1,000.00	\$	\$ 1,000.00	\$	\$ 1,000.00
Total other instructional programs	\$ 227,050.00	\$ 57,206.65	\$ 284,256.65	\$ 230,585.08	\$ 53,671.57
Total - instruction	\$ 5,575,461.00	\$ 14,692.98	\$ 5,590,153.98	\$ 5,391,682.88	\$ 198,471.10
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state-regular	\$ 5,801,710.00	\$ 9,717.00	\$ 5,811,427.00	\$ 5,811,288.64	\$ 138.36
Tuition to other LEA's within the state-special	262,400.00	(262,400.00)			
Tuition to county voc. school district-regular		264,500.00	264,500.00	264,416.00	84.00
Tuition to county voc. school district-special	24,612.00		24,612.00	21,728.00	2,884.00
Tuition to priv. school for the disabled within the state	715,128.00	(53,177.00)	661,951.00	444,044.44	217,906.56
Total undistributed expenditures - instruction	\$ 6,803,850.00	\$ (41,360.00)	\$ 6,762,490.00	\$ 6,541,477.08	\$ 221,012.92
Attendance and social work:					
Salaries	\$	\$ 43,979.16	\$ 43,979.16	\$ 43,979.16	\$
Total attendance and social work	\$	\$ 43,979.16	\$ 43,979.16	\$ 43,979.16	\$
Health services:					
Salaries	\$ 193,742.00	\$ 14,252.04	\$ 207,994.04	\$ 208,849.20	\$ (855.16)
Purchased professional and technical services	45,800.00		45,800.00	33,563.25	12,236.75
Supplies and materials	8,118.00	1,581.00	9,699.00	8,154.57	1,544.43
Total health services	\$ 247,660.00	\$ 15,833.04	\$ 263,493.04	\$ 250,567.02	\$ 12,926.02

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Other support services - student related services:					
Salaries	\$ 167,748.00	\$ 2,399.32	\$ 170,147.32	\$ 167,545.62	\$ 2,601.70
Purchased professional - educational services	1,700.00	1,700.00	3,400.00	3,400.00	
Supplies and materials	2,985.00	169.90	3,154.90	3,113.04	41.86
Total other support services - students related services	\$ 172,433.00	\$ 4,269.22	\$ 176,702.22	\$ 174,058.66	\$ 2,643.56
Other support services - students - regular:					
Salaries of other professional staff	\$ 84,737.00	\$ 28,869.37	\$ 113,606.37	\$ 113,703.87	\$ (97.50)
Supplies and materials	1,195.00		1,195.00	695.00	500.00
Total other support services - students - regular	\$ 85,932.00	\$ 28,869.37	\$ 114,801.37	\$ 114,398.87	\$ 402.50
Other support services - students - special services:					
Salaries of other professional staff	\$ 265,225.00	\$ (10,722.56)	\$ 254,502.44	\$ 215,466.90	\$ 39,035.54
Salaries of secretarial and clerical assistants	2,507.00	21,989.58	24,496.58	21,989.58	2,507.00
Other purchased professional-educational services	3,000.00	(1,000.00)	2,000.00	1,325.91	674.09
Misc. purchased services	3,000.00		3,000.00	1,480.38	1,519.62
Supplies and materials	7,000.00	(500.00)	6,500.00	4,707.71	1,792.29
Total other support services - students - special services	\$ 280,732.00	\$ 9,767.02	\$ 290,499.02	\$ 244,970.48	\$ 45,528.54
Improvement of instructional services:					
Salaries of other professional staff	\$ 4,000.00	\$ (1,120.00)	\$ 2,880.00	\$ 2,880.00	\$
Salaries of secretarial and clerical assistants	2,040.00	(700.00)	1,340.00	1,330.00	10.00
Other purchased services	78,175.00	(17,064.00)	61,111.00	60,376.43	734.57
Supplies and materials	139,476.00	137,384.64	276,860.64	250,593.38	26,267.26
Other objects	1,400.00	(1,400.00)			
Total improvement of instructional services	\$ 225,091.00	\$ 117,100.64	\$ 342,191.64	\$ 315,179.81	\$ 27,011.83
Educational media services/school library:					
Salaries	\$ 113,518.00	\$ 295.13	\$ 113,813.13	\$ 113,813.13	\$
Salaries of technology coordinator	85,337.00		85,337.00	71,964.37	13,372.63
Supplies and materials	41,014.00	(212.88)	40,801.12	31,278.85	9,522.27
Total educational media services/school library	\$ 239,869.00	\$ 82.25	\$ 239,951.25	\$ 217,056.35	\$ 22,894.90
Instructional staff training services:					
Salaries of other professional staff	\$ 25,895.00	\$ (21,739.08)	\$ 4,155.92	\$ 1,774.00	\$ 2,381.92
Purchased professional - educational services	37,000.00	12,248.50	49,248.50	34,196.36	15,052.14
Supplies and materials	2,200.00	(1,500.00)	700.00	220.00	480.00
Total instructional staff training services	\$ 65,095.00	\$ (10,990.58)	\$ 54,104.42	\$ 36,190.36	\$ 17,914.06

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Support services general administration:					
Salaries	\$ 178,967.00	\$ 77,829.72	\$ 256,796.72	\$ 247,951.72	\$ 8,845.00
Legal services	55,000.00	(25,045.50)	29,954.50	29,954.50	
Audit fees	29,107.00	(11,532.00)	17,575.00	17,575.00	
Other purchased professional services	63,960.00	77,005.17	140,965.17	53,384.30	87,580.87
Communications/telephone	4,000.00	(2,610.00)	1,390.00	1,390.00	
Other purchased services	5,000.00	(2,000.00)	3,000.00	2,825.14	174.86
Other purchased services	42,500.00	(18,731.00)	23,769.00	23,289.00	480.00
General supplies	3,500.00	(1,521.00)	1,979.00	1,808.35	170.65
Judgment against the school district		2,000.00	2,000.00	2,000.00	
Miscellaneous expenditures	7,600.00	(3,841.00)	3,759.00	3,758.50	0.50
BOE membership dues and fees	10,993.00	(500.00)	10,493.00	10,235.96	257.04
Total support services general administration	\$ 400,627.00	\$ 91,054.39	\$ 491,681.39	\$ 394,172.47	\$ 97,508.92
Support services school administration:					
Salaries of principals/asst. principals	\$ 369,020.00	\$ 8,278.00	\$ 377,298.00	\$ 376,954.84	\$ 343.16
Salaries of secretarial and clerical assistants		132,209.58	132,209.58	132,209.58	
Other salaries	15,936.00		15,936.00	10,305.96	5,630.04
Purchased professional and technical services	105,000.00	(104,200.00)	800.00	769.50	30.50
Other purchased services	24,800.00	2,515.79	27,315.79	13,556.42	13,759.37
Supplies and materials	10,856.00	1,902.96	12,758.96	8,483.57	4,275.39
Other objects	6,830.00		6,830.00	5,014.46	1,815.54
Total support services school administration	\$ 532,442.00	\$ 40,706.33	\$ 573,148.33	\$ 547,294.33	\$ 25,854.00
Central services:					
Salaries	\$ 234,013.00	\$ 12,263.46	\$ 246,276.46	\$ 245,939.06	\$ 337.40
Misc. purchased services	22,250.00	(14,916.44)	7,333.56	7,333.56	
Supplies and materials	11,000.00	(2,826.82)	8,173.18	8,173.18	
Interest on lease purchase agreements		16,244.12	16,244.12	16,244.11	0.01
Miscellaneous expenditures	2,143.00	(1,640.00)	503.00	498.00	5.00
Total central services:	\$ 269,406.00	\$ 9,124.32	\$ 278,530.32	\$ 278,187.91	\$ 342.41
Admin. info. technology:					
Salaries	\$ 22,612.00	\$	\$ 22,612.00	\$ 22,612.00	\$
Other purchased services	59,024.00	21,946.08	80,970.08	80,970.08	
Total admin. info. technology	\$ 81,636.00	\$ 21,946.08	\$ 103,582.08	\$ 103,582.08	\$
Central services and admin. Info. technology	\$ 351,042.00	\$ 31,070.40	\$ 382,112.40	\$ 381,769.99	\$ 342.41

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Required maintenance for school facilities:					
Salaries	\$ 61,500.00	\$ 7,875.98	\$ 69,375.98	\$ 68,115.98	\$ 1,260.00
Cleaning, repair and maintenance services	153,600.00	(11,342.83)	142,257.17	100,622.26	41,634.91
General supplies	35,000.00	17,134.46	52,134.46	38,637.42	13,497.04
Total required maintenance for school facilities	\$ 250,100.00	\$ 13,667.61	\$ 263,767.61	\$ 207,375.66	\$ 56,391.95
Other operation and maint. of plant :					
Salaries	\$ 8,000.00	\$ 283,460.34	\$ 291,460.34	\$ 289,282.71	\$ 2,177.63
Purchased professional and technical services	415,000.00	(410,000.00)	5,000.00	2,995.00	2,005.00
Cleaning, repair and maint. services	43,000.00		43,000.00	29,715.72	13,284.28
Other purchased property services	28,000.00		28,000.00	17,843.40	10,156.60
Insurance	77,500.00	(9,345.00)	68,155.00	68,155.00	
General supplies	29,000.00	(40.00)	28,960.00	4,282.58	24,677.42
Energy (natural gas)	229,500.00	(3,475.00)	226,025.00	65,693.06	160,331.94
Energy (electricity)	325,000.00	2,515.00	327,515.00	229,905.94	97,609.06
Other objects	800.00		800.00	400.00	400.00
Total other operation and maint. of plant	\$ 1,155,800.00	\$ (136,884.66)	\$ 1,018,915.34	\$ 708,273.41	\$ 310,641.93
Care and upkeep of grounds:					
Salaries	\$	\$ 92,187.00	\$ 92,187.00	\$ 89,769.94	\$ 2,417.06
Purchased professional and technical services	35,188.00	(9,070.00)	26,118.00		26,118.00
General supplies	50,000.00	67,052.56	117,052.56	80,632.01	36,420.55
	\$ 85,188.00	\$ 150,169.56	\$ 235,357.56	\$ 170,401.95	\$ 64,955.61
Operation and maintenance of plant services	\$ 1,491,088.00	\$ 26,952.51	\$ 1,518,040.51	\$ 1,086,051.02	\$ 431,989.49

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Student transportation services:					
Salaries of non-instructional aides	\$ 73,060.00	\$ (58,060.00)	\$ 15,000.00	\$ 13,468.72	\$ 1,531.28
Salaries for pupil transportation (between home and school) - regular		460,365.66	460,365.66	427,171.46	33,194.20
Salaries for pupil transportation (between H&S) Special education	251,225.00	(30,675.65)	220,549.35	204,804.81	15,744.54
Salaries for pupil transportation (between H&S) - non-public school		10,000.00	10,000.00	9,123.06	876.94
Management fee - ESC & CTSA	9,500.00	(4,800.00)	4,700.00	2,839.75	1,860.25
Other purchased professional and tech services		3,800.00	3,800.00	3,800.00	
Lease purchase payments - school buses		78,143.68	78,143.68	78,143.36	0.32
Contracted services - aid in lieu of payments	85,000.00	(13,396.00)	71,604.00	68,539.46	3,064.54
Contracted services - (between home and school) - vendors	630,000.00	(629,948.05)	51.95		51.95
Contracted services (other than between home and school) - vendors	10,500.00	(6,000.00)	4,500.00	1,891.19	2,608.81
Contracted services (between home & school) - joint agreements		56,346.00	56,346.00	56,260.86	85.14
Contracted services (special ed. students) - joint agreements		9,540.00	9,540.00	9,540.00	
Miscellaneous purchased services	18,000.00	7,050.00	25,050.00	25,012.15	37.85
General supplies		17,264.05	17,264.05	16,766.76	497.29
Transportation supplies	50,950.00	212,347.23	263,297.23	262,498.00	799.23
Total student transportation services	\$ 1,128,235.00	\$ 111,976.92	\$ 1,240,211.92	\$ 1,179,859.58	\$ 60,352.34
Unallocated benefits - employee benefits:					
Social security contributions	\$ 218,107.00	\$ (451.00)	\$ 217,656.00	\$ 198,598.07	\$ 19,057.93
T.P.A.F. contributions - ERIP	45,000.00	(6,777.36)	38,222.64	38,222.64	
DCRP contributions - employer	85,000.00	152,151.00	237,151.00	236,560.35	590.65
Unemployment compensation	400,000.00	(197,682.64)	202,317.36	75,000.00	127,317.36
Workers compensation	110,000.00		110,000.00	105,719.00	4,281.00
Health benefits	1,848,341.00	18,978.03	1,867,319.03	1,832,685.92	34,633.11
Tuition reimbursements		10,000.00	10,000.00	9,999.00	1.00
Other employee benefits	1,000.00		1,000.00	340.50	659.50
Total unallocated benefits - employee benefits:	\$ 2,707,448.00	\$ (23,781.97)	\$ 2,683,666.03	\$ 2,497,125.48	\$ 186,540.55
On-behalf TPAF pension contribution (non-budgeted)	\$	\$	\$	\$ 586,745.00	\$ (586,745.00)
Reimbursed TPAF social security cont. (non-budgeted)	\$	\$	\$	\$ 427,466.87	\$ (427,466.87)
Total undistributed expenditures	\$ 14,731,544.00	\$ 445,528.70	\$ 15,177,072.70	\$ 15,038,362.53	\$ 138,710.17
TOTAL EXPENDITURES - CURRENT EXPENSE	\$ 20,307,005.00	\$ 460,221.68	\$ 20,767,226.68	\$ 20,430,045.41	\$ 337,181.27

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS/ ENCUMBRANCES	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
CAPITAL OUTLAY:					
Equipment:					
Undistributed expend:					
Support services - instructional staff	\$	\$ 3,599.00	\$ 3,599.00	\$ 3,599.00	\$
Security equipment		12,609.96	12,609.96	12,609.96	
Total equipment	\$	\$ 16,208.96	\$ 16,208.96	\$ 16,208.96	\$
Facilities acquisition and construction services:					
Lease purchase agreements - principal	\$ 120,000.00	\$ (6,208.96)	\$ 113,791.04	\$ 100,542.50	\$ 13,248.54
Other objects	41,314.00		41,314.00	41,314.00	
Total facilities acquis. and const. services	\$ 161,314.00	\$ (6,208.96)	\$ 155,105.04	\$ 141,856.50	\$ 13,248.54
TOTAL CAPITAL OUTLAY	\$ 161,314.00	\$ 10,000.00	\$ 171,314.00	\$ 158,065.46	\$ 13,248.54
GENERAL FUND GRAND TOTAL	\$ 20,468,319.00	\$ 470,221.68	\$ 20,938,540.68	\$ 20,588,110.87	\$ 350,429.81
Excess (deficiency) of revenues					
Over (under) expenditures	\$ (300,000.00)	\$ (225,014.04)	\$ (525,014.04)	\$ 1,134,052.28	\$ 1,659,066.32
Other financing sources (uses):					
Operating transfers in - capital projects fund interest	\$	\$	\$	\$ 934.78	\$ 934.78
Operating transfers in - capital projects fund				300,000.00	300,000.00
Total other financing sources (uses)	\$	\$	\$	\$ 300,934.78	\$ 300,934.78
Excess (deficiency) of revenues and other financing sources					
Over(under) expenditures and other financing sources(uses)	\$ (300,000.00)	\$ (225,014.04)	\$ (525,014.04)	\$ 1,434,987.06	\$ 1,960,001.10
Fund balance, July 1	\$	\$	\$ 1,280,181.66	\$ 1,280,181.66	\$
Fund balance, June 30	\$ (300,000.00)	\$ (225,014.04)	\$ 755,167.62	\$ 2,715,168.72	\$ 1,960,001.10
Recapitulation:					
Reserve for encumbrances				\$ 229,037.91	
Capital reserve				539,231.33	
Excess fund balance - designated for subsequent year's expenditures				313,993.76	
Excess surplus - current year				982,262.50	
Unrestricted - designated for subsequent year's expenditures				38,820.24	
Unrestricted Fund Balance				611,822.98	
				\$ 2,715,168.72	
Reconciliation to government fund statements					
Last state aid payments not recognized on GAAP basis				(70,041.00)	
Fund balance per governmental funds (GAAP)				\$ 2,645,127.72	

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - EDUCATION JOBS FUND PROGRAM
FOR FISCAL YEARS ENDED JUNE 30, 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
REVENUES:					
Federal sources	\$ _____	\$ 36,785.64	\$ 36,785.64	\$ 36,785.64	\$ 0.00
Total revenues	<u>\$ _____</u>	<u>\$ 36,785.64</u>	<u>\$ 36,785.64</u>	<u>\$ 36,785.64</u>	<u>\$ 0.00</u>
EXPENDITURES:					
Other support services - students - special services:					
Salaries of other professional staff	\$ _____	\$ 36,785.64	\$ 36,785.64	\$ 36,785.64	\$ 0.00
Total expenditures	<u>\$ _____</u>	<u>\$ 36,785.64</u>	<u>\$ 36,785.64</u>	<u>\$ 36,785.64</u>	<u>\$ 0.00</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
REVENUES:					
Federal sources	\$ 180,000.00	\$ 128,628.02	\$ 308,628.02	\$ 306,624.36	\$ 2,003.66
Other sources		20,179.43	20,179.43	17,914.68	2,264.75
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	<u>\$ 180,000.00</u>	<u>\$ 148,807.45</u>	<u>\$ 328,807.45</u>	<u>\$ 324,539.04</u>	<u>\$ 4,268.41</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	\$	\$ 35,197.00	\$ 35,197.00	\$ 35,197.00	\$
Tuition	180,000.00	53,716.00	233,716.00	233,716.00	
General supplies		28,683.51	28,683.51	27,988.47	695.04
Other objects		9,610.25	9,610.25	8,040.57	1,569.68
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total instruction	<u>\$ 180,000.00</u>	<u>\$ 127,206.76</u>	<u>\$ 307,206.76</u>	<u>\$ 304,942.04</u>	<u>\$ 2,264.72</u>
Support services:					
Purchased professional & technical services	\$	\$ 14,310.00	\$ 14,310.00	\$ 14,000.00	\$ 310.00
Personal services - employee benefits		2,602.00	2,602.00	2,602.00	
Other purchased services		200.00	200.00	200.00	
Supplies and materials		4,488.69	4,488.69	2,795.00	1,693.69
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total support services	<u>\$</u>	<u>\$ 21,600.69</u>	<u>\$ 21,600.69</u>	<u>\$ 19,597.00</u>	<u>\$ 2,003.69</u>
Total expenditures	<u>\$ 180,000.00</u>	<u>\$ 148,807.45</u>	<u>\$ 328,807.45</u>	<u>\$ 324,539.04</u>	<u>\$ 4,268.41</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 21,722,163.15	\$ 324,539.04
Difference - budget to GAAP Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and related revenue is recognized.		(1,504.81)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	26,229.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(70,041.00)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 21,678,351.15	\$ 323,034.23
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules	\$ 20,588,110.87	\$ 324,539.04
Difference - 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 purposes		(1,504.81)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 20,588,110.87	\$ 323,034.23

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>IDEA BASIC</u>	<u>IDEA PRESCHOOL</u>	<u>TITLE I PART A</u>	<u>TITLE II PART A</u>	<u>ARRA IDEA BASIC</u>	<u>TEEN ARTS DONATION</u>
REVENUES:						
Federal sources	\$ 234,024.00	\$ 9,514.36	\$ 14,480.00	\$ 11,340.00	\$ 37,266.00	\$
Other sources						706.01
Total revenues	<u>\$ 234,024.00</u>	<u>\$ 9,514.36</u>	<u>\$ 14,480.00</u>	<u>\$ 11,340.00</u>	<u>\$ 37,266.00</u>	<u>\$ 706.01</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers	\$	\$ 7,874.00	\$ 10,000.00	\$	\$ 12,943.00	\$
Tuition	233,716.00					
General supplies	308.00	958.12	1,000.00		24,323.00	
Other objects		80.24				706.01
Total instruction	<u>\$ 234,024.00</u>	<u>\$ 8,912.36</u>	<u>\$ 11,000.00</u>	<u>\$</u>	<u>\$ 37,266.00</u>	<u>\$ 706.01</u>
Support services:						
Other salaries	\$	\$	\$	\$	\$	\$
Purchased professional & technical services			1,000.00	11,000.00		
Personal services - employee benefits		602.00	2,000.00			
Other purchased services				200.00		
Supplies and materials			480.00	140.00		
Total support services	<u>\$</u>	<u>\$ 602.00</u>	<u>\$ 3,480.00</u>	<u>\$ 11,340.00</u>	<u>\$</u>	<u>\$</u>
Facilities acquisition & construction services:						
Instructional Equipment	\$	\$	\$	\$	\$	\$
Total facilities acquisition & construction services	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total expenditures	<u>\$ 234,024.00</u>	<u>\$ 9,514.36</u>	<u>\$ 14,480.00</u>	<u>\$ 11,340.00</u>	<u>\$ 37,266.00</u>	<u>\$ 706.01</u>

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TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>GOTR/ HEALTH</u> <u>IN STEP</u>	<u>WARREN</u> <u>GRANT</u>	<u>TITLE III</u> <u>(CONSORTIUM)</u>	<u>MUNICIPAL</u> <u>ALLIANCE</u>	<u>DONATIONS</u>	<u>RECYCLING</u>
REVENUES:						
Federal sources	\$	\$	\$	\$	\$	\$
Other sources	4,240.45	6,209.47	4,175.00	2,238.48	95.00	150.00
Total revenues	<u>\$ 4,240.45</u>	<u>\$ 6,209.47</u>	<u>\$ 4,175.00</u>	<u>\$ 2,238.48</u>	<u>\$ 95.00</u>	<u>\$ 150.00</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers	\$	\$	\$	\$	\$	\$
Tuition	3,000.00			1,230.00		150.00
General supplies	1,240.45			158.90		
Other objects		6,209.47		849.58	95.00	
Total instruction	<u>\$ 4,240.45</u>	<u>\$ 6,209.47</u>	<u>\$</u>	<u>\$ 2,238.48</u>	<u>\$ 95.00</u>	<u>\$ 150.00</u>
Support services:						
Other salaries	\$	\$	\$	\$	\$	\$
Purchased professional & technical services			2,000.00			
Personal services - employee benefits						
Other purchased services						
Supplies and materials			2,175.00			
Total support services	<u>\$</u>	<u>\$</u>	<u>\$ 4,175.00</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Facilities acquisition & construction services:						
Instructional Equipment	\$	\$	\$	\$	\$	\$
Total facilities acquisition & construction services	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total expenditures	<u>\$ 4,240.45</u>	<u>\$ 6,209.47</u>	<u>\$ 4,175.00</u>	<u>\$ 2,238.48</u>	<u>\$ 95.00</u>	<u>\$ 150.00</u>

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TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>SAFETY</u> <u>PATROL</u>	<u>EXXON</u> <u>GRANT</u>	<u>COMPARATIVE TOTALS</u> <u>(MEMORANDUM ONLY)</u>	
			<u>TOTAL</u> <u>2012</u>	<u>TOTAL</u> <u>2011</u>
REVENUES:				
Federal sources	\$	\$	\$ 306,624.36	\$ 308,373.97
Other sources	0.22	100.05	17,914.68	15,102.97
Total revenues	<u>\$ 0.22</u>	<u>\$ 100.05</u>	<u>\$ 324,539.04</u>	<u>\$ 323,476.94</u>
EXPENDITURES:				
Instruction:				
Salaries of teachers	\$	\$	\$ 35,197.00	\$ 59,171.80
Tuition			233,716.00	
General supplies			27,988.47	1,830.87
Other objects	0.22	100.05	8,040.57	9,292.27
Total instruction	<u>\$ 0.22</u>	<u>\$ 100.05</u>	<u>\$ 304,942.04</u>	<u>\$ 70,294.94</u>
Support services:				
Other salaries	\$	\$	\$	\$ 188,185.00
Purchased professional & technical services			14,000.00	13,545.00
Personal services - employee benefits			2,602.00	40,247.00
Other purchased services			200.00	
Supplies and materials			2,795.00	
Total support services	<u>\$</u>	<u>\$</u>	<u>\$ 19,597.00</u>	<u>\$ 241,977.00</u>
Facilities acquisition & construction services:				
Instructional Equipment	\$	\$	\$	\$ 11,205.00
Total facilities acquisition & construction services	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 11,205.00</u>
Total expenditures	<u>\$ 0.22</u>	<u>\$ 100.05</u>	<u>\$ 324,539.04</u>	<u>\$ 323,476.94</u>

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

REVENUES AND OTHER FINANCING SOURCES:	
Interest earned	\$ <u>934.78</u>
Total revenues and other financing sources	\$ <u>934.78</u>
EXPENDITURES AND OTHER FINANCING USES:	
Legal Services	\$ 21,364.85
Purchased professional and technical services	2,891.11
Construction Services	987,800.53
Operating transfers out - general fund	<u>300,934.78</u>
Total expenditures and other financing uses	\$ <u>1,312,991.27</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (1,312,056.49)
Fund balance - July 1	<u>1,826,884.84</u>
Fund balance - June 30	\$ <u><u>514,828.35</u></u>
<u>Reconciliation to GAAP Basis:</u>	
Encumbrances	\$ 840.00
Deferred revenue	<u>(66,426.96)</u>
Total fund balance - GAAP basis (B-2)	\$ <u><u>449,241.39</u></u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - RECONSTRUCTION OF MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 2,897,486.00	\$	\$ 2,897,486.00	\$
Bond proceeds and transfers	8,461,236.00		8,461,236.00	
Total revenues and other financing sources	\$ 11,358,722.00	\$	\$ 11,358,722.00	\$ 11,358,722.00
EXPENDITURES AND OTHER FINANCING USES:				
Legal services	\$ 101,408.10	\$	\$ 101,408.10	\$
Purchased professional and technical services	1,216,822.73		1,216,822.73	
Construction services	9,732,191.19		9,732,191.19	
Supplies	231,121.15		231,121.15	
Other objects	66,201.01		66,201.01	
Total expenditures and other financing uses	\$ 11,347,744.18	\$	\$ 11,347,744.18	\$ 11,358,722.00
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 10,977.82</u>	<u>\$</u>	<u>\$ 10,977.82</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	SP# 202153			
Grant date	4/9/03			
Bond authorization date	5/15/03			
Bonds authorized	\$8,461,236.00			
Bonds issued	\$8,461,236.00			
Original authorized cost	\$11,358,722.00			
Additional authorized cost	N/A			
Revised authorized cost	\$11,358,722.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	99.90%			

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - RECONSTRUCTION OF IEF SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 3,655,312.00	\$	\$ 3,655,312.00	\$
Bond proceeds and transfers	13,246,415.00		13,246,415.00	
Miscellaneous	950,000.00		950,000.00	
Total revenues and other financing sources	<u>\$ 17,851,727.00</u>	<u>\$</u>	<u>\$ 17,851,727.00</u>	<u>\$ 16,901,727.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Salaries	\$ 23,922.26	\$	\$ 23,922.26	\$
Legal Services	193,889.91		193,889.91	
Purchased professional and technical services	1,705,368.02		1,705,368.02	
Construction services	13,455,258.06		13,455,258.06	
Supplies	277,699.26		277,699.26	
Equipment	629,712.24		629,712.24	
Other Objects	235,040.06		235,040.06	
Transfers to other funds	707,000.00	300,000.00	1,007,000.00	
Total expenditures and other financing uses	<u>\$ 17,227,889.81</u>	<u>\$ 300,000.00</u>	<u>\$ 17,527,889.81</u>	<u>\$ 16,901,727.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 623,837.19</u>	<u>\$ (300,000.00)</u>	<u>\$ 323,837.19</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	SP# 203405			
Grant date	4/9/03			
Bond authorization date	5/15/03			
Bonds authorized	\$13,246,415.00			
Bonds issued	\$13,246,415.00			
Original authorized cost	\$16,901,727.00			
Additional authorized cost	N/A			
Revised authorized cost	\$16,901,727.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	98.19%			

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - AUDITORIUM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 100,366.00	\$	\$ 100,366.00	\$
Transfer from capital outlay	<u>110,550.00</u>	<u> </u>	<u>110,550.00</u>	<u> </u>
Total revenues and other financing sources	<u>\$ 210,916.00</u>	<u>\$</u>	<u>\$ 210,916.00</u>	<u>\$ 210,916.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	<u>\$ 196,130.19</u>	<u>\$</u>	<u>\$ 196,130.19</u>	<u>\$</u>
Total expenditures and other financing uses	<u>\$ 196,130.19</u>	<u>\$</u>	<u>\$ 196,130.19</u>	<u>\$ 210,916.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 14,785.81</u>	<u>\$</u>	<u>\$ 14,785.81</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	SDA# 1810-030-09-OXAG			
Grant date	2/26/09			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$210,916.00			
Additional authorized cost	N/A			
Revised authorized cost	\$210,916.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	92.99%			

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - MECHANICAL SYSTEM UPGRADE-AUDITORIUM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 121,194.00	\$	\$ 121,194.00	\$
Capital lease proceeds	109,075.00		109,075.00	
Transfer from capital reserve	<u>72,716.00</u>		<u>72,716.00</u>	
Total revenues and other financing sources	<u>\$ 302,985.00</u>	<u>\$</u>	<u>\$ 302,985.00</u>	<u>\$ 302,985.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Legal Services	\$ 1,676.41	\$ 4,780.66	\$ 6,457.07	\$
Purchased professional and technical services	26,362.99		26,362.99	
Construction		<u>256,099.13</u>	<u>256,099.13</u>	
Total expenditures and other financing uses	<u>\$ 28,039.40</u>	<u>\$ 260,879.79</u>	<u>\$ 288,919.19</u>	<u>\$ 302,985.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 274,945.60</u>	<u>\$ (260,879.79)</u>	<u>\$ 14,065.81</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	1810-030-10-1001			
Grant date	9/10/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$302,985.00			
Additional authorized cost	N/A			
Revised authorized cost	\$302,985.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	95.36%			

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
 BUDGETARY BASIS - UPGRADE CASEWORK SYSTEMS-SCIENCE & ART ROOMS
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 198,556.00	\$	\$ 198,556.00	\$
Capital lease proceeds	178,700.00		178,700.00	
Transfer from capital reserve	<u>119,134.00</u>		<u>119,134.00</u>	
Total revenues and other financing sources	<u>\$ 496,390.00</u>	<u>\$</u>	<u>\$ 496,390.00</u>	<u>\$ 496,390.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Legal Services	\$ 1,441.83	\$ 8,333.64	\$ 9,775.47	\$
Purchased professional and technical services	51,520.00	2,891.11	54,411.11	
Construction		<u>341,039.53</u>	<u>341,039.53</u>	
Total expenditures and other financing uses	<u>\$ 52,961.83</u>	<u>\$ 352,264.28</u>	<u>\$ 405,226.11</u>	<u>\$ 496,390.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 443,428.17</u>	<u>\$ (352,264.28)</u>	<u>\$ 91,163.89</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	1810-030-10-1002			
Grant date	9/10/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$496,390.00			
Additional authorized cost	N/A			
Revised authorized cost	\$496,390.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	81.63%			

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - MECHANICAL SYSTEMS UPGRADE-GYM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 196,576.00	\$	\$ 196,576.00	\$
Capital lease proceeds	176,919.00		176,919.00	
Transfer from capital reserve	117,946.00		117,946.00	
Total revenues and other financing sources	<u>\$ 491,441.00</u>	<u>\$</u>	<u>\$ 491,441.00</u>	<u>\$ 491,441.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Legal Services	\$ 514.75	\$ 8,250.55	\$ 8,765.30	\$
Purchased professional and technical services	32,016.00		32,016.00	
Construction		390,661.87	390,661.87	
Total expenditures and other financing uses	<u>\$ 32,530.75</u>	<u>\$ 398,912.42</u>	<u>\$ 431,443.17</u>	<u>\$ 491,441.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 458,910.25</u>	<u>\$ (398,912.42)</u>	<u>\$ 59,997.83</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	1810-030-10-1003			
Grant date	9/10/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$491,441.00			
Additional authorized cost	N/A			
Revised authorized cost	\$491,441.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	87.79%			

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

<u>ISSUE / PROJECT TITLE</u>	<u>ORIGINAL DATE</u>	<u>APPROPRIATION</u>	<u>EXPENDITURES TO DATE</u>		<u>(MEMO ONLY) UNEXPENDED BALANCE JUNE 30, 2012</u>
			<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	
Reconstruction of Middle School	1/28/03	\$ 11,358,722.00	\$ 11,347,744.18	\$	\$ 10,977.82
Reconstruction of IEF School	1/28/03	16,901,727.00	16,277,889.81	300,000.00	323,837.19
Auditorium Renovations	2/26/09	210,916.00	196,130.19		14,785.81
Mechanical System Upgrade-Auditorium	9/10/10	302,985.00	28,039.40	260,879.79	14,065.81
Upgrade Casework Systems-Science & Art Rooms	9/10/10	496,390.00	52,961.83	352,264.28	91,163.89
Mechanical System Upgrade-Gym	9/10/10	491,441.00	32,530.75	398,912.42	59,997.83
		<u>\$ 29,762,181.00</u>	<u>\$ 27,935,296.16</u>	<u>\$ 1,312,056.49</u>	<u>\$ 514,828.35</u>

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

Food Services Fund:

This fund provides for the operation of food services within the school district.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2012

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>COMPARATIVE TOTALS</u>	
		<u>2012</u>	<u>2011</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 73,363.45	\$ 73,363.45	\$ 79,461.50
Accounts receivable:			
State	141.33	141.33	414.58
Federal	1,782.05	1,782.05	2,671.42
Interfund	12,216.20	12,216.20	6,603.56
Inventories	4,860.50	4,860.50	6,485.81
	<u>92,363.53</u>	<u>92,363.53</u>	<u>95,636.87</u>
Total current assets	\$ 92,363.53	\$ 92,363.53	\$ 95,636.87
Noncurrent assets:			
Furniture, machinery & equipment	\$ 122,772.00	\$ 122,772.00	\$ 100,421.00
Less accumulated depreciation	<u>(59,926.72)</u>	<u>(59,926.72)</u>	<u>(52,321.00)</u>
	<u>62,845.28</u>	<u>62,845.28</u>	<u>48,100.00</u>
Total noncurrent assets	\$ 62,845.28	\$ 62,845.28	\$ 48,100.00
	<u>155,208.81</u>	<u>155,208.81</u>	<u>143,736.87</u>
Total assets	\$ 155,208.81	\$ 155,208.81	\$ 143,736.87
LIABILITIES:			
Current liabilities:			
Prepaid lunch fees	\$ 4,764.21	\$ 4,764.21	\$ 4,255.13
Deferred revenue	<u>2,266.56</u>	<u>2,266.56</u>	<u>4,142.49</u>
	<u>7,030.77</u>	<u>7,030.77</u>	<u>8,397.62</u>
Total current liabilities	\$ 7,030.77	\$ 7,030.77	\$ 8,397.62
	<u>7,030.77</u>	<u>7,030.77</u>	<u>8,397.62</u>
Total liabilities	\$ 7,030.77	\$ 7,030.77	\$ 8,397.62
NET ASSETS:			
Invested in capital assets - net	\$ 62,845.28	\$ 62,845.28	\$ 48,100.00
Unrestricted	<u>85,332.76</u>	<u>85,332.76</u>	<u>87,239.25</u>
	<u>148,178.04</u>	<u>148,178.04</u>	<u>135,339.25</u>
Total net assets	\$ 148,178.04	\$ 148,178.04	\$ 135,339.25

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>COMPARATIVE TOTALS</u>	
		<u>2012</u>	<u>2011</u>
OPERATING REVENUES:			
Charges for services:			
Lunch sales	\$ 253,913.45	\$ 253,913.45	\$ 237,584.21
Total operating revenues	\$ 253,913.45	\$ 253,913.45	\$ 237,584.21
OPERATING EXPENSES:			
Cost of sales	\$ 130,727.46	\$ 130,727.46	\$ 115,771.41
Salaries	93,189.03	93,189.03	91,166.22
Employee benefits	39,032.75	39,032.75	38,881.28
Other purchased services	24,392.47	24,392.47	20,160.90
Supplies and materials	11,210.59	11,210.59	7,640.17
Depreciation	7,605.72	7,605.72	6,364.00
Total operating expenses	\$ 306,158.02	\$ 306,158.02	\$ 279,983.98
Operating income (loss)	\$ (52,244.57)	\$ (52,244.57)	\$ (42,399.77)
NONOPERATING REVENUES (EXPENSES):			
State sources			
State school lunch program	\$ 3,023.94	\$ 3,023.94	\$ 3,125.70
Federal sources			
National school lunch program	39,261.10	39,261.10	34,915.24
National food distribution commodities	22,798.32	22,798.32	15,254.35
Total nonoperating revenues (expenses)	\$ 65,083.36	\$ 65,083.36	\$ 53,295.29
Net income	\$ 12,838.79	\$ 12,838.79	\$ 10,895.52
Total net assets - beginning	135,339.25	135,339.25	124,443.73
Total net assets - ending	\$ 148,178.04	\$ 148,178.04	\$ 135,339.25

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>COMPARATIVE TOTALS</u>	
		<u>2012</u>	<u>2011</u>
Cash flows from operating activities:			
Receipts from customers	\$ 254,422.53	\$ 254,422.53	\$ 239,309.31
Payments to employees	(93,189.03)	(93,189.03)	(91,166.22)
Payments to employee benefits	(39,032.75)	(39,032.75)	(38,881.28)
Payment to suppliers	<u>(164,705.21)</u>	<u>(164,705.21)</u>	<u>(143,528.53)</u>
Net cash provided (used for) by operating activities	<u>\$ (42,504.46)</u>	<u>\$ (42,504.46)</u>	<u>\$ (34,266.72)</u>
Cash flows from noncapital financing activities:			
State sources	\$ 2,738.28	\$ 2,738.28	\$ 2,975.22
Federal sources	<u>56,019.13</u>	<u>56,019.13</u>	<u>49,510.93</u>
Net cash provided by (used for) noncapital financing activities	<u>\$ 58,757.41</u>	<u>\$ 58,757.41</u>	<u>\$ 52,486.15</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	<u>\$ (22,351.00)</u>	<u>\$ (22,351.00)</u>	<u>\$ _____</u>
Net cash provided by (used for) capital and related financing activities	<u>\$ (22,351.00)</u>	<u>\$ (22,351.00)</u>	<u>\$ _____</u>
Net increase (decrease) in cash and cash equivalents	\$ (6,098.05)	\$ 16,252.95	\$ 18,219.43
Cash and cash equivalents - July 1	<u>79,461.50</u>	<u>79,461.50</u>	<u>61,242.07</u>
Cash and cash equivalents - June 30	<u>\$ 73,363.45</u>	<u>\$ 95,714.45</u>	<u>\$ 79,461.50</u>
Operating income (loss)	\$ (52,244.57)	\$ (52,244.57)	\$ (42,399.77)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	7,605.72	7,605.72	6,364.00
Change in assets and liabilities:			
(Increase) Decrease in Inventory	1,625.31	1,625.31	328.95
(Increase) Decrease in accounts receivable			
Increase (Decrease) in deferred revenue	<u>509.08</u>	<u>509.08</u>	<u>1,725.10</u>
Net cash provided (used) by operating activities	<u>\$ (42,504.46)</u>	<u>\$ (42,504.46)</u>	<u>\$ (34,266.72)</u>

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary funds are used to account for assets when a school district is functioning either as a trustee or as an agent for another party.

Unemployment Compensation

Insurance Trust Fund:

This trust fund is used to account for board contributions which are utilized to pay unemployment compensation claims as they arise.

Student Activity Fund:

This agency fund is used to account for student funds held at the schools.

Payroll Agency Fund:

This agency fund is used to account for the payroll transactions of the school district including childcare and medical flexible spending.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
COMBINING STATEMENTS OF FIDUCIARY NET ASSETS
JUNE 30, 2012

	<u>AGENCY FUNDS</u>		<u>STATE UNEMPLOYMENT COMPENSATION TRUST</u>	<u>COMPARATIVE TOTALS</u>	
	<u>STUDENT ACTIVITY</u>	<u>PAYROLL</u>		<u>JUNE 30</u>	
				<u>2012</u>	<u>2011</u>
ASSETS:					
Cash and cash equivalents	\$ 31,503.24	\$ 35,079.04	\$ 31,136.89	\$ 97,719.17	\$ 115,898.14
Total assets	<u>\$ 31,503.24</u>	<u>\$ 35,079.04</u>	<u>\$ 31,136.89</u>	<u>\$ 97,719.17</u>	<u>\$ 115,898.14</u>
LIABILITIES:					
Payroll deductions and withholdings	\$	\$ 34,953.25	\$	\$ 34,953.25	\$ 65,200.48
Due to student groups	31,503.24			31,503.24	42,806.42
Due general fund		125.79			
Total liabilities	<u>\$ 31,503.24</u>	<u>\$ 35,079.04</u>	<u>\$</u>	<u>\$ 66,582.28</u>	<u>\$ 108,006.90</u>
NET ASSETS:					
Reserve for state unemployment	\$	\$	\$ 31,136.89	\$ 31,136.89	\$ 7,891.24
Total net assets	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 31,136.89</u>	<u>\$ 31,136.89</u>	<u>\$ 7,891.24</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

	STATE UNEMPLOYMENT COMPENSATION TRUST	
	2012	2011
ADDITIONS:		
Contributions:		
Board contributions	\$ 75,000.00	\$ 146,621.00
Employee deductions	23,126.17	5,611.02
Total contributions	\$ 98,126.17	\$ 152,232.02
Investment earnings:		
Interest	\$ 19.25	\$
Net investment earnings	\$ 19.25	\$
Total additions	\$ 98,145.42	\$ 152,232.02
DEDUCTIONS:		
Unemployment claims	\$ 74,899.77	\$ 144,405.94
Total deductions	\$ 74,899.77	\$ 144,405.94
Change in net assets	\$ 23,245.65	\$ 7,826.08
Net assets beginning of year	\$ 7,891.24	\$ 65.16
Net assets end of year	\$ 31,136.89	\$ 7,891.24

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BALANCE</u> <u>JUNE 30, 2011</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2012</u>
ASSETS:				
Cash and cash equivalents	\$ <u>42,806.42</u>	\$ <u>180,582.11</u>	\$ <u>169,278.93</u>	\$ <u>54,109.60</u>
Total assets	\$ <u>42,806.42</u>	\$ <u>180,582.11</u>	\$ <u>169,278.93</u>	\$ <u>54,109.60</u>
LIABILITIES:				
Due student groups:				
Middle school	\$ 36,978.25	\$ 50,642.57	\$ 62,349.04	\$ 25,271.78
IEF elementary	1,484.75	11,724.35	10,621.93	2,587.17
District activities	4,343.42	101,571.13	102,270.44	3,644.11
Athletic activities	<u> </u>	<u>5,340.88</u>	<u>5,340.70</u>	<u>0.18</u>
Total liabilities	\$ <u>42,806.42</u>	\$ <u>169,278.93</u>	\$ <u>180,582.11</u>	\$ <u>31,503.24</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
PAYROLL FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BALANCE</u> <u>JUNE 30, 2011</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2012</u>
ASSETS:				
Cash and cash equivalents	\$ <u>65,200.48</u>	\$ <u>11,187,208.40</u>	\$ <u>11,217,329.84</u>	\$ <u>35,079.04</u>
Total assets	\$ <u><u>65,200.48</u></u>	\$ <u><u>11,187,208.40</u></u>	\$ <u><u>11,217,329.84</u></u>	\$ <u><u>35,079.04</u></u>
LIABILITIES:				
Payroll deductions and withholdings	\$ <u>65,200.48</u>	\$ <u>11,187,082.61</u>	\$ <u>11,217,329.84</u>	\$ <u>34,953.25</u>
Due general fund		<u>125.79</u>		<u>125.79</u>
Total liabilities	\$ <u><u>65,200.48</u></u>	\$ <u><u>11,187,208.40</u></u>	\$ <u><u>11,217,329.84</u></u>	\$ <u><u>35,079.04</u></u>

LONG-TERM DEBT SCHEDULES

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2012

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2011	ISSUED / REFUNDED	RETIRED	BALANCE JUNE 30, 2012
			DATE	AMOUNT					
School Bonds	1/15/99	\$ 3,000,000.00		\$		\$ 587,000.00	\$	\$ 587,000.00	\$
School Bonds	5/15/03	21,707,000.00	5/15/13	600,000.00	4.125%	18,282,000.00		17,682,000.00	600,000.00
School Bonds	9/14/11	8,200,000.00	1/15/13	200,000.00	3.000%				
			1/15/14	830,000.00	3.000%				
			1/15/15	860,000.00	3.000%				
			1/15/16	890,000.00	3.000%				
			1/15/17	920,000.00	4.000%				
			1/15/18	960,000.00	4.000%				
			1/15/19	1,005,000.00	4.000%				
			1/15/20	1,045,000.00	4.000%				
			1/15/21	1,095,000.00	4.000%				
School Bonds	2/22/12	9,175,000.00	5/15/22	1,130,000.00	4.000%				
			5/15/23	1,175,000.00	3.5% / 4.5%				
			5/15/24	1,230,000.00	5.000%				
			5/15/25	1,290,000.00	5.000%				
			5/15/26	1,355,000.00	4.000%				
			5/15/27	1,410,000.00	4.000%				
			5/15/28	1,470,000.00	4.000%				
						<u>\$ 18,869,000.00</u>	<u>\$ 17,375,000.00</u>	<u>\$ 18,779,000.00</u>	<u>\$ 17,465,000.00</u>
Paid							\$ 1,085,000.00		
Refunded							<u>17,694,000.00</u>		
							<u>\$ 18,779,000.00</u>		

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
AS OF JUNE 30, 2012

<u>PURPOSE</u>	<u>DATE OF LEASE</u>	<u>TERM OF LEASE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>		<u>BALANCE JUNE 30, 2011</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2012</u>
			<u>PRINCIPAL</u>	<u>INTEREST</u>			
School Bus Lease	12/15/03	10	\$ 81,634.00	\$ 25,579.60	\$ 22,605.40	\$ 9,718.10	\$ 12,887.30
School Bus Lease	9/15/05	7	482,154.00	65,907.67	134,844.00	67,422.00	67,422.00
Copier	7/1/08	5	10,747.39	1,815.10	4,892.32	2,268.29	2,624.03
Copier	11/3/08	5	15,989.50	2,700.50	8,357.18	3,304.53	5,052.65
Copier	9/16/09	5	70,951.81	10,048.19	48,236.97	13,962.96	34,274.01
Copier	12/7/10	5	20,272.57	3,433.23	14,846.25	3,913.19	10,933.06
Copier	2/2/11	5	61,721.80	8,741.00	<u>58,098.65</u>	<u>11,263.58</u>	<u>46,835.07</u>
					<u>\$ 291,880.77</u>	<u>\$ 111,852.65</u>	<u>\$ 180,028.12</u>

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

	2012			2011		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES:						
Local Sources:						
Local Tax Levy	\$ 1,424,069.00	\$ 1,424,069.00	\$	\$ 1,537,459.00	\$ 1,537,459.00	\$
State Sources:						
Debt Service Aid Type II	63,949.00	63,949.00		63,250.00	63,250.00	
Other Sources:						
Miscellaneous Revenue		521,403.75	521,403.75			
Total Revenues	\$ 1,488,018.00	\$ 2,009,421.75	\$ 521,403.75	\$ 1,600,709.00	\$ 1,600,709.00	\$
EXPENDITURES:						
Regular Debt Service:						
Interest	\$ 801,254.00	\$ 942,418.75	\$ (141,164.75)	\$ 855,162.00	\$ 831,591.30	\$ 23,570.70
Redemption of Principal	765,000.00	1,085,000.00	(320,000.00)	745,548.00	730,000.00	15,548.00
Cost of issuance of refunding bonds		201,908.45				
Total Debt Service	\$ 1,566,254.00	\$ 2,229,327.20	\$ (461,164.75)	\$ 1,600,710.00	\$ 1,561,591.30	\$ 39,118.70
Total Expenditures	\$ 1,566,254.00	\$ 2,229,327.20	\$ (461,164.75)	\$ 1,600,710.00	\$ 1,561,591.30	\$ 39,118.70
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (78,236.00)	\$ (219,905.45)	\$ 60,239.00	\$ (1.00)	\$ 39,117.70	\$ 39,118.70
Other Financing Sources(Uses):						
Refunding bond proceeds			17,375,000.00			
Payment to refunding bonds escrow			(17,694,000.00)			
Original issue premium			1,741,419.45			
Payment to refunding escrow agent		(1,220,511.00)	(1,220,511.00)			
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	\$ (78,236.00)	\$ (1,440,416.45)	\$ 262,147.45	\$ (1.00)	\$ 39,117.70	\$ 39,118.70
Fund Balance, July 1	78,236.89	78,236.89		39,119.19	39,119.19	
Fund Balance, June 30	\$ 0.89	\$ (1,362,179.56)	\$ 262,147.45	\$ 39,118.19	\$ 78,236.89	\$ 39,118.70

STATISTICAL SECTION
(UNAUDITED)



TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-5
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-6 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2003; schedules presenting district-wide information include information beginning in that year.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
NET ASSETS BY COMPONENT
UNAUDITED

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental activities									
Invested in capital assets, net of related debt	\$ 7,498,441.81	\$ 5,997,822.07	\$ 7,111,023.78	\$ 6,832,283.81	\$ 7,155,955.05	\$ 10,209,509.63	\$ 9,659,458.49	\$ 4,286,634.57	\$ 3,090,671.80
Restricted	1,962,557.72	1,722,259.62	1,081,384.21	2,059,476.42	1,425,342.94	1,167,206.32	1,540,865.96	6,811,470.88	7,477,035.12
Unrestricted	315,418.37	29,558.71	17,614.20	58,134.52	362,508.61	660,251.93	81,716.90	539,733.74	701,943.12
Total governmental activities net assets	<u>\$ 9,776,417.90</u>	<u>\$ 7,749,640.40</u>	<u>\$ 8,210,022.19</u>	<u>\$ 8,949,894.75</u>	<u>\$ 8,943,806.60</u>	<u>\$ 12,036,967.88</u>	<u>\$ 11,282,041.35</u>	<u>\$ 11,637,839.19</u>	<u>\$ 11,269,650.04</u>
Business-type activities									
Invested in capital assets, net of related debt	\$ 62,845.28	\$ 48,100.00	\$ 54,464.00	\$ 60,828.00	\$ 67,186.00	\$ 73,544.00	\$ 26,779.98	\$ 7,368.75	\$ 8,043.75
Unrestricted	85,332.76	87,239.25	69,979.73	52,999.04	51,151.95	57,975.45	45,714.24	53,799.06	45,064.03
Total business-type activities net assets	<u>\$ 148,178.04</u>	<u>\$ 135,339.25</u>	<u>\$ 124,443.73</u>	<u>\$ 113,827.04</u>	<u>\$ 118,337.95</u>	<u>\$ 131,519.45</u>	<u>\$ 72,494.22</u>	<u>\$ 61,167.81</u>	<u>\$ 53,107.78</u>
District-wide									
Invested in capital assets, net of related debt	\$ 7,561,287.09	\$ 6,045,922.07	\$ 7,165,487.78	\$ 6,893,111.81	\$ 7,223,141.05	\$ 10,283,053.63	\$ 9,686,238.47	\$ 4,294,003.32	\$ 3,098,715.55
Restricted	1,962,557.72	1,722,259.62	1,081,384.21	2,059,476.42	1,425,342.94	1,167,206.32	1,540,865.96	6,811,470.88	7,477,035.12
Unrestricted	400,751.13	116,797.96	87,593.93	111,133.56	413,660.56	718,227.38	127,431.14	593,532.80	747,007.15
Total district net assets	<u>\$ 9,924,595.94</u>	<u>\$ 7,884,979.65</u>	<u>\$ 8,334,465.92</u>	<u>\$ 9,063,721.79</u>	<u>\$ 9,062,144.55</u>	<u>\$ 12,168,487.33</u>	<u>\$ 11,354,535.57</u>	<u>\$ 11,699,007.00</u>	<u>\$ 11,322,757.82</u>

Source: CAFR Schedule A-1

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CHANGES IN NET ASSETS
UNAUDITED

	2012	2011	2010	2009	2008	2007	2006	2005	2004
EXPENSES									
Governmental activities									
Instruction									
Regular	\$ 12,171,358.06	\$ 12,342,505.00	\$ 12,273,350.48	\$ 12,132,161.14	\$ 6,800,196.26	\$ 6,103,509.82	\$ 5,514,172.85	\$ 5,222,257.50	\$ 4,637,552.14
Special education	2,227,928.34	2,491,046.36	2,184,261.14	2,329,816.31	1,286,266.38	1,116,030.90	924,119.74	775,572.42	655,770.06
Other instruction	433,389.50	288,485.81	415,169.86	316,626.86	306,854.34	264,408.99	280,923.37	231,476.10	226,941.63
Support Services:									
Tuition					5,980,853.77	5,335,960.05	4,772,358.63	4,467,319.82	4,194,007.20
Student & instruction related services	1,934,930.80	2,010,086.24	2,306,109.57	1,866,829.25	1,727,704.59	1,565,799.01	1,501,670.07	1,371,525.60	1,142,548.09
General administrative services	606,592.32	683,633.93	562,032.44	454,136.47	411,082.06	412,334.84	388,704.01	357,838.91	324,372.24
School administrative services	865,241.25	814,995.61	842,063.11	720,929.37	668,123.30	636,889.38	579,503.35	527,329.09	502,780.98
Plant operations and maintenance	1,330,322.47	1,398,856.48	1,655,425.18	1,570,157.69	1,571,757.00	1,476,048.23	1,280,881.28	999,443.04	935,257.95
Student transportation services	1,570,447.84	1,590,918.92	1,668,047.76	1,631,743.89	1,518,303.40	1,188,007.04	1,086,146.10	1,118,545.65	1,008,265.58
Business and other support services								1,668.84	297,112.48
Central services	493,383.44	496,453.54	482,107.32	432,015.99	427,645.68	349,795.96	324,835.40	310,827.20	
Administration information technology	218,252.72	175,788.20	205,157.61	182,860.87	133,156.50	138,464.03	165,390.21	5,890.95	
Interest on long-term debt	1,015,949.33	825,249.11	854,634.53	882,769.95	909,059.53	934,291.82	960,689.22	981,474.12	990,879.82
Total governmental activities expenses	\$ 22,867,796.07	\$ 23,118,019.20	\$ 23,448,359.00	\$ 22,520,047.79	\$ 21,741,002.81	\$ 19,521,540.07	\$ 17,779,394.23	\$ 16,371,169.24	\$ 14,915,488.17
Business-type activities:									
Food Service	\$ 306,158.02	\$ 279,983.98	\$ 270,667.19	\$ 271,410.39	\$ 264,599.88	\$ 230,948.13	\$ 222,197.02	\$ 225,733.98	\$ 223,362.87
Total business-type activities expense	\$ 306,158.02	\$ 279,983.98	\$ 270,667.19	\$ 271,410.39	\$ 264,599.88	\$ 230,948.13	\$ 222,197.02	\$ 225,733.98	\$ 223,362.87
Total district expenses	\$ 23,173,954.09	\$ 23,398,003.18	\$ 23,719,026.19	\$ 22,791,458.18	\$ 22,005,602.69	\$ 19,752,488.20	\$ 18,001,591.25	\$ 16,596,903.22	\$ 15,138,851.04
PROGRAM REVENUES									
Governmental activities:									
Operating grants and contributions	\$ 1,401,195.10	\$ 1,210,428.75	\$ 1,775,280.29	\$ 1,590,283.72	\$ 1,376,688.06	\$ 1,293,869.45	\$ 947,946.68	\$ 810,177.13	\$ 817,248.22
Charges for services					203,104.32	91,138.67			
Total governmental activities program revenues	\$ 1,401,195.10	\$ 1,210,428.75	\$ 1,775,280.29	\$ 1,590,283.72	\$ 1,579,792.38	\$ 1,385,008.12	\$ 947,946.68	\$ 810,177.13	\$ 817,248.22
Business-type activities:									
Charges for services									
Food Service	\$ 253,913.45	\$ 237,584.21	\$ 228,648.81	\$ 225,000.09	\$ 210,474.10	\$ 196,962.34	\$ 192,794.04	\$ 194,551.15	\$ 196,321.88
Operating grants and contributions	65,083.36	53,295.29	52,635.07	44,360.56	40,944.28	43,773.23	40,729.39	31,442.86	34,715.32
Total business-type activities program revenues	\$ 318,996.81	\$ 290,879.50	\$ 281,283.88	\$ 269,360.65	\$ 251,418.38	\$ 240,735.57	\$ 233,523.43	\$ 225,994.01	\$ 231,037.20
Total district program revenues	\$ 1,720,191.91	\$ 1,501,308.25	\$ 2,056,564.17	\$ 1,859,644.37	\$ 1,831,210.76	\$ 1,625,743.69	\$ 1,181,470.11	\$ 1,036,171.14	\$ 1,048,285.42
NET (EXPENSE)/REVENUE									
Governmental activities									
	\$ (21,466,600.97)	\$ (21,907,590.45)	\$ (21,673,078.71)	\$ (20,929,764.07)	\$ (20,161,210.44)	\$ (18,136,531.94)	\$ (16,831,447.55)	\$ (15,560,992.11)	\$ (14,098,239.95)
Business-type activities									
	12,838.79	10,895.52	10,616.69	(2,049.74)	(13,181.50)	9,787.44	11,326.41	260.03	7,674.33
Total district-wide net expense	\$ (21,453,762.18)	\$ (21,896,694.93)	\$ (21,662,462.02)	\$ (20,931,813.81)	\$ (20,174,391.94)	\$ (18,126,744.50)	\$ (16,820,121.14)	\$ (15,560,732.08)	\$ (14,090,565.62)

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CHANGES IN NET ASSETS
UNAUDITED

	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>GENERAL REVENUES AND OTHER CHANGES</u>									
<u>IN NET ASSETS</u>									
Governmental activities:									
Property taxes levied for general purposes, net	\$ 19,411,783.00	\$ 19,031,160.00	\$ 18,554,000.00	\$ 18,071,689.00	\$ 17,568,154.00	\$ 17,005,537.00	\$ 14,234,124.00	\$ 12,808,173.00	\$ 12,445,002.00
Taxes levied for debt service	1,424,069.00	1,537,459.00	1,526,357.00	1,442,516.00	1,331,628.00	1,482,933.00	946,846.00	1,466,517.00	1,692,694.00
Federal and state aid not restricted	1,390,171.30	689,553.38	712,359.00	1,123,406.00	1,193,708.00	1,150,831.00	1,116,873.00	1,233,964.65	1,128,164.64
Disposal of capital assets					(2,482,665.22)	(20,084.72)	(12,883.10)	(9,470.25)	
Transfers								(7,800.00)	(7,800.00)
Miscellaneous income	1,267,355.17	189,036.28	140,490.15	298,242.07	241,468.72	1,351,369.59	190,689.81	437,796.86	494,658.98
Total governmental activities	\$ 23,493,378.47	\$ 21,447,208.66	\$ 20,933,206.15	\$ 20,935,853.07	\$ 17,852,293.50	\$ 20,970,585.87	\$ 16,475,649.71	\$ 15,929,181.26	\$ 15,752,719.62
Business-type activities:									
Transfers	\$	\$	\$	\$	\$	\$	\$	\$ 7,800.00	\$ 7,800.00
Total business-type activities	\$	\$	\$	\$	\$	\$	\$	\$ 7,800.00	\$ 7,800.00
Total district-wide	\$ 23,493,378.47	\$ 21,447,208.66	\$ 20,933,206.15	\$ 20,935,853.07	\$ 17,852,293.50	\$ 20,970,585.87	\$ 16,475,649.71	\$ 15,936,981.26	\$ 15,760,519.62
<u>CHANGE IN NET ASSETS</u>									
Governmental activities	\$ 2,026,777.50	\$ (460,381.79)	\$ (739,872.56)	\$ 6,089.00	\$ (2,308,916.94)	\$ 2,834,053.93	\$ (355,797.84)	\$ 368,189.15	\$ 1,654,479.67
Business-type activities	12,838.79	10,895.52	10,616.69	(2,049.74)	(13,181.50)	9,787.44	11,326.41	8,060.03	15,474.33
Total district	\$ 2,039,616.29	\$ (449,486.27)	\$ (729,255.87)	\$ 4,039.26	\$ (2,322,098.44)	\$ 2,843,841.37	\$ (344,471.43)	\$ 376,249.18	\$ 1,669,954.00

Source: CAFR Schedule A-2

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
UNAUDITED

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund									
Restricted	\$ 1,521,493.83	\$ 602,076.56	\$ 1,450,946.52	\$ 1,635,623.81	\$ 1,812,638.15	\$ 1,758,924.41	\$ 631,516.34	\$ 862,553.18	\$ 581,787.27
Committed	581,851.91	225,014.04							
Unassigned	541,781.98	426,862.06	149,170.92	542,164.12	400,792.33	343,370.89	299,897.37	706,297.87	1,168,111.54
Total general fund	<u>\$ 2,645,127.72</u>	<u>\$ 1,253,952.66</u>	<u>\$ 1,600,117.44</u>	<u>\$ 2,177,787.93</u>	<u>\$ 2,213,430.48</u>	<u>\$ 2,102,295.30</u>	<u>\$ 931,413.71</u>	<u>\$ 1,568,851.05</u>	<u>\$ 1,749,898.81</u>
All Other Governmental Funds									
Committed	\$ 39,734.00	\$ 112,364.49	\$	\$ 185,568.71	\$	\$	\$ 617,174.20	\$ 5,816,067.21	\$ 19,861,082.27
Unassigned:									
Capital projects fund	448,626.39	877,626.22	1,056,600.82	1,228,070.93	1,298,284.36	1,507,346.48	626,623.81	1,071,709.05	4,142,603.90
Debt service fund	21,120.89	0.89	39,119.19	0.99	43,681.29	0.58	0.88	534,705.18	547,417.98
Total all other governmental funds	<u>\$ 509,481.28</u>	<u>\$ 989,991.60</u>	<u>\$ 1,095,720.01</u>	<u>\$ 1,413,640.63</u>	<u>\$ 1,341,965.65</u>	<u>\$ 1,507,347.06</u>	<u>\$ 1,243,798.89</u>	<u>\$ 7,422,481.44</u>	<u>\$ 24,551,104.15</u>

Source: CAFR Schedule B-1

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
UNAUDITED

	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues									
Tax levy	\$ 20,835,852.00	\$ 20,568,619.00	\$ 20,080,357.00	\$ 19,514,205.00	\$ 18,899,782.00	\$ 18,488,470.00	\$ 15,180,970.00	\$ 14,274,690.00	\$ 14,137,696.00
Tuition charges	77,721.05	49,094.76	45,558.14	78,600.98	74,461.14	19,560.30	34,790.62	111,665.02	75,479.17
Miscellaneous	1,207,851.96	157,650.02	156,469.18	243,035.00	381,581.70	1,436,232.34	169,246.14	335,257.10	419,179.81
State sources	2,431,546.53	1,574,209.66	1,987,197.09	2,442,674.63	2,304,817.48	2,191,948.07	1,826,314.73	1,807,345.18	1,771,065.22
Federal sources	341,602.03	308,063.97	438,905.03	247,621.18	254,108.78	239,468.00	225,158.00	227,671.34	174,347.66
Total revenue	\$ 24,894,573.57	\$ 22,657,637.41	\$ 22,708,486.44	\$ 22,526,136.79	\$ 21,914,751.10	\$ 22,375,678.71	\$ 17,436,479.49	\$ 16,756,628.64	\$ 16,577,767.86
Expenditures									
Instruction									
Regular Instruction	\$ 4,308,057.62	\$ 4,224,307.14	\$ 4,602,406.42	\$ 4,413,156.00	\$ 4,166,056.47	\$ 4,256,580.74	\$ 4,025,966.99	\$ 3,951,121.60	\$ 3,521,220.67
Special education instruction	1,156,477.41	998,478.09	1,018,043.15	986,153.46	983,924.65	919,988.43	762,183.59	637,901.20	533,395.59
Other instruction	230,585.08	135,798.35	204,930.49	232,785.63	226,077.06	188,865.24	218,842.56	187,443.86	179,420.56
Support Services:									
Tuition	6,541,477.08	7,127,349.24	6,551,822.14	6,301,069.34	5,980,853.77	5,335,960.05	4,772,358.63	4,467,319.82	4,194,007.20
Student & instruction related services	1,415,997.71	1,477,037.62	1,779,454.83	1,514,507.49	1,382,806.82	1,248,349.82	1,238,821.34	1,159,171.30	953,362.67
General administrative services	394,172.47	451,219.60	369,907.62	368,620.83	346,972.14	356,248.87	366,577.74	344,343.29	309,683.16
School Administrative services	547,294.33	522,105.11	537,113.96	532,227.96	477,755.28	461,675.08	432,561.66	399,865.21	385,813.86
Business and other support services								1,668.84	233,452.50
Central services	278,187.91	285,596.48	280,300.65	284,936.79	264,153.42	242,424.89	235,832.66	235,323.03	
Administration Information Technology	103,582.08	72,235.34	102,241.06	175,752.71	133,156.50	138,464.03	165,390.21	5,890.95	
Plant operations and maintenance	1,086,051.02	1,145,181.92	1,372,893.95	1,352,966.03	1,295,429.66	1,172,091.96	1,100,286.83	844,966.03	801,970.22
Student transportation services	1,179,859.58	1,103,127.96	1,197,899.38	1,202,224.16	1,312,765.97	1,135,500.57	970,780.95	1,037,359.62	951,725.26
Unallocated employee benefits	3,511,337.35	3,778,311.11	3,687,794.05	3,241,696.04	3,233,678.00	3,024,169.48	2,485,220.40	2,086,985.65	1,836,645.74
Capital outlay	1,203,410.44	288,913.14	429,815.43	396,534.48	610,863.79	906,463.49	6,415,643.95	17,278,482.91	3,913,352.22
Debt service:									
Principal	1,085,000.00	730,000.00	700,000.00	670,000.00	640,000.00	615,000.00	590,000.00	565,000.00	290,000.00
Interest and other charges	942,418.75	831,591.30	860,678.80	888,516.30	914,503.80	939,466.30	963,416.30	986,353.80	998,678.80
Total expenditures	\$ 23,983,908.83	\$ 23,171,252.40	\$ 23,695,301.93	\$ 22,561,147.22	\$ 21,968,997.33	\$ 20,941,248.95	\$ 24,743,883.81	\$ 34,189,197.11	\$ 19,102,728.45
Excess (Deficiency) of revenues over (under) expenditures	\$ 910,664.74	\$ (513,614.99)	\$ (986,815.49)	\$ (35,010.43)	\$ (54,246.23)	\$ 1,434,429.76	\$ (7,307,404.32)	\$ (17,432,568.47)	\$ (2,524,960.59)
Other Financing sources (uses)									
Capital leases (non-budgeted)		61,721.80	91,224.38	71,042.86			491,284.43	130,698.00	159,411.78
Transfers, net								(7,800.00)	(7,800.00)
Total other financing sources (uses)	\$ 0.00	\$ 61,721.80	\$ 91,224.38	\$ 71,042.86	\$ 0.00	\$ 0.00	\$ 491,284.43	\$ 122,898.00	\$ 151,611.78
Net change in fund balances	\$ 910,664.74	\$ (451,893.19)	\$ (895,591.11)	\$ 36,032.43	\$ (54,246.23)	\$ 1,434,429.76	\$ (6,816,119.89)	\$ (17,309,670.47)	\$ (2,373,348.81)
Debt service as a percentage of noncapital expenditures	8.90%	6.82%	6.71%	7.03%	7.28%	7.76%	8.48%	9.17%	8.48%

Source: CAFR Schedule B-2

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Tuition</u>	<u>Interest on</u> <u>Investments</u>	<u>Use of</u> <u>Facilities</u>	<u>Transportation</u> <u>Fees</u>	<u>Refunds/</u> <u>Reimbursements</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 77,721.05	\$ 2,672.51	\$ 68,634.72	\$ 125,045.30		\$ 4,974.74	279,048.32
2011	49,094.76	2,545.78	24,856.80	93,961.44		13,128.68	183,587.46
2010	45,558.14	11,479.42	24,065.78	41,748.05		5,169.77	128,021.16
2009	78,600.98	51,274.16	27,166.59	74,622.69		37,710.16	269,374.58
2008	74,461.14	76,656.19	29,188.48	128,643.18		58,509.58	367,458.57
2007	19,560.30	91,364.11	24,484.80	71,578.37	165,685.76	32,842.03	405,515.37
2006	34,790.62	51,022.84	19,169.75		5,241.00	12,684.25	122,908.46
2005	111,665.02	28,766.68	19,073.70		144,307.60	19,692.22	323,505.22
2004	75,479.17	12,959.77	23,063.22		88,802.73	36,559.13	236,864.02
2003	22,458.86	9,479.38	19,361.10			7,333.15	58,632.49

Source: District Records

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
UNAUDITED

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Req.	Q-Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)
2012	\$ 13,510,700	\$ 1,132,771,400	\$	3,400	\$ 227,266,700	\$ 13,323,500	\$ 6,340,200	\$ 1,393,215,900	\$ 841,709	\$ 1,394,057,609	\$ 1,470,039,765	\$ 1.529
2011	14,967,000	1,161,266,300		3,400	224,240,800	13,358,500	6,365,200	1,420,201,200	904,746	1,421,105,946	1,441,751,572	1.427
2010	17,216,400	1,217,104,000		1,100	217,371,500	13,358,500	6,365,200	1,471,416,700	1,100,139	1,472,516,839	1,565,836,650	1.389
2009	19,980,300	1,217,742,800		1,100	218,242,100	13,671,500	6,365,200	1,476,003,000	1,086,060	1,477,089,060	1,588,821,365	1.340
2008	23,767,700	1,213,487,100		1,100	209,698,400	13,671,500	6,365,200	1,466,991,000	993,470	1,467,984,470	1,466,991,000	1.308
2007	24,438,200	1,198,628,800		1,100	211,668,100	13,671,500	6,365,200	1,454,772,900	936,527	1,455,709,427	1,454,772,900	1.285
2006	34,593,300	1,173,142,400		1,100	215,105,800	13,671,500	6,365,200	1,442,879,300	919,200	1,443,798,500	1,344,658,345	1.167
2005	31,763,300	1,160,862,600		1,100	216,466,500	13,768,400	6,365,200	1,429,227,100	1,004,689	1,430,231,789	1,180,853,788	1.031
2004	14,177,000	548,344,600		1,100	114,581,200	7,256,775	3,055,000	687,415,675	677,982	688,093,657	1,076,176,486	2.066
2003	15,256,600	539,987,200	248,200	3,800	111,619,700	7,256,775	3,055,000	677,427,275	774,976	678,202,251	962,166,498	1.887

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

(b): Tax rates are per \$100

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
UNAUDITED

Fiscal Year Ended June 30,	Township of Green Brook			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	Total Direct School Tax Rate	Township of Green Brook	Somerset County	
2012	\$1.424	\$0.105	\$1.529	\$0.449	\$0.389	\$2.367
2011	1.320	0.107	1.427	0.430	0.362	2.219
2010	1.283	0.106	1.389	0.402	0.354	2.145
2009	1.241	0.099	1.340	0.395	0.358	2.093
2008	1.216	0.092	1.308	0.372	0.356	2.036
2007	1.182	0.103	1.285	0.328	0.347	1.960
2006	1.094	0.073	1.167	0.309	0.334	1.810
2005	0.925	0.106	1.031	0.294	0.315	1.640
2004	1.819	0.247	2.066	0.535	0.629	3.230
2003	1.848	0.039	1.887	0.478	0.595	2.960

Source: District Records and Municipal Tax Collector
(Rates are per \$100 of assessed value)

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

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

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS - CURRENT YEAR AND TEN YEARS AGO
UNAUDITED

<u>Taxpayer</u>	<u>2012</u>			<u>Taxpayer</u>	<u>2003 (Not Available)</u>		
	<u>Taxable Assessed Value</u>	<u>Rank [Optional]</u>	<u>% of Total District Net Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>Rank [Optional]</u>	<u>% of Total District Net Assessed Value</u>
Colonial Square LTD.	\$ 10,248,900	1	0.74%				
Greenbrook Manor Realty LLC	9,000,000	2	0.65%				
Ferraez Brothers Soloman Realty	844,300	3	0.06%				
Crystal Motors INC	7,616,300	4	0.55%				
PG's Family LLC	7,071,200	5	0.51%				
Cyzner Properties Greenbrook	6,400,000	6	0.46%				
Multi Management Realty LLC	6,027,200	7	0.43%				
G.B.P.	5,963,700	8	0.43%				
Greenbrook Office Park Assoc.	5,590,300	9	0.40%				
Extra Space	5,350,000	10	0.38%				
	<u>\$ 64,111,900</u>		<u>4.60%</u>		<u>\$ 0</u>		<u>0.00%</u>

Source: Municipal Tax Assessor

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
UNAUDITED

Fiscal Year Ended <u>June 30.</u>	Taxes Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (a)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2012	\$ 20,835,852	\$ 20,835,852	100.00%	-
2011	20,568,619	20,568,619	100.00%	-
2010	20,080,357	20,080,357	100.00%	-
2009	19,514,205	19,514,205	100.00%	-
2008	18,899,782	18,899,782	100.00%	-
2007	18,488,470	18,488,470	100.00%	-
2006	15,180,970	15,180,970	100.00%	-
2005	14,274,690	14,274,690	100.00%	-
2004	14,137,696	14,137,696	100.00%	-
2003	11,534,039	11,534,039	100.00%	-

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

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	Governmental Activities		Total <u>District</u>	Percentage of Personal <u>Income (a)</u>	<u>Per Capita (a)</u>
	General Obligation <u>Bonds (b)</u>	Capital <u>Leases</u>			
2012	\$ 17,699,369.97	\$ 180,028.12	\$ 17,879,398.09	0.39%	\$ 2,471.58
2011	19,120,527.66	291,880.77	19,412,408.43	0.35%	2,690.19
2010	19,868,379.49	349,605.23	20,217,984.72	0.37%	2,978.49
2009	20,582,675.85	392,961.86	20,975,637.71	0.34%	3,117.66
2008	21,265,821.93	443,494.47	21,709,316.40	0.31%	3,230.07
2007	21,609,000.00	547,080.66	22,156,080.66	0.28%	3,312.32
2006	22,224,000.00	653,685.56	22,877,685.56	0.26%	3,473.16
2005	22,814,000.00	264,422.93	23,078,422.93	0.25%	3,518.59
2004	23,379,000.00	226,510.69	23,605,510.69	0.24%	3,630.50
2003	23,669,000.00	135,887.22	23,804,887.22	0.24%	3,657.23

Source: District CAFR Schedules I-1, I-2

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

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

(b) Includes Early Retirement Incentive Plan (ERIP) refunding

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Percentage of Actual Taxable Value (a) of Property	Per Capita (b)
	General Obligation Bonds	Deductions		
2012	\$17,699,369.97		1.27%	\$2,446.69
2011	19,120,527.66		1.35%	2,649.74
2010	19,868,379.49		1.35%	2,926.99
2009	20,582,675.85		1.39%	3,059.26
2008	21,265,821.93		1.45%	3,164.09
2007	21,609,000.00		1.48%	3,230.53
2006	22,224,000.00		1.54%	3,373.92
2005	22,814,000.00		1.60%	3,478.27
2004	23,379,000.00		3.40%	3,595.66
2003	23,669,000.00		3.49%	3,636.35

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

(a) See Exhibit NJ J-6 for property tax data.

(b) Population data can be found in Exhibit NJ J-14.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF DECEMBER 31, 2011
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Township of Green Brook	\$1,349,479.00	100.00%	\$1,349,479.00
Other debt Somerset County	174,753,720.00	2.56%	4,473,695.23
			<hr/>
Subtotal, overlapping debt			\$5,823,174.23
Township of Green Brook School District Direct Debt			<hr/> 17,699,369.97
Total direct and overlapping debt			<hr/> <u>\$23,522,544.20</u>

Source: Municipal Chief Financial Officer, County Treasurer's Office

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

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
 UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2012:

Equalized Valuation Basis

Calendar Year

2011	\$1,494,120,146.00
2010	1,488,986,744.00
2009	1,570,717,250.00
	<u>4,553,824,140.00</u>

Average Equalized Valuation of Taxable Property \$1,517,941,380.00

Debt Limit (3% (a) of average equalization value)	45,538,241.40
Total Net Debt Applicable to Limit	<u>17,699,369.97</u>
Legal Debt Margin	<u>\$27,838,871.43</u>

	Fiscal Year Ending June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Debt Limit	\$45,538,241.40	\$46,338,975.77	\$46,709,497.50	\$45,596,016.72	\$43,126,992.29	\$39,498,002.02	\$35,467,654.68	\$31,453,483.21	\$27,746,333.00	\$23,820,937.00
Total Net Debt Applicable To Limit	<u>17,699,369.97</u>	<u>19,120,527.66</u>	<u>19,868,379.49</u>	<u>20,582,675.85</u>	<u>20,969,651.00</u>	<u>21,609,651.00</u>	<u>22,224,651.00</u>	<u>22,814,651.00</u>	<u>23,379,651.00</u>	<u>23,669,651.00</u>
Legal Debt Margin	<u>\$27,838,871.43</u>	<u>\$27,218,448.11</u>	<u>\$26,841,118.01</u>	<u>\$25,013,340.87</u>	<u>\$22,157,341.29</u>	<u>\$17,888,351.02</u>	<u>\$13,243,003.68</u>	<u>\$8,638,832.21</u>	<u>\$4,366,682.00</u>	<u>\$151,286.00</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	38.87%	41.26%	42.54%	45.14%	48.62%	54.71%	62.66%	72.53%	84.26%	99.36%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (a) Limit set by N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
UNAUDITED

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d) Green Brook</u>
2012	7,234	\$ 505,555,324	\$ 69,886	6.50%
2011	7,216	496,121,648	68,753	6.60%
2010	6,788	503,642,448	74,196	6.60%
2009	6,728	484,516,920	72,015	3.70%
2008	6,721	457,296,840	68,040	2.80%
2007	6,689	419,467,190	62,710	3.10%
2006	6,587	396,991,903	60,269	3.30%
2005	6,559	374,171,273	57,047	2.90%
2004	6,502	364,690,678	56,089	3.40%
2003	6,509	367,823,590	56,510	3.50%

Source:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.
(b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
(c) Per capita personal income by municipality estimated based upon the census published by the US Bureau of Economic Analysis.
(d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - CURRENT YEAR AND TEN YEARS AGO
UNAUDITED

<u>Employer</u>	<u>2012</u>			<u>2003</u>		
	<u># of Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u># of Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>
	<u>0</u>		<u>0.00%</u>	<u>0</u>		<u>0.00%</u>

Source: Municipal Records - Data Not Available

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
UNAUDITED

Function/Program	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Instruction:									
Regular	81.5	81.0	85.0	101.0	101.3	101.2	98.1	95.3	90.1
Special education	16.0	13.5	13.0	5.8	5.8	5.6	4.6	4.6	3.4
Other special education									0.8
Other instruction	3.0	2.5	3.0	5.9	5.9	5.8	4.8	4.8	3.6
Support Services:									
Tuition									
Student & instruction related services	14.0	14.0	12.0	2.5	2.5	2.3	1.3	1.3	1.0
General administrative services	4.0	4.0	2.5	3.6	4.0	4.0	3.6	3.6	2.1
School administrative services	7.0	6.5	7.0	6.0	5.9	5.0	5.0	5.0	4.4
Plant operations and maintenance	10.0	9.0	12.0	13.0	12.0	12.5	12.5	10.5	9.0
Pupil transportation	24.0	24.0	22.0	20.0	19.0	19.0	18.0	12.0	7.5
Business administrative services	<u>5.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Total	<u>164.5</u>	<u>158.5</u>	<u>160.5</u>	<u>161.8</u>	<u>161.4</u>	<u>160.4</u>	<u>152.9</u>	<u>142.1</u>	<u>126.9</u>

Source: District Personnel Records

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
OPERATING STATISTICS
UNAUDITED

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures (a)</u>	<u>Cost Per Pupil</u>	<u>% Change</u>	<u>Teaching Staff (b)</u>	<u>Pupil/Teacher Ratio</u>	<u>Average Daily Enrollment (c)</u>	<u>Average Daily Attendance (c)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2012	963	\$ 20,753,079.64	\$ 21,550.45	0.57%	100	9.6	963	937	-3.02%	97.30%
2011	995	21,320,747.96	21,427.89	-4.34%	97	10.3	993	955	1.12%	96.17%
2010	969	21,704,807.70	22,399.18	6.11%	101	9.6	982	945	-0.51%	96.23%
2009	979	20,665,232.00	21,108.51	3.82%	108	9.1	987	948	0.30%	96.05%
2008	974	19,803,629.74	20,332.27	7.20%	106	9.2	984	945	0.10%	96.04%
2007	986	18,700,331.12	18,965.85	7.63%	107	9.2	983	944	2.60%	96.03%
2006	952	16,774,823.56	17,620.61	6.46%	101	9.4	958	919	4.82%	95.96%
2005	928	15,359,360.40	16,551.03	4.28%	86	10.8	914	872	4.18%	95.39%
2004	878	13,935,138.43	15,871.46	4.69%	88	10.0	877	843	5.10%	96.06%
2003	839	12,719,790.92	15,160.66	-	80	10.5	835	796	-	95.30%

Sources: District records

Note: Enrollment based on annual October district count.

(a) Operating expenditures equal total expenditures less debt service and capital outlay.

(b) Teaching staff includes only full-time equivalents of certificated staff.

(c) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
UNAUDITED

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>District Buildings</u>										
Elementary School(s):										
I.E.F. (1961)										
Square Feet	72,599	72,599	72,599	72,599	72,599	72,599	72,599	72,599	54,360	54,360
Capacity (students)	437	437	437	437	437	437	437	437	437	437
Enrollment	394	433	423	424	488	464	456	411	390	361
Middle School(s):										
Green Brook Middle School (1967)										
Square Feet	119,574	119,574	119,574	119,574	119,574	119,574	119,574	119,574	83,573	83,573
Capacity (students)	653	653	653	653	653	653	653	653	405	405
Enrollment	569	562	546	558	545	503	496	495	499	468

Number of Schools at June 30, 2012

- Elementary = 1
- Middle School = 1

Source: District records

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

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

	<u>Total</u>	<u>I.E.F.</u> <u>Elementary</u>	<u>Green Brook</u> <u>Middle School</u>
2012	\$ 225,224.51	\$ 83,333.07	\$ 141,891.44
2011	227,270.45	84,090.07	143,180.38
2010	277,960.00	105,007.84	172,952.16
2009	240,833.00	86,966.00	153,867.00
2008	298,383.00	101,450.00	196,933.00
2007	180,564.00	61,392.00	119,172.00
2006	146,961.00	63,584.00	83,377.00
2005	145,327.00	50,627.00	94,700.00
2004	246,104.00	81,214.00	164,890.00
2003	<u>573,357.00</u>	<u>190,864.00</u>	<u>382,493.00</u>
Total	<u>\$ 3,320,279.96</u>	<u>\$ 1,311,510.98</u>	<u>\$ 2,008,768.98</u>

Source: District records

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 INSURANCE SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012
 UNAUDITED

Type of Coverage	Coverage	Deductible
<u>Section I - Property:</u>		
Blanket Building & Contents	\$ 42,197,590.00	\$ 1,000.00
Flood Zone A or V	25,000,000.00	Excess of NFIP
Flood Zone - All Other	10,000,000.00	1,000.00
Earthquake	25,000,000.00	5%
Included in Property -		
Valuable Papers and Records; Extra Expense/Business Income, EDP Equip, Data, Media, Extra Expense; Camera, Musical Instruments; Glass Coverage; Demolition/Incr. Cost of Construction; Blanket Contractors Equipment; Energy Systems - Boiler & Machinery		
<u>Section II - General Liability:</u>		
Bodily Injury and Property Damage	5,000,000.00	
Sexual Misconduct	5,000,000.00	
<u>Section III - School Board Legal Liability Policy:</u>		
Aggregate Limit of Liability	5,000,000.00	5,000.00
<u>Section IV - Crime:</u>		
Blanket Employee Dishonesty	500,000.00	1,000.00
Depositors Forgery	50,000.00	
Computer Fraud	50,000.00	
Money & Securities	2,500,000.00	
<u>Section V - Environmental Liability:</u>		
	1,000,000.00	10,000.00
<u>Workers Compensation</u>		
Section A	Statutory	
Section B	5,000,000.00	
<u>Automobile:</u>		
Bodily Injury and Property	5,000,000.00	
Personal Injury Protection	Statutory	
Uninsured/Underinsured	5,000,000.00	
Medical Payments	10,000.00	
Comprehensive and Collision	ACV	1,000.00
<u>Commercial Umbrella: SAIF</u>		
Per Occurrence	5,000,000.00	
Annual Aggregate	5,000,000.00	

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
 INSURANCE SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012
 UNAUDITED

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
<u>Umbrella Excess Liability Fireman's Fund</u>		
Policy Aggregate Limit of Liability - Primary	\$ 50,000,000.00	
<u>Student Accident:</u>		
Maximum Benefit	1,000,000.00	
<u>Catastrophic Student Accident:</u>		
Maximum Benefit	2,000,000.00	
<u>Fidelity Bonds:</u>		
Selective Insurance Company - Business Administrator/Board Secretary	100,000.00	
Treasurer of School Monies	250,000.00	
Head of Cafeteria	50,000.00	
Adm. of Accounts Payable	50,000.00	

Source: District Records

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SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-1"

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

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E-mail info@scnco.com

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

Honorable President and Members
of the Board of Education
Township of Green Brook School District
County of Somerset
Green Brook, New Jersey 08812

We have audited the basic financial statements of the Township of Green Brook School District, County of Somerset, New Jersey as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated October 9, 2012. We conducted our audit in accordance with U.S. generally accepted auditing standards, 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 Township of Green Brook School District, County of Somerset, New Jersey internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of the Township of Green Brook School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Green Brook School District's internal control over financial reporting.

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

SUPLEE, CLOONEY & COMPANY

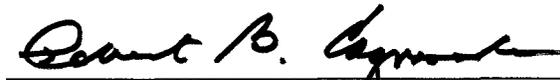
Our consideration of the internal control over financial reporting was limited for the purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Green Brook School District's basic 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 basic 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.

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


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 93

October 9, 2012



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-2"

308 East Broad Street, Westfield, New Jersey 07090-2122

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
STATE FINANCIAL ASSISTANCE PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH NEW JERSEY OMB CIRCULAR 04-04

Honorable President and Members
of the Board of Education
Township of Green Brook School District
County of Somerset
Green Brook, New Jersey 08812

Compliance

We have audited the compliance of the Township of Green Brook School District with the types of compliance requirements described in the New Jersey State Grant Compliance Supplement that are applicable to each of its major state programs for the year ended June 30, 2012. The Township of Green Brook School District's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of Township of Green Brook School District's management. Our responsibility is to express an opinion on Township of Green Brook School District's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions 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 state program occurred. An audit includes examining, on a test basis, evidence about the Township of Green Brook School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township of Green Brook School District's compliance with those requirements.

SUPLEE, CLOONEY & COMPANY

In our opinion, the Township of Green Brook School District 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, 2012.

Internal Control Over Compliance

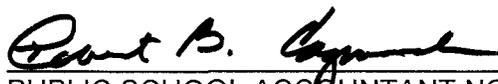
The management of the Township of Green Brook School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Township of Green Brook School District's internal control over compliance with requirements that could have a direct and material effect on a major federal and 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 Township of Green Brook School District's internal control over compliance.

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

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

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


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 93

October 9, 2012

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	BALANCE AT JUNE 30, 2012 (ACCOUNTS RECEIVABLE)	DEFERRED REVENUE
Enterprise Funds									
U.S. Department of Agriculture									
Passed-through State Department of Education:									
Food Distribution Program	10.550	N/A	7/1/10-6/30/11	\$14,632.85	\$ 4,142.49	\$	\$ (4,142.49)	\$	
Food Distribution Program	10.550	N/A	7/1/11-6/30/12	20,922.39		20,922.39	(18,655.83)		2,266.56
National School Lunch Program	10.555	N/A	7/1/10-6/30/11	34,915.24	(2,671.42)	2,671.42			
National School Lunch Program	10.555	N/A	7/1/11-6/30/12	39,261.10		37,479.05	(39,261.10)	(1,782.05)	
Total U.S. Department of Agriculture					\$ 1,471.07	\$ 61,072.86	\$ (62,059.42)	\$ (1,782.05)	\$ 2,266.56
General and Special Revenue Funds									
U.S. Department of Education									
Passed-through State Department of Education:									
Title I - Part A - Carryover	84.01a	NCLB181011	9/1/10-8/31/11	13,078.00	\$ (13,078.00)	\$ 13,078.00	\$	\$	
Title I - Part A	84.01a	NCLB181012	9/1/11-8/31/12	14,480.00		8,000.00	(14,480.00)	(6,480.00)	
Title II - Part A - Carryover	84.367a	NCLB181011	9/1/10-8/31/11	12,498.00	(12,498.00)	12,498.00			
Title II - Part A	84.367a	NCLB181012	9/1/11-8/31/12	11,340.00		7,700.00	(11,340.00)	(3,640.00)	
Title II - Part D	84.318x	NCLB181011	9/1/10-8/31/11	29.00	(29.00)	29.00			
Title IV - Carryover	84.186	NCLB181009	9/1/08-8/31/09	1,917.00	305.02				305.02
I.D.E.A. Part B - Basic - ARRA	84.391	IDEA181011	9/1/09-8/31/11	274,432.00	(31,654.00)	68,920.00	(37,266.00)		
I.D.E.A. Part B - Basic - Carryover	84.027	IDEA181011	9/1/10-8/31/11	225,822.00	(225,822.00)	225,822.00			
I.D.E.A. Part B - Basic	84.027	IDEA181012	9/1/11-8/31/12	234,024.00		206,746.00	(234,024.00)	(27,278.00)	
I.D.E.A. Part B - Preschool - Carryover	84.173	IDEA181011	9/1/10-8/31/11	10,873.00	(8,446.00)	8,446.00			
I.D.E.A. Part B - Preschool	84.173	IDEA181012	9/1/11-8/31/12	10,903.00		6,299.00	(9,514.36)	(3,215.36)	
Education Jobs Fund	84.41a	N/A	9/1/11-8/31/12	36,785.64		14,182.13	(36,785.64)	(22,603.51)	
Total U.S. Department of Education					\$ (291,221.98)	\$ 571,720.13	\$ (343,410.00)	\$ (63,216.87)	\$ 305.02
Total Federal Financial Assistance					\$ (289,750.91)	\$ 632,792.99	\$ (405,469.42)	\$ (64,998.92)	\$ 2,571.58

See accompanying notes to schedules of financial assistance.

TOWNSHIP OF GREEN BROOK SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2011		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEAR BALANCES	BALANCE AT JUNE 30, 2012		MEMO BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
				DEFERRED REVENUE (ACCTS.REC.)	DUE TO GRANTOR				DEFERRED REVENUE (ACCTS.REC.)	DUE TO GRANTOR		
General Fund:												
Special Education Aid	12-495-034-5120-089	\$ 728,443.00	7/1/11-6/30/12	\$	\$	\$ 688,674.00	\$ (728,443.00)	\$ 39,769.00	\$	\$	\$ (39,769.00)	\$ 728,443.00
Security Aid	12-495-034-5120-084	30,272.00	7/1/11-6/30/12				(30,272.00)	30,272.00			(30,272.00)	30,272.00
Extraordinary Special Education Costs Aid	11-495-034-5120-044	185,458.00	7/1/10-6/30/11	(185,458.00)		185,458.00						185,458.00
Extraordinary Special Education Costs Aid	12-495-034-5120-044	202,597.00	7/1/11-6/30/12				(202,597.00)		(202,597.00)		(202,597.00)	202,597.00
Nonpublic School Transportation Costs Aid	Not Available	20,010.00	7/1/10-6/30/11	(20,010.00)		20,010.00						20,010.00
Nonpublic School Transportation Costs Aid	Not Available	17,748.00	7/1/11-6/30/12				(17,748.00)		(17,748.00)		(17,748.00)	17,748.00
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	427,466.87	7/1/11-6/30/12			425,163.85	(427,466.87)	70,041.00	(2,303.02)		(2,303.02)	427,466.87
				\$ (205,468.00)	\$	\$ 1,319,305.85	\$ (1,406,526.87)	\$ 70,041.00	\$ (222,648.02)	\$	\$ (292,689.02)	\$ 1,611,994.87
Capital Project Fund:												
Auditorium Renovations	1810-030-09-oxag	100,366.00	Project Length	\$ (100,366.00)	\$	\$	\$	\$	\$ (100,366.00)	\$	\$ (100,366.00)	\$ 100,366.00
Mechanical System Upgrade-Auditorium	1810-030-10-1001	121,194.00	Project Length	(9,215.76)			(106,251.92)		(115,467.68)		(121,194.00)	115,467.68
Casework Systems-Science & Art Rooms	1810-030-10-1002	198,556.00	Project Length	(11,533.34)			(150,421.10)		(161,954.44)		(198,556.00)	161,954.44
Mechanical System Upgrade-Gym	1810-030-10-1003	196,576.00	Project Length	(11,012.28)			(161,464.64)		(172,476.92)		(196,576.00)	172,476.92
				\$ (132,127.38)	\$	\$	\$ (418,137.66)	\$	\$ (550,265.04)	\$	\$ (616,692.00)	\$ 550,265.04
Debt Service Fund:												
Debt Service Aid - Type II	12-495-034-5120-017	63,949.00	7/1/11-6/30/12	\$	\$	\$ 63,949.00	\$ (63,949.00)	\$	\$	\$	\$	\$ 63,949.00
				\$	\$	\$ 63,949.00	\$ (63,949.00)	\$	\$	\$	\$	\$ 63,949.00
Enterprise Fund:												
National School Lunch Program (State Share)	11-100-010-3360-067	3,125.70	7/1/10-6/30/11	(414.58)	\$	\$ 414.58	\$	\$	\$	\$	\$	\$ 3,125.70
National School Lunch Program (State Share)	12-100-010-3360-057	3,023.94	7/1/11-6/30/12			2,882.61	(3,023.94)		(141.33)		(141.33)	3,023.94
				\$ (414.58)	\$	\$ 3,297.19	\$ (3,023.94)	\$	\$ (141.33)	\$	\$	\$ 6,149.64
Total State Financial Assistance Subject to OMB 04-04				\$ (338,009.96)	\$	\$ 1,386,552.04	\$ (1,891,637.47)	\$ 70,041.00	\$ (773,054.39)	\$	\$ (909,381.02)	\$ 2,232,358.55
On Behalf TPAF Contributions Not Subject to OMB 04-04:						\$ 194,915.00	\$ (194,915.00)					
On-behalf TPAF non-contributory insurance						391,830.00	(391,830.00)					
On-behalf TPAF post retirement medical						1,973,297.04	(2,478,382.47)					

See accompanying notes to schedules of financial assistance.

Township of Green Brook School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2012

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Township of Green Brook School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from the 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 federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions 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 of 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 BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated 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 revenue, whereas 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:22-44.2.

Township of Green Brook School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2012

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$43,812.00 for the general fund and \$1,504.81 for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$36,785.64	\$1,949,459.87	\$1,986,245.51
Special Revenue Fund	\$304,816.39		304,816.39
Capital Projects Fund		418,137.66	418,137.66
Debt Service Fund		63,949.00	63,949.00
Food Service Fund	62,059.42	3,023.94	65,083.36
	<u>62,059.42</u>	<u>3,023.94</u>	<u>65,083.36</u>
Total Awards & Financial Assistance	<u>\$403,661.45</u>	<u>\$2,434,570.47</u>	<u>\$2,838,231.92</u>

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 in 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, 2012. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2012.

Township of Green Brook School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|-------------|
| (1) | Type of Auditor’s Report Issued: | Unqualified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (3) | Noncompliance material to basic financial statements noted? | No |

Federal Program(s) – Not Applicable

State Program(s)

- | | | |
|-----|---|---------------|
| (1) | Internal Control Over Major State Programs: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (2) | Type of Auditor’s Report issued on compliance for major state program(s)? | Unqualified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04? | None Reported |
| (4) | Identification of Major State Program(s): | |

<u>Program</u>	<u>Grant Number</u>
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002
Debt Service Aid Type II	12-495-034-5120-017

Township of Green Brook School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section I – Summary of Auditor’s Results (Continued)

State Program(s) Continued)

- (5) Program Threshold Determination:
Type A State Program Threshold > \$300,000.00
Type B State Program Threshold <= \$300,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

Section II – Financial Statement Audit – Reported Findings
Under Government Auditing Standards

Internal Control Findings

None Reported

Compliance Findings

None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

State Programs – None Reported

Township of Green Brook School District

Schedule of Prior Year Audit Findings

Not Applicable

