

SCHOOL DISTRICT  
OF  
LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
OF OCEAN COUNTY

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
SURF CITY, NEW JERSEY

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2012

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

of the

Long Beach Island Consolidated School District  
of Ocean County

Surf City, New Jersey

For the Fiscal Year Ended June 30, 2012

Prepared by

Long Beach Island Consolidated School District  
Finance Department

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

INTRODUCTORY SECTION	Page
Letter of Transmittal	1-4
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
FINANCIAL SECTION	
Independent Auditor's Report on General Purpose Financial Statements and Supplementary Schedules of Expenditures of Federal Awards and State Financial Assistance	9-10
REQUIRED SUPPLEMENTARY INFORMATION - PART I	
Management's Discussion and Analysis	11-14
BASIC FINANCIAL STATEMENTS	
A. District Wide Financial Statements	
A-1 Statement of Net Assets	15
A-2 Statement of Activities	16
B. Fund Financial Statements	
Governmental Funds	
B-1 Balance Sheet	17
B-2 Statement of Revenues, Expenditures and Changes In Fund Balance	18
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Proprietary Funds	
B-4 Statement of Net Assets	20
B-5 Statement of Revenues, Expenses and Changes in Fund Net Assets	21
B-6 Statement of Cash Flows	22
Fiduciary Funds	
B-7 Statement of Fiduciary Net Assets	23
B-8 Statement of Changes in Fiduciary Net Assets	24
Notes to Financial Statements	25-40

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

C-1	Budgetary Comparison Schedule - General Fund	41-45
C-1a	Combining Schedule of Revenues, Expenditures, and Changes In Fund Balance - Budget and Actual	N/A
C-1b	Education Jobs Fund Program - Budget and Actual	46
C-2	Budgetary Comparison Schedule - Special Revenue Fund	47
	Notes to Required Supplementary Information	
C-3	Budgetary to GAAP Reconciliation	48

Other Supplementary Information

D. School Based Budget Schedules

D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures Budget and Actual	N/A

E. Special Revenue Fund

E-1	Combining Schedule of Program Revenues and Expenditures Special Revenue Fund - Budgetary Basis	49-50
E-2	Schedule(s) of Preschool Education Aid Expenditures Preschool- All Programs - Budgetary Basis	N/A

F. Capital Projects Fund

F-1	Summary Schedule of Project Revenue, Expenditures And Changes in Fund Balance-Budgetary Basis	51-53
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G. Proprietary Funds

	Enterprise Fund	
G-1	Combining Schedule of Net Assets	54
G-2	Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets	55
G-3	Combining Schedule of Cash Flows	56

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

Internal Service Fund		
G-4	Combining Schedule of Net Assets	N/A
G-5	Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets	N/A
G-6	Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds		
H-1	Combining Statement of Fiduciary Net Assets	57
H-2	Combining Statement of Changes in Fiduciary Net Assets	58
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	N/A
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	59
I. Long-Term Debt		
I-1	Schedule of Serial Bonds	N/A
I-2	Schedule of Obligations Under Capital Leases	N/A
I-3	Debt Service Fund Budgetary Comparison Schedule	N/A
Introduction to the Statistical Section		
Financial Trends		
J-1	Net Assets by Component	62
J-2	Changes in Net Assets	63-64
J-3	Fund Balances - Governmental Funds	65
J-4	Changes in Fund Balances, Governmental Funds	66
J-5	General Fund Other Local Revenue by Source (NJ)	67
Revenue Capacity		
J-6	Assessed Value and Estimated Actual Value of Taxable Property	68-72
J-7	Direct and Overlapping Property Tax Rates	73-77
J-8	Principal Property Taxpayers (Current Yr and Nine Years Ago)	78-82
J-9	Property Tax Levies and Collections	83-87
Debt Capacity		
J-10	Ratios or Outstanding Debt by Type	88
J-11	Ratios of General Bonded Debt by Type	89
J-12	Direct and Overlapping Governmental Activities Debt	90-94
J-13	Legal Debt Margin Information	95
Demographic and Economic Information		
J-14	Demographic and Economic Statistics	96
J-15	Principal Employers, Current and Nine Yrs Ago	97
Operating Information		
J-16	Full-time Equivalent District Employees by Function/Program	98
J-17	Operating Statistics	99
J-18	School Building Information	100
J-19	Schedule of Allowable Maintenance Expenditures by School Facility	101
J-20	Insurance Schedule	102-105

K. Single Audit Section

K-1	Report on Internal Control over Financial Reporting on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	107-108
K-2	Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04	109-110
K-3	Schedule of Expenditures of Federal Awards, Schedule A	111
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	112
K-5	Notes to the Schedules of Awards and Financial Assistance	113-114
K-6	Summary of Findings and Questioned Costs	115
K-7	Summary Schedule of Prior Audit Findings	115

INTRODUCTORY SECTION

# Long Beach Island Consolidated School District



## *Riding the Waves of Excellence*

### LONG BEACH ISLAND GRADE SCHOOL

201 W. 20th Street  
Ship Bottom, New Jersey 08008  
Phone: (609) 494-8851  
Fax: (609) 494-8035  
Karen T. McKeon, Superintendent  
Email: kmckeon@lbi.k12.nj.us

### ETHEL A. JACOBSEN SCHOOL

200 S. Barnegat Avenue  
Surf City, New Jersey 08008  
Phone: (609) 494-2341  
Fax: (609) 494-2921  
Frances Meyer, Principal  
Email: fmeyer@lbi.k12.nj.us

February 19, 2013

Honorable President and  
Members of the Board of Education  
Long Beach Island Consolidated School District  
County of Ocean, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Long Beach Island Consolidated School District (District) for the fiscal year ended 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 (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and 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 Management Discussion and Analysis, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the New Jersey Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the 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:** The Long Beach Island Consolidated School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report.

The Long Beach Island Consolidated Board of Education and all its schools constitute the District's reporting entity. The District consists of five constituent municipalities - Borough of Barnegat Light, Borough of Harvey Cedars, Long Beach Township, Borough of Ship Bottom, and the Borough of Surf City.

The District provides a full range of educational services appropriate to grade levels Pre K through 6. These include regular, as well as special education for handicapped youngsters. The District completed the 2011-2012 fiscal year with an enrollment of 237 students, which is 1 student below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last fifteen years.

**Average Daily Enrollment**

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2011-12	237	0.00%
2010-11	238	+0.05%
2009-10	227	-0.09%
2008-09	250	-0.01%
2007-08	254	0.01%
2006-07	252	-7.01%
2005-06	271	-7.19%
2004-05	292	-2.41%
2003-04	299	-8.00%
2002-03	325	-8.22%
2001-02	354	-5.85%
2000-01	376	-4.33%
1999-00	393	1.03%
1998-99	389	1.04%
1997-98	385	3.22%
1996-97	373	-6.28%

**2) ECONOMIC CONDITION AND OUTLOOK:** The Long Beach Island Consolidated District consists of both large and small summer and year round residences. The Island's economy is based on building, tourism, service providers and fishing.

**3) MAJOR INITIATIVES:** The Long Beach Island School District continues to act upon the goals and objectives embedded in our Long Range Facilities Plan for health and safety as well as acting upon the goals and objectives listed in our Five Year Curriculum Plan and Three Year Technology Plan and our 3 Year Strategic Plan.

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

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

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

**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 Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from 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.

**9) OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Jump, Scutellaro and Company, L.L.P., was selected by the Board's finance committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and fund financial 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.

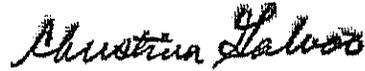
10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Long Beach Island Consolidated School Board 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 secretarial staff.

Respectfully submitted,

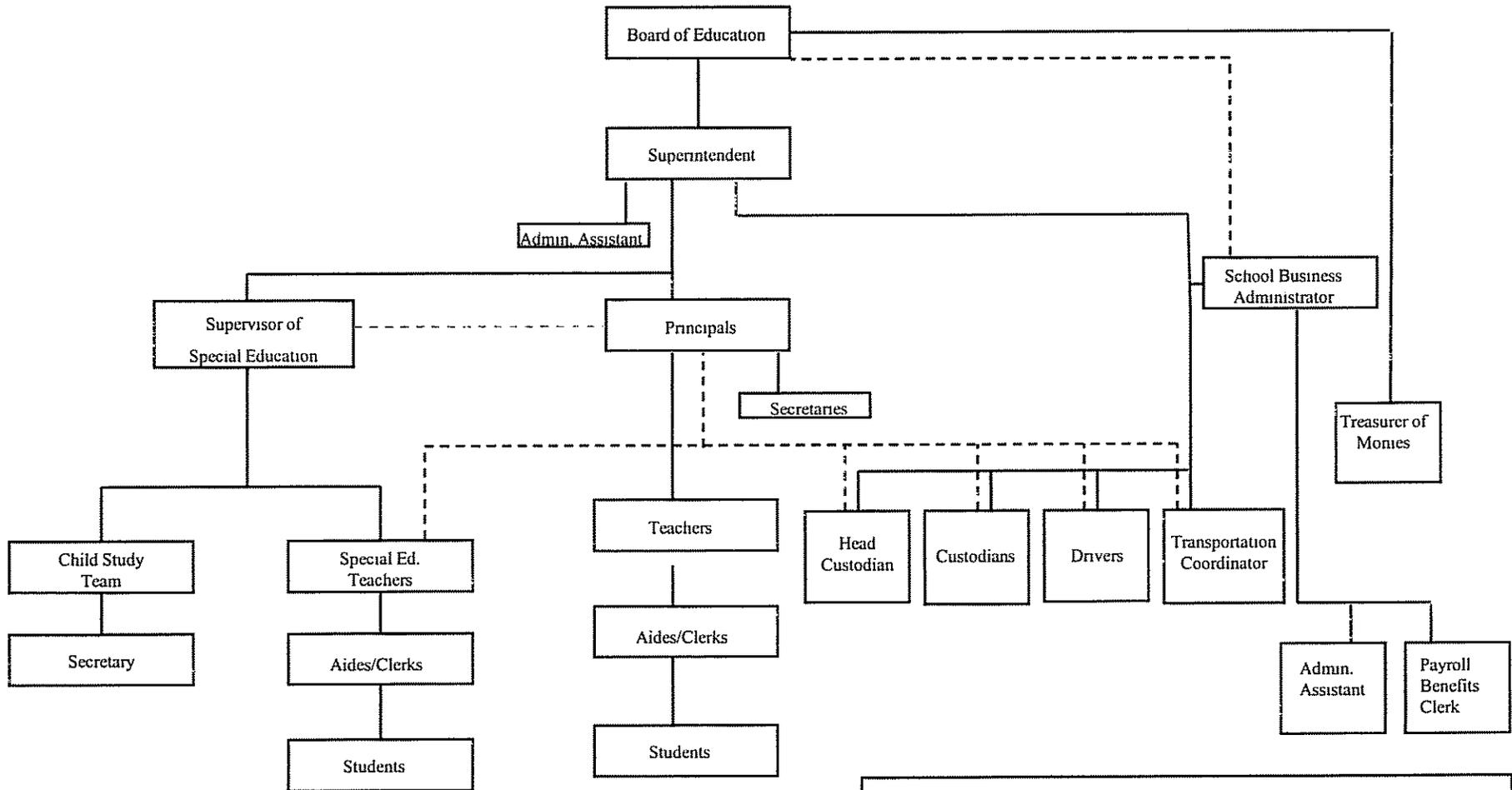


Karen T. McKeon  
Superintendent



Christina M. Galvao  
School Business Administrator/Board Secretary

# LONG BEACH ISLAND SCHOOL DISTRICT



This organization chart shows lines of primary responsibility. It is designed to clarify relationships in case questions arise. The dotted lines indicate secondary responsibility, communication, and cooperation which characterize our schools and in some ways are more important than the lines of primary responsibility shown on the chart.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

SURF CITY, NEW JERSEY

Roster of Officials

June 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Allyn Kain President	2014
Marilyn Wasileski Vice-President	2013
Bonnie Picaro	2013
Terry Deakyne	2013
Georgene Hartmann	2014
Kristy Raber	2012
Lloyd Little	2014
Dawn Kennedy-Little	2012
Jennifer Bott	2012

Other Officials

Karen McKeon, Superintendent

Christina Galvao, Board Secretary &  
School Business Administrator

Mary A. Conroy, Treasurer

LONG BEACH ISLAND BOARD OF EDUCATION

Consultants and Advisors

Consulting Engineer

Dicaro Rubino Architects  
30 Galesi Drive  
Wayne, NJ 07470

Audit Firm

Jump, Scutellaro and Company, L.L.P.  
12 Lexington Avenue  
Toms River, NJ 08753

Attorney

Lindabury, McCormick, Eastbrook & Cooper, P.C.  
Anthony P. Sciarrillo  
53 Cardinal Drive  
Westfield, NJ 07091

Official Depository

TD Bank, N.A.  
13100 Long Beach Boulevard  
Beach Haven, NJ 08008

FINANCIAL SECTION

**JUMP, SCUTELLARO AND COMPANY, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS**

12 LEXINGTON AVENUE TOMS RIVER, NJ 08753 PHONE (732) 240-7377 FAX (732) 505-8307 WEBSITE: jumpcpa.com

UNQUALIFIED OPINION ON BASIC FINANCIAL STATEMENTS ACCOMPANIED BY REQUIRED  
SUPPLEMENTARY INFORMATION AND SUPPLEMENTARY SCHEDULE OF FEDERAL AWARDS AND OTHER  
SUPPLEMENTARY INFORMATION - GOVERNMENTAL ENTITY

Honorable President and  
Members of the Board of Education  
Long Beach Island Consolidated School District  
County of Ocean  
Surf City, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Long Beach Island Consolidated School District in the County of Ocean, State of 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 basic financial statements are the responsibility of Board of Education of the Long Beach Island Consolidated School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund and the aggregate remaining fund information as of the Board of Education of the Long Beach Island Consolidated School District County of Ocean, State of New Jersey, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated November 8, 2011 on our consideration of the Board of Education of the Long Beach Island Consolidated School District of Ocean County's internal control over the financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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 financial statements that collectively comprise the Long Beach Island Board of Education's basic financial statements. The accompanying introduction section, and other supplementary information such as combining and individual fund financial statements, long-term debt schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied to the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied to the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and New Jersey OMB's Circular 04-04, Single Audit for Recipients of Federal Grants, State Grants, and State Aid respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

JUMP, SCUTELLARO AND COMPANY, L.L.P.

  
Kathryn Perry  
Licensed Public School Accountant  
No. CS20CS00226400

Toms River, New Jersey  
January 28, 2013

**LONG BEACH ISLAND SCHOOL DISTRICT**

**Management's Discussion and Analysis**

**For the Year ended June 30, 2012**

This section of the School district's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ended on June 30, 2012. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments* issued in June 1999 that is now being required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2011-12) and the prior fiscal year (2010-11) is required to be presented in the MD & A.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

**District-wide financial statements.** The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private sector business. As such, they are presented using Generally Accepted Accounting Principles (GAAP).

The statement of net assets (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities (A-2) presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**Fund financial statements.** A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental, proprietary or fiduciary.

*Governmental funds* - are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for governmental funds with similar statements. By so doing, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three individual government funds: the general fund, special revenue fund and capital projects fund. All are considered to be major funds. The basic governmental fund financial statements can be found as Exhibits B-1 through B3 in this report.

*Proprietary funds* - The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing the goods or services be financed through user charges. Included in the enterprise fund is the Food Service operation. The basic proprietary fund statement can be found as Exhibits B-4 -B6.

*Fiduciary funds* - are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs. The District uses trust and agency funds to account for resources held for payroll transactions. The basic fiduciary fund statement can be found as Exhibit B-7 - B-8.

**Notes to the financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund statements in this report.

## FINANCIAL HIGHLIGHTS

Key financial highlights for the 2011-2012 fiscal year include the following:

- State Aid increased by the addition of \$212,076 School Choice aid for the first year of the district's participation in the program.
- Total spending for all programs was \$5,861,987 including depreciation. General revenues (primarily local tax levy and state aid) were adequate to provide for the balance of these programs, exclusive of the charge for depreciation.

## District-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net assets:

Current and other assets	1,685,541	25,547	1,711,088
Capital assets, net	2,076,930	-	2,076,930
Total assets	<u>3,762,471</u>	<u>25,547</u>	<u>3,788,018</u>
Long-term liabilities outstanding	134,672	-	134,672
Other liabilities	-	5,233	5,233
Total liabilities	<u>134,672</u>	<u>5,233</u>	<u>139,905</u>
Net assets:			
Investment in capital assets, net	2,076,930	-	2,076,930
Restricted	1,487,879	-	1,487,879
Unrestricted	52,773	20,314	73,087
Total net assets	<u>3,617,582</u>	<u>20,314</u>	<u>3,637,896</u>

Restricted assets represent resources that are subject to external restrictions on how they may be used. Within this category, is \$933,408 for the capital reserve fund plus \$300,000 in the maintenance reserve fund and \$50,000 in the emergency reserve account. This fund is legally restricted to provide for future maintenance at the District's two elementary schools. Also included in the restricted amount are encumbrances in the amount of \$113,057, excess surplus of \$25,804, and \$65,610 budgeted fund balance for the 2012-2013 budget.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net assets from the prior year:

	Government Activities	Business- type Activities	Total
<b>Revenues:</b>			
<b>General revenues:</b>			
Property taxes	5,422,226	-	5,422,226
Charges for services	21,606	-	21,606
Federal and state aid not restricted	441,032	-	441,032
Federal and state aid restricted	105,241	-	105,241
Miscellaneous income	53,954	-	53,954
Total revenues	<u>6,044,059</u>	<u>-</u>	<u>6,044,059</u>
<b>Expenses:</b>			
Instructional services	2,316,133	-	2,316,133
Support services/undistributed costs	4,076,718	-	4,076,718
Food service	-	8,767	8,767
Total expenses	<u>6,392,851</u>	<u>8,767</u>	<u>6,401,618</u>
Change in net assets	182,072	(8,767)	173,305
Net assets, beginning	<u>3,435,510</u>	<u>29,081</u>	<u>3,464,591</u>
Net assets, ending	<u>3,617,582</u>	<u>20,314</u>	<u>3,637,896</u>

### **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget is comprised solely of the June 30, 2011 encumbrances, which 'roll-over' into the subsequent year's budget (2011-2012) and are added to the original budget appropriations.

Throughout the year, as necessary, budget transfers are effectuated between budget accounts to re-align the 2011-2012 budget.

### **Capital Assets**

At June 30, 2012 the District had capital assets of \$2,076,930. This is comprised of: Buildings and equipment. These capital assets are shown net of accumulated depreciation.

### **Contacting the District's Financial Management**

The District's financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions regarding this report can be addressed to the School Business Administrator.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
Statement of Net Assets  
June 30, 2012

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,595,953	\$ 25,547	\$ 1,621,500
Receivables - Federal	55,317	-	55,317
Receivables - state	27,635	-	27,635
Receivables - other	1,403	-	1,403
Interfund receivables	5,233	-	5,233
Inventory	-	-	-
Capital assets, net (Note 4):	2,076,930	-	2,076,930
Total assets	<u>3,762,471</u>	<u>25,547</u>	<u>3,788,018</u>
<b>LIABILITIES</b>			
Interfund payable	-	5,233	5,233
Deferred revenue	10,217	-	10,217
Non-current liabilities (Note 5):			
Due within one year	-	-	-
Due beyond one year	134,672	-	134,672
Total liabilities	<u>144,889</u>	<u>5,233</u>	<u>150,122</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	2,076,930	-	2,076,930
Restricted for:			
Capital projects	933,408	-	933,408
Other purposes	554,471	-	554,471
Unrestricted	52,773	20,314	73,087
Total net assets	<u>\$ 3,617,582</u>	<u>\$ 20,314</u>	<u>\$ 3,637,896</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
Statement of Activities  
For the Fiscal Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Current:							
Regular instruction	\$ 1,987,966	\$ -	\$ -	\$ -	\$ (1,987,966)	\$ -	\$ (1,987,966)
Special schools instruction	204,556	-	-	-	(204,556)	-	(204,556)
Other special instruction	123,611	-	-	-	(123,611)	-	(123,611)
Support services and undistributed costs:							
Instruction	72,164	-	-	-	(72,164)	-	(72,164)
Health services	134,546	-	-	-	(134,546)	-	(134,546)
Other support services	622,310	-	-	-	(622,310)	-	(622,310)
Educational media services	4,211	-	-	-	(4,211)	-	(4,211)
Instruction staff training	14,007	-	-	-	(14,007)	-	(14,007)
General administrative services	179,597	-	-	-	(179,597)	-	(179,597)
School administrative services	103,610	-	-	-	(103,610)	-	(103,610)
Central administrative services	77,181	-	-	-	(77,181)	-	(77,181)
Allowed maintenance for school facilities	73,152	-	-	-	(73,152)	-	(73,152)
Other operation and maintenance of plant	851,890	-	-	-	(851,890)	-	(851,890)
Student transportation services	290,570	4,738	-	-	(285,832)	-	(285,832)
Business and other support services	-	-	-	-	-	-	-
Unallocated employee benefits	1,127,354	-	-	-	(1,127,354)	-	(1,127,354)
Non-budgeted expenditures	526,126	-	526,126	-	-	-	-
Transfers	-	-	-	-	-	-	-
Total governmental activities	<u>6,392,851</u>	<u>4,738</u>	<u>526,126</u>	<u>-</u>	<u>(5,861,987)</u>	<u>-</u>	<u>(5,861,987)</u>
Business-type activities:							
Food service	8,767	-	-	-	-	(8,767)	(8,767)
Total business-type activities	<u>8,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,767)</u>	<u>(8,767)</u>
Total primary government	<u>\$ 6,401,618</u>	<u>\$ 4,738,000</u>	<u>\$ 526,126</u>	<u>\$ -</u>	<u>\$ (5,861,987)</u>	<u>\$ (8,767)</u>	<u>\$ (5,870,754)</u>
General revenues:							
Taxes:							
Property taxes levied for general purpose					\$ 5,422,226	\$ -	\$ 5,422,226
Federal and state aid not restricted					441,032	-	441,032
State aid restricted					105,241	-	105,241
Tuition charges					21,606	-	21,606
Miscellaneous income					52,666	-	52,666
Investment earnings					1,288	-	1,288
Total general revenues, special items, extraordinary items and transfers					<u>6,044,059</u>	<u>-</u>	<u>6,044,059</u>
Change in net assets					182,072	(8,767)	173,305
Net assets—beginning					3,435,510	29,081	3,464,591
Net assets—ending					<u>\$ 3,617,582</u>	<u>\$ 20,314</u>	<u>\$ 3,637,896</u>

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2012**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 698,411	\$ (35,866)	\$ -	\$ -	\$ 662,545
Capital reserve	933,408	-	-	-	933,408
Interfund receivable	5,233	-	-	-	5,233
Due from State	27,408	227	-	-	27,635
Due from others	-	1,403	-	-	1,403
Due from Federal	11,864	43,453	-	-	55,317
Total assets	<u>1,676,324</u>	<u>9,217</u>	<u>-</u>	<u>-</u>	<u>1,685,541</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	-	-	-	-	-
Contracts payable	-	-	-	-	-
Due to Capital Reserve Account	-	-	-	-	-
Deferred revenue	1,000	9,217	-	-	10,217
Total liabilities	<u>1,000</u>	<u>9,217</u>	<u>-</u>	<u>-</u>	<u>10,217</u>
Fund Balances:					
Restricted for:					
Unexpended additional spending proposal	-	-	-	-	-
Capital reserve account	933,408	-	-	-	933,408
Maintenance reserve account	300,000	-	-	-	300,000
Emergency reserve account	50,000	-	-	-	50,000
Excess surplus - current year	-	-	-	-	-
Excess surplus -- designated for subsequent year's expenditures	65,610	-	-	-	65,610
Debt service fund	-	-	-	-	-
Capital projects fund	-	-	-	-	-
Other purposes	-	-	-	-	-
Committed to:					
Other purposes	113,057	-	-	-	113,057
Assigned to:					
Designated by the BOE for subsequent year's exp	25,804	-	-	-	25,804
Other purposes	-	-	-	-	-
Unassigned to:					
General fund	187,445	-	-	-	187,445
Special revenue fund	-	-	-	-	-
Total Fund balances	<u>1,675,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,675,324</u>
Total liabilities, budgeting accounts and fund balances	<u>\$ 1,676,324</u>	<u>\$ 9,217</u>	<u>\$ -</u>	<u>\$ -</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$7,255,602 and the accumulated depreciation is \$5,178,672 (see Note 5).	2,076,930
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7).	<u>(134,672)</u>
Net assets of governmental activities	<u>\$ 3,617,582</u>

**LONG BEACH ISLAND CONSOLIDATED 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
<b>REVENUES</b>					
Local sources:					
Local tax levy	\$ 5,422,226	\$ -	\$ -	\$ -	\$ 5,422,226
Tuition charges	21,606	-	-	-	21,606
Transportation fees	4,738	-	-	-	4,738
Interest on investments	879	-	-	-	879
Interest earned on capital reserve funds	409	-	-	-	409
Miscellaneous	23,180	29,486	-	-	52,666
<b>Total - local sources</b>	<b>5,473,038</b>	<b>29,486</b>	<b>-</b>	<b>-</b>	<b>5,502,524</b>
State sources	950,210	193	-	-	950,403
Federal sources	16,948	105,048	-	-	121,996
<b>Total revenues</b>	<b>6,440,196</b>	<b>134,727</b>	<b>-</b>	<b>-</b>	<b>6,574,923</b>
<b>EXPENDITURES</b>					
Current:					
Regular instruction	1,925,253	62,713	-	-	1,987,966
Special education instruction	204,556	-	-	-	204,556
Other special instruction	123,611	-	-	-	123,611
Support services and undistributed costs:					
Instruction	72,164	-	-	-	72,164
Health services	134,546	-	-	-	134,546
Other support services	550,296	72,014	-	-	622,310
Educational media services	4,211	-	-	-	4,211
Instruction staff training	14,007	-	-	-	14,007
General administrative services	179,597	-	-	-	179,597
School administrative services	103,610	-	-	-	103,610
Central administrative services	77,181	-	-	-	77,181
Allowed maintenance for school facilities	73,152	-	-	-	73,152
Other operation and maintenance of plant	563,152	-	-	-	563,152
Student transportation services	290,570	-	-	-	290,570
Business and other support services	-	-	-	-	-
Unallocated employee benefits	1,143,966	-	-	-	1,143,966
Non-budgeted expenditures	526,126	-	-	-	526,126
Capital outlay	75,846	-	-	-	75,846
<b>Total expenditures</b>	<b>6,061,844</b>	<b>134,727</b>	<b>-</b>	<b>-</b>	<b>6,196,571</b>
Excess (Deficiency) of revenues over expenditures	378,352	-	-	-	378,352
<b>OTHER FINANCING SOURCES (USES)</b>					
Bond proceeds	-	-	-	-	-
Capital leases (non-budgeted)	-	-	-	-	-
Transfer - from capital projects for capital reserve	-	-	-	-	-
Transfer - Capital Reserve	174,909	-	(174,909)	-	-
Transfers to food service	-	-	-	-	-
<b>Total other financing sources and uses</b>	<b>174,909</b>	<b>-</b>	<b>(174,909)</b>	<b>-</b>	<b>-</b>
Net change in fund balances	553,261	-	(174,909)	-	378,352
Fund balance—July 1	1,122,063	-	174,909	-	1,296,972
Fund balance—June 30	\$ 1,675,324	\$ -	\$ -	\$ -	\$ 1,675,324

See accompanying notes to financial statements.

LONG BEACH ISLAND CONSOLIDATED 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)** **\$ 378,352**

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 capital outlays exceeded depreciation in the period.

Depreciation expense	(281,149)	
Capital outlays	<u>68,257</u>	(212,892)

In the statement of activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used, essentially, the amounts actually paid. This year, sick leave was decreased to \$134,672.

16,612

**Change in net assets of governmental activities** **\$ 182,072**

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
Statement of Net Assets  
Proprietary Funds  
June 30, 2012

		Business-type Activities - Enterprise Fund Food Service
<hr/>		
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$	25,547
Investments		-
Interfund receivable		-
Receivable from state		-
Receivable from other governments		-
Other receivables		-
Inventories		-
Total current assets		<u>25,547</u>
Noncurrent assets:		
Restricted cash and cash equivalents		-
Furniture, machinery and equipment		10,816
Less accumulated depreciation		<u>(10,816)</u>
Total noncurrent assets		<u>-</u>
Total assets		<u><u>25,547</u></u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable		-
Interfund payable		5,233
Compensated absences		-
Total current liabilities		<u>5,233</u>
Noncurrent Liabilities:		
Compensated absences		-
Total noncurrent liabilities		<u>-</u>
Total liabilities		<u>5,233</u>
<b>NET ASSETS</b>		
Invested in capital assets net of related debt		-
Restricted for:		
Capital projects		-
Unrestricted		<u>20,314</u>
Total net assets		<u>20,314</u>
Total liabilities and net assets	\$	<u><u>25,547</u></u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2012**

	<b>Business-type Activities -</b>
	<b>Enterprise Fund</b>
	<b>Food</b>
	<b>Service</b>
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	\$ -
Daily sales - non-reimbursable programs	-
Total operating revenues	-
Operating expenses:	
Cost of sales	-
Salaries	-
Employee benefits	-
Payroll taxes	-
Cleaning, repair and maintenance services	8,767
Dues and subscriptions	-
General supplies	-
Depreciation	-
Total operating expenses	8,767
Operating income (loss)	(8,767)
Non-operating revenues (expenses):	
State sources:	
State school lunch program	-
State school breakfast program	-
Federal sources:	
National school lunch program	-
National school breakfast program	-
Special milk program	-
Food distribution program	-
Interest and investment revenue	-
Operating transfers	-
Miscellaneous expense	-
Total non-operating revenues (expenses)	-
Change in net assets	(8,767)
Total net assets—beginning	29,081
Total net assets—ending	\$ 20,314

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Statement of Cash Flows  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2012

	Business-type Activities -	
	Enterprise Funds	
	Food	Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$	-
Payments to employees		-
Payments for employee benefits		-
Payments to suppliers		(8,767)
Net cash used in operating activities		(8,767)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State sources		-
Federal sources		-
Operating subsidies and transfers from other funds		-
Net cash provided by non-capital financing activities		-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and dividends		-
Advances from general fund		-
Net cash provided by investing activities		-
Net increase in cash and cash equivalents		(8,767)
Balances—beginning of year		34,314
Balances—end of year	\$	25,547
 <b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss	\$	(8,767)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation		-
Federal commodities		-
Increase in interfund receivable, net		-
Decrease in accounts receivable, net		-
Increase in inventories		-
(Increase) decrease in other current assets		-
Decrease in interfund payable		-
Increase in accounts payable		-
Increase (decrease) in accrued salaries benefits		-
Total adjustments		-
Net cash used in operating activities	\$	(8,767)

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Statement of Fiduciary Net Assets**  
**June 30, 2012**

	<b>Unemployment Compensation Trust</b>	<b>Agency Fund</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 38,199	\$ 44,175
Investments	-	-
Intergovernmental accounts receivable	-	-
Interfund receivable	-	-
Total assets	38,199	44,175
<b>LIABILITIES</b>		
Accounts payable	-	-
Payroll deductions and withholdings	-	44,175
Payable to student groups	-	-
Interfund payable	-	-
Other current liabilities	-	-
Total liabilities	-	44,175
<b>NET ASSETS</b>		
Held in trust for unemployment claims and other purposes	38,199	-
Total net assets	38,199	-
Total liabilities and net assets	\$ 38,199	\$ 44,175

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2012**

		Unemployment Compensation Trust
<b>ADDITIONS</b>		
Contributions:		
Plan member	\$	6
Other		-
Total contributions		6
Investment earnings:		
Net increase in		
fair value of investments		-
Interest		-
Dividends		-
Less investment expense		-
Net investment earnings		-
Total additions		6
<b>DEDUCTIONS</b>		
Quarterly contribution reports		-
Unemployment claims		16,540
Scholarships awarded		-
Refunds of contributions		-
Administrative expenses		-
Total deductions		16,540
Change in net assets		(16,534)
Net assets—beginning of the year		54,733
Net assets—end of the year	\$	38,199

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

June 30, 2012

1. Summary of Significant Accounting Policies

a. Reporting Entity

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

Long Beach Island Board of Education is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three year terms. The purpose of the District is to educate students in grades K-6. The District has an approximate enrollment of 239 students at June 30, 2012.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds and account groups of the District over which the Board exercises operating control. 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.

b. Basis of Presentation

The School 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.

District-wide Statements: The District adopted the provisions of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—For State and Local Governments; Statement No. 37, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus; and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements, as of July 1, 2002. The District's basic financial statements reflect the implementation.

The district-wide financial statements (A-1 and A-2) include the statement of net assets and the statement of activities. These statements report financial information of the District as a whole excluding the fiduciary activities. All interfund activity, excluding the fiduciary funds, has been eliminated in the statement of activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported through taxes and user fees, from business-type activities, generally financed in whole or in part with fees charged to external customers.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

b. Basis of Presentation (continued)

The statement of net assets presents the financial condition of the governmental and business-type activity of the School 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 requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general 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 School District.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide detail of the governmental, proprietary and 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.

The District reports the following governmental funds:

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 in this fund budgeted Capital Outlay. 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 the proceeds of specific revenue from state and federal Government, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

b. Basis of Presentation (continued)

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

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

The District reports the following proprietary fund:

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

The District's Enterprise Fund is comprised of the Food Service Fund. See Note 17.

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

Equipment	5-20 Years
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Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Payroll Agency Fund and Unemployment Compensation Insurance Trust Fund.

c. Basis of Accounting

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; the enterprise fund and fiduciary funds use the 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. The tax revenues are recognized in the year for which they are levied (see Note 1.d.). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all requirements have been satisfied.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

c. Basis of Accounting (continued)

Governmental fund financial statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon thereafter to pay current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for 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.

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

d. Property Taxes

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. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

e. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6a:23-1.2. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2012 were insignificant.

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 revenue 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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

e. Budgets/Budgetary Control (continued)

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 reports.

f. Encumbrances

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

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

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

g. Cash, Cash Equivalents and Investments

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

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

h. Short-Term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. All interfund receivables and payables between the governmental and proprietary have been eliminated in the District-wide statements.

All interfund activity has been eliminated from the statement of activity.

i. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods are recorded as an expenditure during the year of purchase.

j. Capital Assets

During the year ended June 30, 1994 the District established a formal system of accounting for its general fixed assets. General fixed assets acquired or constructed subsequent to June 30, 1993 are recorded at original cost. General fixed assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records. Donated fixed assets are valued at their estimated fair market value on the date received.

The property and equipment are stated at cost (as defined on previous page) and are depreciated over their useful lives of 5-50 years. Depreciation is computed using the straight-line method. Maintenance and repairs are charged to expense as incurred. Expenditures for major renewals or betterments that extend the useful lives of the assets are capitalized. Construction-in-progress accumulates the costs of a capital asset that has not been completed. When the asset is placed in service it is capitalized at its total cost and depreciated based on its useful life. The cost and related accumulated depreciation of property and equipment retired or disposed are removed from the accounts and the resulting gains or losses are reflected in general revenue.

k. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten month academic year, have the option to have their salaries evenly disbursed during the entire twelve month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2012, the amount earned by these employees but not disbursed was \$-0-.

l. Compensated Absences

District employees are granted vacation and sick leave under the District's employment contracts. Vacation day allotments per year cannot be accumulated into the next fiscal year. Sick leave benefits provide for ordinary sick pay and are reimbursable in accordance to the individual employment contract. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental fund.

m. Deferred Revenue

Deferred revenue in the special revenue fund represents cash which has been received but not yet earned.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

n. 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. Bonds are recognized as a liability on the fund financial statements when due.

o. 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 School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School 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.

p. Fund Balance Resources

In February 2009, the GASB issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions ("GASB 54"). GASB 54 is effective for periods beginning after June 15, 2010 and established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

Nonspendable - includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.

Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed - includes amounts that can be spent only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned - amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned - includes all spendable amounts not contained in the other classifications.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

q. 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.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property 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 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 School District must provide local resources to be used for a specified purposes; and expenditure requirements, in which the resources are provided to the School 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 to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

r. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

s. Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. Cash, Cash Equivalents and Investments

Operating cash, in the form of Negotiable Order of Withdrawal ("NOW") accounts, is held in the District's name by a commercial banking institution. At June 30, 2012, the carrying amount of the District's deposits was \$1,703,874 and the bank balance was \$1,847,311. Of the bank balance, \$250,000 was insured with Federal Deposit Insurance.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

2. Cash, Cash Equivalents and Investments (continued)

Pursuant to GASB Statement No. 40, 'Deposit and Investment Risk Disclosures' ("GASB 40"), the District's NOW accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are uncollateralized (securities not pledged to be depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

At June 30, 2012, all of the District's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The District does not have a policy for custodial credit risk.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

3. Investments

Pursuant to the Enabling Act, the funds of the District may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the District may approve.

As of June 30, 2012, the District had \$0 of investments on deposit.

4. Capital Reserve Account

A capital reserve account was established by the Long Beach Island Board of Education for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. A capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's Long Range Facilities Plan, ("LRFP"). Upon submission of the LRFP to the department, a district may deposit funds by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate 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. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

4. 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	\$358,090
Interest earnings	409
Deposits (approved in June 2012 minutes)	400,000
Transfer from capital projects	174,909
Withdrawals	-
Ending balance, June 30, 2012	<u>\$933,408</u>

The June 30, 2012 LRFPP balance of local support costs of uncompleted capital projects is greater than the capital reserve balance. There were no withdrawals from the capital reserve for DOE approved facilities projects.

5. Capital Assets

Capital assets consisted of the following at June 30, 2012:

	Beginning Balance	Additions	Retirements	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Capital assets that are not being depreciated:				
Site and site improvements	\$ 141,341	\$-	\$-	\$141,341
Construction in progress	371,976	-	(371,976)	-
Total capital assets not being depreciated	<u>513,317</u>	<u>-</u>	<u>(371,976)</u>	<u>141,341</u>
Building and building improvements	4,873,251	371,976	-	5,245,227
Machinery and equipment	1,800,777	68,257	-	1,869,034
Totals at historical cost	<u>6,674,028</u>	<u>440,233</u>	<u>-</u>	<u>7,114,261</u>
Less accumulated depreciation for:				
Building and improvements	(3,020,213)	(107,207)	-	(3,127,421)
Machinery and equipment	(1,877,310)	(173,941)	-	(2,051,251)
Total accumulated depreciation	<u>(4,897,523)</u>	<u>(281,149)</u>	<u>-</u>	<u>(5,178,672)</u>
Total capital assets being depr. net of accumulated depreciation	<u>1,776,505</u>	<u>159,084</u>	<u>-</u>	<u>1,935,589</u>
Government activities capital assets, net	<u>\$2,289,822</u>	<u>\$159,084</u>	<u>\$ (371,976)</u>	<u>\$2,076,930</u>
BUSINESS-TYPE ACTIVITIES:				
Equipment	\$ 10,816	\$ -	\$ -	\$10,816
Less :accumulated depreciation	(10,816)	-	-	(10,816)
Business-type activities Capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

5. Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$	-
Special schools instruction		-
Other support - students		-
General administration		-
School administration		-
Business services		-
Operations and maintenance		<u>281,149</u>

Total depreciation expense \$ 281,149

6. Receivables

Receivables at June 30, 2012, consisted of accounts (rent and tuition), accrued interest, interfund, intergovernmental, and property taxes. All receivables are considered collectible in full. A summary of the principal items of governmental receivables follows:

	Governmental Fund Financial Statements	District-Wide Financial Statements
Interfunds	\$ 5,233	\$ 5,233
Federal Receivables	55,317	55,317
State Receivables	27,635	27,635
Other Receivables	1,403	1,403
Gross Receivables	89,588	89,588
Less:		
Allowance for Uncollectibles	-	-
Total Receivables, Net	<u>89,588</u>	<u>89,588</u>

7. Non-current Liabilities

During the fiscal year ended June 30, 2012 the following changes occurred in the non-current liabilities:

	<u>6-30-11</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>6-30-12</u>	Due Within <u>One Year</u>
Compensated absences Payable	\$ <u>151,284</u>	<u>3,388</u>	<u>(20,000)</u>	<u>134,672</u>	-
	\$ <u>151,284</u>	<u>3,388</u>	<u>(20,000)</u>	<u>134,672</u>	<u>-</u>

## Notes to Financial Statements

## 8. Pension Plans

Description of Systems:

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 was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multi-employer plan.

Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

8. Pension Plans (continued)

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 5½% 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, non-contributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>		<u>Net Pension Obligation</u>
6/30/12	0	100	%	\$ 0
6/30/11	0	100		0
6/30/10	0	100		0

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>		<u>Net Pension Obligation</u>
6/30/12	\$265,504	100	%	\$ 0
6/30/11	185,716	100		0
6/30/10	189,333	100		0

During the fiscal year ended June 30, 2012, the State of New Jersey contributed \$265,504 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$260,622 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 general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

9. Post-Retirement Benefits

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 of those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2011, 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 prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

9. Post-Retirement Benefits (continued)

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. In fiscal year 2011, the State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members.

10. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental activities fund (see Note 7).

11. Deferred Compensation

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by the Division of Pensions, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with the amounts, and all income attributable to these amounts are solely the property and rights of the State, subject only to the claims of the State's general creditors. Participants' rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account of each participant. The State has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The State believes it is unlikely that the plan assets will be used to satisfy future claims of general creditors.

12. Contingent Liabilities

Grant Programs

The school district participates in federal awards and state financial assistance grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

13. Risk Management

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

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

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 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 three years:

<u>Fiscal Year</u>	<u>Interest</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011-2012	\$ 6	\$ -	\$ 16,540	\$ 38,199
2010-2011	511	7,490	56,219	54,733
2009-2010	802	2,485	16,328	102,951

14. Interfund Receivables and Payables

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 5,233	\$ -
Special Revenue Fund	-	-
Capital Projects Fund	-	-
Debt Service Fund	-	-
Enterprise Fund	-	5,233
Trust and Agency Fund	-	-
	<u>\$ 5,233</u>	<u>\$ 5,233</u>

15. Fund Balances

General Fund - Of the \$1,675,324 general fund balance at June 30, 2012, \$113,057 of encumbrances is committed to other purposes, \$25,804 is classified as assigned fund balance designated for subsequent year expenditures, \$300,000 is restricted for maintenance reserve, \$50,000 is restricted for the emergency reserve, \$933,408 is restricted for capital reserve, \$65,610 is restricted excess surplus designated for subsequent year's expenditures and \$187,445 is unassigned.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

16. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance—Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2012 is \$-. The excess fund balance at June 30, 2011 was \$65,610.

17. Enterprise Fund

For the 2011-2012 school-year the District contracted with the Stafford Board of Education to operate the cafeteria. Stafford is in charge of providing the employees, food, charging the students and the free and reduced meal program. There is no costs to the District. Stafford operates out of the District's kitchen and cafeteria area. The appliances and other equipment are still the responsibility of the District.

The Enterprise Fund will still remain operational to fund repairs and equipment purchases.

18. Uncertain Tax Positions

The District had no unrecognized tax benefits at June 30, 2012. The District files tax returns in the U.S. federal jurisdiction and various states. The District has no open year prior to June 30, 2009.

19. Closing of Long Beach Island School

The District had hired a consultant to review the possibility of closing one of the two District schools and combining all grades into one school. The feasibility study detailed the closing of the Long Beach Island School located in Ship Bottom, selling the location and using the proceeds to upgrade the Ethel Jacobson School located in Surf City. In January 2011 the Board approved the feasibility study. The District is currently working with various professionals to move forward with the closing of the school and the sale of the property.

20. Subsequent Events

Management has evaluated subsequent events through January 28, 2013 the date the financial statements were available to be issued. The District did have damage due to the October 2012 Hurricane. The Long Beach Island School is currently closed and all the students are attending the Ethel Jacobson School. The administration is working with the insurance companies to determine the best plan of action for repairing the School that, as noted in Footnote 19, was to be closed and the property sold. No final plans have yet been determined.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 5,422,226		\$ 5,422,226	\$ 5,422,226	\$ -
Tuition	25,000	-	25,000	21,606	(3,394)
Transportation fees	-	-	-	4,738	4,738
Interest	-	-	-	879	879
Interest earned on current expense emergency reserve	500	-	500	-	(500)
Interest earned on maintenance reserve	500	-	500	-	(500)
Interest earned on capital reserve funds	1,500	-	1,500	409	(1,091)
Miscellaneous	25,000	-	25,000	23,180	(1,820)
<b>Total - local sources</b>	<b>5,474,726</b>	<b>-</b>	<b>5,474,726</b>	<b>5,473,038</b>	<b>(1,688)</b>
State sources:					
Categorical transportation aid	68,525	-	68,525	68,525	-
Categorical special education aid	106,133	-	106,133	106,133	-
Categorical security aid	24,584	-	24,584	24,584	-
Extraordinary aid	-	-	-	26,190	26,190
Adjustment aid	65,776	(20,786)	44,990	-	(44,990)
Non-public transportation aid	-	-	-	1,218	1,218
School choice aid	-	158,827	158,827	212,076	53,249
Other state aid	-	-	-	18,226	18,226
TPAF pension (on-behalf - Non-budgeted)	-	-	-	265,504	265,504
TPAF social security (reimbursed - Non-budgeted)	-	-	-	260,622	260,622
<b>Total state sources</b>	<b>265,018</b>	<b>138,041</b>	<b>403,059</b>	<b>983,078</b>	<b>580,019</b>
Federal sources:					
Education jobs fund program	16,948	-	16,948	16,948	-
<b>Total federal sources</b>	<b>16,948</b>	<b>-</b>	<b>16,948</b>	<b>16,948</b>	<b>-</b>
<b>Total revenues</b>	<b>\$ 5,756,692</b>	<b>\$ 138,041</b>	<b>\$ 5,894,733</b>	<b>\$ 6,473,064</b>	<b>\$ 578,331</b>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction:</b>					
Preschool/Kindergarten - Salaries of teachers	\$ 430,625	\$ (74,320)	\$ 356,305	\$ 354,271	\$ 2,034
Grades 1-5 - Salaries of teachers	1,019,128	62,292	1,081,420	1,070,590	10,830
Grades 6-8 - Salaries of teachers	346,624	(22,000)	324,624	324,276	348
<b>Regular Programs - Home Instruction:</b>					
Salaries of teachers	250	-	250	-	250
Purchased professional-educational services	-	-	-	-	-
<b>Regular Programs - Undistributed Instruction:</b>					
Other salaries for instruction	-	-	-	-	-
Purchased professional-educational services	-	-	-	-	-
Purchased technical services	25,000	(9,311)	15,689	15,689	-
Other purchased services (400-500 series)	12,000	6,515	18,515	18,515	-
General supplies	117,830	16,340	134,170	101,385	32,785
Textbooks	23,650	(100)	23,550	23,514	36
Instructional textbooks	-	-	-	-	-
Other objects - misc. exp.	15,000	2,066	17,066	17,013	53
Other objects - instruction ATP	-	-	-	-	-
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>1,990,107</b>	<b>(18,518)</b>	<b>1,971,589</b>	<b>1,925,253</b>	<b>46,336</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Multiple Disabilities:</b>					
Salaries	98,919	(13,400)	85,519	85,480	39
Salaries - aides	-	-	-	-	-
General supplies	500	(200)	300	276	24
Textbooks	-	-	-	-	-
<b>Total Multiple Disabilities</b>	<b>99,419</b>	<b>(13,600)</b>	<b>85,819</b>	<b>85,756</b>	<b>63</b>
<b>Resource Room/Resource Center:</b>					
Salaries of teachers	104,119	15,489	119,608	118,800	808
Other salaries for instruction	-	-	-	-	-
General supplies	500	200	700	-	700
Textbooks	-	-	-	-	-
<b>Total Resource Room/Resource Center</b>	<b>104,619</b>	<b>15,689</b>	<b>120,308</b>	<b>118,800</b>	<b>1,508</b>
<b>Home Instruction:</b>					
Salaries to teachers	250	-	250	-	250
<b>Total Home Instruction</b>	<b>250</b>	<b>-</b>	<b>250</b>	<b>-</b>	<b>250</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>204,288</b>	<b>2,089</b>	<b>206,377</b>	<b>204,556</b>	<b>1,821</b>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Basic Skills/Remedial - Instruction:</b>					
Salaries of teachers	149,095	(27,000)	122,095	121,417	678
General supplies	1,050	-	1,050	402	648
Textbooks	-	-	-	-	-
<b>Total Basic Skills/Remedial - Instruction</b>	<b>150,145</b>	<b>(27,000)</b>	<b>123,145</b>	<b>121,819</b>	<b>1,326</b>
<b>School spons. Cocurricular activities - Instruction</b>					
Salaries of teachers	2,500	310	2,810	-	2,810
Other purchased services (400-500 series)	-	-	-	-	-
General supplies	-	-	-	-	-
Textbooks	-	-	-	-	-
Other objects	-	-	-	-	-
<b>Total School spons. Cocurricular activities - Instruction</b>	<b>2,500</b>	<b>310</b>	<b>2,810</b>	<b>-</b>	<b>2,810</b>
<b>Community Service Programs/Operations:</b>					
Salaries	3,000	29	3,029	-	3,029
Other objects	3,000	-	3,000	1,792	1,208
<b>Total Community Service Programs/Operations</b>	<b>6,000</b>	<b>29</b>	<b>6,029</b>	<b>1,792</b>	<b>4,237</b>
<b>Total Instruction</b>	<b>2,353,040</b>	<b>(43,090)</b>	<b>2,309,950</b>	<b>2,253,420</b>	<b>56,530</b>
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to other LEAs within the state - regular	-	-	-	-	-
Tuition to other LEAs within the state - special	66,675	5,489	72,164	72,164	-
Tuition to CSSD & Reg. Day Schools	-	-	-	-	-
Tuition to private schools for the handicapped - Within state	-	-	-	-	-
<b>Total Undistributed Expenditures - Instruction</b>	<b>66,675</b>	<b>5,489</b>	<b>72,164</b>	<b>72,164</b>	<b>-</b>
<b>Undist. Expend. - Attend &amp; Social Work:</b>					
Salaries	35,823	1,316	37,139	37,139	-
Purchased professional and technical services	-	-	-	-	-
<b>Total Undistributed Expenditures - Attend &amp; Social Work</b>	<b>35,823</b>	<b>1,316</b>	<b>37,139</b>	<b>37,139</b>	<b>-</b>
<b>Undist. Expend. - Health Services</b>					
Salaries	130,336	986	131,322	131,322	-
Purchased professional and technical services	500	(404)	96	96	-
Other purchased services (400-500 series)	-	-	-	-	-
Supplies and materials	3,000	128	3,128	3,128	-
Other objects	-	-	-	-	-
<b>Total Undistributed Expenditures - Health Services</b>	<b>133,836</b>	<b>710</b>	<b>134,546</b>	<b>134,546</b>	<b>-</b>
<b>Undist. Expend. - Other Support Services - Students - Related Service:</b>					
Salaries of other professional staff	79,419	3,415	82,834	82,834	-
Purchased professional - educational services	10,000	11,902	21,902	19,892	2,010
Supplies and materials	-	-	-	-	-
Other objects	-	-	-	-	-
<b>Total Undist. Expend. - Other Support Services - Students - Rel</b>	<b>89,419</b>	<b>15,317</b>	<b>104,736</b>	<b>102,726</b>	<b>2,010</b>
<b>Undist. Expend. - Other Support Services - Students - Extraordinary Services:</b>					
Salaries	15,748	53,430	69,178	69,178	-
Purchased professional - educational services	-	-	-	-	-
Supplies and materials	-	-	-	-	-
<b>Total Undist. Expend. - Other Supp. - Extraordinary Services</b>	<b>15,748</b>	<b>53,430</b>	<b>69,178</b>	<b>69,178</b>	<b>-</b>
<b>Undist. Expend. - Other Support Services Students-Regular:</b>					
Salaries of other professional staff	24,484	31,218	55,702	55,702	-
Salaries of secretarial and clerical assistants	-	-	-	-	-
Purchased professional - educational services	-	-	-	-	-
Other purchased services (400-500 series)	-	-	-	-	-
Supplies and materials	1,800	(190)	1,610	1,610	-
<b>Total Undist. Expend. - Other Support Services - Students-Regul</b>	<b>26,284</b>	<b>31,028</b>	<b>57,312</b>	<b>57,312</b>	<b>-</b>
<b>Undist. Expend. - Other Support Services - Students-Special:</b>					
Salaries of other professional staff	165,205	12,934	178,139	178,139	-
Salaries of secretarial and clerical assistants	12,889	(193)	12,696	12,696	-
Other salaries	-	-	-	-	-
Other purchased professional services	10,000	(8,070)	1,930	915	1,015
Miscellaneous purchased service	-	-	-	-	-
Supplies and materials	-	-	-	-	-
Other objects	7,000	899	7,899	7,130	769
<b>Total Undist. Expend. - Other Support Services - Students-Speci</b>	<b>195,094</b>	<b>5,570</b>	<b>200,664</b>	<b>198,880</b>	<b>1,784</b>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Undist. Expend. - Improvement of Instruction Services:</b>					
Salaries of supervisor of instruction	77,411	(26,389)	51,022	51,022	-
Salaries of other professional staff	-	-	-	-	-
Salaries of secretarial and clerical assist.	33,039	1,000	34,039	34,039	-
Other salaries	-	-	-	-	-
Other purchased services (400-500)	-	-	-	-	-
Supplies and materials	-	-	-	-	-
Other objects	-	-	-	-	-
<b>Total Undist. Expend. - Improvement of Instruction Services</b>	<b>110,450</b>	<b>(25,389)</b>	<b>85,061</b>	<b>85,061</b>	<b>-</b>
<b>Undist. Expend. - Educational Media Services/School Library:</b>					
Salaries	8,521	(8,521)	-	-	-
Purchased professional and technical services	-	-	-	-	-
Supplies and materials	9,500	(2,758)	6,742	4,211	2,531
<b>Total Undist. Expend. - Educational Media Services/School Libra</b>	<b>18,021</b>	<b>(11,279)</b>	<b>6,742</b>	<b>4,211</b>	<b>2,531</b>
<b>Undist. Expend. - Instruction Staff Training Services:</b>					
Salaries of supervisors of instruction	-	-	-	-	-
Other salaries	-	-	-	-	-
Purchased professional - educational services	5,000	(4,700)	300	285	15
Other purchased services (400-500 series)	20,000	(1,582)	18,418	13,722	4,696
Supplies and materials	-	-	-	-	-
Other objects	-	-	-	-	-
<b>Total Undist. Expend. - Instruction Staff Training Services</b>	<b>25,000</b>	<b>(6,282)</b>	<b>18,718</b>	<b>14,007</b>	<b>4,711</b>
<b>Undist. Expend. - Support Service - General Administration:</b>					
Salaries	63,370	(1,950)	61,420	61,354	66
Legal services	6,000	63,559	69,559	69,559	-
Audit Fees	11,000	1,000	12,000	12,000	-
Other purchased professional services - school election costs	12,000	(7,761)	4,239	4,239	-
Other purchased professional services - auditor's fee	-	-	-	-	-
Other purchased professional services - other contracted	-	-	-	-	-
Purchased technical services	-	-	-	-	-
Communications/telephone - bus	7,000	(5,075)	1,925	1,890	35
Communications	-	-	-	-	-
Communications - Technical	-	-	-	-	-
Other purchased services (400-500 series)	10,500	3,733	14,233	14,233	-
Supplies and materials	600	312	912	831	81
BOE In-House Training / meeting supplies	900	1,506	2,406	2,374	32
Judgments against the District	-	1,694	1,694	1,500	194
BOE Membership Dues and Fees	6,500	1,062	7,562	7,562	-
Miscellaneous expenditures - Board of Ed	3,700	438	4,138	4,055	83
Miscellaneous expenditures - Superintendent	-	-	-	-	-
<b>Total Undist. Expend. - Support Service - General Administration</b>	<b>121,570</b>	<b>58,518</b>	<b>180,088</b>	<b>179,597</b>	<b>491</b>
<b>Undist. Expend. - Support Service - School Administration:</b>					
Salaries of principals/Assistant principals	91,000	(1,050)	89,950	89,905	45
Salaries of secretarial and clerical assistants	8,956	2,099	11,055	11,055	-
Other purchased services (400-500 series)	600	(75)	525	374	151
Supplies and materials	500	830	1,330	922	408
Other objects	1,000	354	1,354	1,354	-
<b>Total Undist. Expend. - Support Service - School Administration</b>	<b>102,056</b>	<b>2,158</b>	<b>104,214</b>	<b>103,610</b>	<b>604</b>
<b>Undist. Expend. - Central Services:</b>					
Salaries	86,660	(22,664)	63,996	63,996	-
Purchased professional services	8,000	4,930	12,930	12,930	-
Supplies and materials	300	486	786	160	626
Other objects	1,800	(1,632)	168	95	73
<b>Total Undist. Expend. - Central Services</b>	<b>96,760</b>	<b>(18,880)</b>	<b>77,880</b>	<b>77,181</b>	<b>699</b>
<b>Interest Earned on Maintenance Reserve</b>					
Interest Earned	500	(500)	-	-	-
<b>Total Interest Earned on Maintenance Reserve</b>	<b>500</b>	<b>(500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Undist. Expend. - Allowed Maintenance for School Facilities:</b>					
Salaries	35,967	(4,921)	31,046	31,046	-
Cleaning, repair and maintenance services	66,899	538	67,437	40,405	27,032
General supplies	4,000	-	4,000	1,701	2,299
<b>Total Undist. Expend. - Allowed Maintenance for School Faciliti</b>	<b>106,866</b>	<b>(4,383)</b>	<b>102,483</b>	<b>73,152</b>	<b>29,331</b>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Undist. Expend. - Other Operation &amp; Maintenance of Plant</b>					
Salaries	307,340	(48,885)	258,455	258,455	-
Salaries - custodians	-	-	-	-	-
Purchased professional and technical services	4,000	(121)	3,879	3,879	-
Cleaning, Repair & Maint. Svc.	32,000	48,719	80,719	74,706	6,013
Cleaning, repair and maintenance services - up keep	-	-	-	-	-
Cleaning, repair and maintenance services - comp.	-	-	-	-	-
Other purchased property services	5,500	(2,167)	3,333	3,333	-
Insurance	38,000	-	38,000	38,000	-
General supplies	25,000	159	25,159	22,237	2,922
General supplies - custodial	-	-	-	-	-
General supplies - operations	-	-	-	-	-
Energy (heat and electricity)	-	-	-	-	-
Energy (energy and electricity) - gas	-	48,489	48,489	38,084	10,405
Energy (energy and electricity) - electric	241,000	(92,774)	148,226	124,458	23,768
Other objects	-	-	-	-	-
<b>Total Undist. Expend. - Other Operation &amp; Maintenance Of Plant</b>	<b>652,840</b>	<b>(46,580)</b>	<b>606,260</b>	<b>563,152</b>	<b>43,108</b>
<b>Undist. Expend-Oper &amp; Maint of Plan Serv Total</b>	<b>759,706</b>	<b>(50,963)</b>	<b>708,743</b>	<b>636,304</b>	<b>72,439</b>
<b>Undist. Expend. - Student Transportation Services:</b>					
Salaries for pupil transportation (between home and school) -	101,926	18,815	120,741	117,728	3,013
Salaries for pupil transportation (between home and school) -	85,829	27,736	113,565	113,565	-
Salaries of Non-Instructional Aids	-	-	-	-	-
Other purchased professional services	-	-	-	-	-
Cleaning, repair and maintenance services	30,000	(3,400)	26,600	17,608	8,992
Lease purchase payments - school buses	-	-	-	-	-
Contract services (between home & school) - joint agree	10,000	(3,157)	6,843	-	6,843
Contract services - (regular education students) - vendors	-	-	-	-	-
Contract services - (special education students) - ESCs & CTS	-	35,000	35,000	-	35,000
Contract services-Aid in lieu payments-non public school	-	-	-	-	-
Aid in lieu of payments	-	-	-	-	-
Miscellaneous purchased services - transportation	15,000	(7,605)	7,395	7,395	-
Supplies and materials - gasoline and diesel	-	-	-	-	-
Supplies and materials	32,000	3,516	35,516	34,274	1,242
Miscellaneous expenditures	-	-	-	-	-
<b>Total Undist. Expend. - Student Transportation Services</b>	<b>274,755</b>	<b>70,905</b>	<b>345,660</b>	<b>290,570</b>	<b>55,090</b>
<b>Interest Earned on Current Expense Emergency Reserve</b>					
Interest Earned	500	(500)	-	-	-
<b>Total Interest Earned on Current Expense Emergency Reserve</b>	<b>500</b>	<b>(500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>UNALLOCATED EMPLOYEE BENEFITS:</b>					
Social security contributions	76,000	1,204	77,204	75,132	2,072
Other retirement contribution - regular	-	-	-	-	-
P.E.R.S. contribution	83,000	7,954	90,954	90,954	-
Workmen's compensation	61,000	(16,940)	44,060	42,674	1,386
Health benefits	1,090,808	(101,454)	989,354	905,525	83,829
Tuition reimbursement	-	-	-	-	-
Other employee benefits	76,000	(10,514)	65,486	29,681	35,805
<b>TOTAL UNALLOCATED EMPLOYEE BENEFITS</b>	<b>1,386,808</b>	<b>(119,750)</b>	<b>1,267,058</b>	<b>1,143,966</b>	<b>123,092</b>
<b>ON-BEHALF CONTRIBUTIONS:</b>					
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	265,504	(265,504)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	260,622	(260,622)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>526,126</b>	<b>(526,126)</b>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<b>1,386,808</b>	<b>(119,750)</b>	<b>1,267,058</b>	<b>1,670,092</b>	<b>(403,034)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>3,459,005</b>	<b>11,398</b>	<b>3,469,903</b>	<b>3,732,578</b>	<b>(262,675)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>5,812,045</b>	<b>(32,192)</b>	<b>5,779,853</b>	<b>5,985,998</b>	<b>(206,145)</b>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CAPITAL OUTLAY</b>					
<b>Interest Deposit to Capital Reserves</b>					
Interest Deposit	1,500	(1,500)	-	-	-
<b>Total Interest Deposit on Capital Reserves</b>	<b>1,500</b>	<b>(1,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Equipment</b>					
<b>Regular - Instruction:</b>					
Undistributed expenditures - instructional equip.	-	3,986	3,986	3,986	-
Undistributed expenditures - support services - special	-	-	-	-	-
Undistributed expenditures - general administration	-	13,954	13,954	11,354	2,600
Undistributed expenditures - school administration	-	-	-	-	-
Undistributed expenditures - central services	-	-	-	-	-
Undistributed expenditures - operation and maintenance of pla	-	-	-	-	-
Undistributed expenditures - student transportation	-	-	-	-	-
Undistributed expenditures - non inst. equipment	-	-	-	-	-
Undistributed expenditures - business/other support services	-	-	-	-	-
<b>Total Equipment</b>	<b>-</b>	<b>17,940</b>	<b>17,940</b>	<b>15,340</b>	<b>2,600</b>
<b>Undistributed exp. - Non-instructional services:</b>					
School buses - regular	-	-	-	-	-
Special schools (all programs)	-	3,400	3,400	3,377	23
<b>Total Undistributed exp. - Non-instructional services</b>	<b>-</b>	<b>3,400</b>	<b>3,400</b>	<b>3,377</b>	<b>23</b>
<b>Facilities Acquisition and Construction Services</b>					
Other Purchased Prof. & Tech. Serv.	-	56,519	56,519	53,982	2,537
Other objects	3,147	-	3,147	3,147	-
Capital Reserve	-	-	-	-	-
Current capital	-	-	-	-	-
Lease purchase agreements - principal	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Services</b>	<b>3,147</b>	<b>56,519</b>	<b>59,666</b>	<b>57,129</b>	<b>2,537</b>
<b>TOTAL CAPITAL OUTLAY</b>	<b>4,647</b>	<b>76,359</b>	<b>81,006</b>	<b>75,846</b>	<b>5,160</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,816,692</b>	<b>\$ 44,167</b>	<b>\$ 5,860,859</b>	<b>\$ 6,061,844</b>	<b>\$ (200,985)</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>	<b>(60,000)</b>	<b>93,874</b>	<b>33,874</b>	<b>411,220</b>	<b>779,316</b>
<b>Other Financing Sources and Uses:</b>					
<b>Operating Transfer In:</b>					
Transfer from Capital Projects	-	-	-	(174,909)	174,909
<b>Operating Transfer Out:</b>					
Transfer to Cover Deficit (enterprise fund)	-	-	-	-	-
Transfer to Capital Projects	-	-	-	-	-
<b>Total Other Financing Sources:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(174,909)</b>	<b>174,909</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources</b>					
<b>Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>(60,000)</b>	<b>93,874</b>	<b>33,874</b>	<b>586,129</b>	<b>779,316</b>
<b>Fund Balance, July 1</b>	<b>1,141,854</b>	<b>-</b>	<b>1,141,854</b>	<b>1,141,854</b>	<b>-</b>
<b>Fund Balance, June 30</b>	<b>\$ 1,081,854</b>	<b>\$ 93,874</b>	<b>\$ 1,175,728</b>	<b>\$ 1,727,983</b>	<b>\$ 779,316</b>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Maintenance reserve				300,000	
Emergency Reserve				50,000	
Capital reserve				933,408	
Excess surplus - current year				-	
Excess surplus -- designated for subsequent year's expenditures				65,610	
<b>Committed Fund Balance:</b>					
Other purposes				-	
Year-end encumbrances				113,057	
<b>Assigned Fund Balance:</b>					
Designated for subsequent year's expenditures				25,804	
<b>Unrestricted/undesignated fund balance</b>				<b>240,104</b>	
<b>Reconciliation to governmental funds statements (GAAP)</b>					
Last state aid payment not recognized on GAAP basis				(52,659)	
<b>Fund balance per governmental funds (GAAP)</b>				<b>187,445</b>	

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Education Jobs Fund - Budget and Actual  
 General Fund  
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Federal Sources:					
Education Jobs Fund Program	\$ 16,948	-	\$ 16,948	\$ 16,948	-
TOTAL REVENUES	<u>16,948</u>	<u>-</u>	<u>16,948</u>	<u>16,948</u>	<u>-</u>
<b>EXPENDITURES:</b>					
Education Jobs Fund Program:					
UNALLOCATED BENEFITS					
Health Benefits	16,948	-	16,948	16,948	-
TOTAL UNALLOCATED BENEFITS	<u>16,948</u>	<u>-</u>	<u>16,948</u>	<u>16,948</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 16,948</u>	<u>-</u>	<u>\$ 16,948</u>	<u>\$ 16,948</u>	<u>-</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES</b>					
Local sources	\$ -	\$ 30,130	\$ 30,130	\$ 29,486	\$ 644
State sources	-	-	-	193	(193)
Federal sources	132,157	(4,144)	128,013	113,450	14,563
<b>Total Revenues</b>	<u>132,157</u>	<u>25,986</u>	<u>158,143</u>	<u>143,129</u>	<u>15,014</u>
<b>EXPENDITURES</b>					
<b>Instruction:</b>					
Salaries of teachers	5,137	(5,137)	-	-	-
Other salaries for instruction	-	-	-	-	-
Purchased professional - educational services	-	227	227	193	34
Tuition	33,491	14,342	47,833	39,927	7,906
General supplies	1,999	20,380	22,379	22,212	167
Miscellaneous	-	-	-	-	-
<b>Total instruction</b>	<u>40,627</u>	<u>29,812</u>	<u>70,439</u>	<u>62,332</u>	<u>8,107</u>
<b>Support services:</b>					
Other professional					
staff salaries	25,519	(9,769)	15,750	9,883	5,867
Salaries of program director	-	-	-	-	-
Personal services - employee benefits	8,500	(7,295)	1,205	756	449
Purchased professional - educational services	2,863	9,055	11,918	11,577	341
Other purchased professional services	-	-	-	-	-
Purchased technical services	33,491	(13,160)	20,331	20,331	-
Tuition	-	-	-	-	-
Travel	-	-	-	-	-
Indirect costs	-	-	-	-	-
Other purchased services (400-500 series)	-	-	-	-	-
Miscellaneous expenditures	-	-	-	-	-
Supplies & materials	-	38,500	38,500	38,250	250
<b>Total support services</b>	<u>70,373</u>	<u>17,331</u>	<u>87,704</u>	<u>80,797</u>	<u>6,907</u>
<b>Facilities acquisition and const. serv.:</b>					
Instructional equipment	-	-	-	-	-
<b>Total facilities acquisition and const. serv.</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>111,000</u>	<u>47,143</u>	<u>158,143</u>	<u>143,129</u>	<u>15,014</u>
<b>Other financing sources (uses)</b>					
Transfer in from general fund	-	-	-	-	-
Contribution to whole school reform	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total outflows</b>	<u>111,000</u>	<u>47,143</u>	<u>158,143</u>	<u>143,129</u>	<u>15,014</u>
<b>Excess (deficiency) of revenues</b>					
Over (under) expenditures	<u>\$ 21,157</u>	<u>\$ (21,157)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Reconciliation to governmental funds statements (GAAP)</b>					
Last state aid payment not recognized on GAAP basis				-	
<b>Fund balance per governmental funds (GAAP)</b>				<u>-</u>	

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Note to Required Supplementary Information  
 For the Fiscal Year Ended June 30, 2012

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

		General Fund		Special Revenue Fund
<b>Sources/inflows of resources</b>				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 6,473,064	[C-2]	\$ 143,129
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		(8,402)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year		(52,659)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		19,791		-
<b>Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.</b>	<b>[B-2]</b>	<b>\$ 6,440,196</b>	<b>[B-2]</b>	<b>\$ 134,727</b>
 <b>Uses/outflows of resources</b>				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 5,886,935	[C-2]	\$ 143,129
Differences - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		-		(8,402)
<b>Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds</b>	<b>[B-2]</b>	<b>\$ 5,886,935</b>	<b>[B-2]</b>	<b>\$ 134,727</b>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2012

	Local 11/12	Title I Part A 11/12	Title I Part A 10/11	IDEA-Part B-Basic Reg. Prog. 11/12	Healthy Community 11/12
<b>Revenues:</b>					
Local sources	\$ 29,486	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	193
Federal sources	-	29,340	389	60,258	-
<b>Total revenues</b>	<b>29,486</b>	<b>29,340</b>	<b>389</b>	<b>60,258</b>	<b>193</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of teachers	-	-	-	-	-
Other salaries/instruction	-	-	-	-	-
Purchased professional services	-	-	-	-	193
General supplies	1,236	16,751	-	-	-
Tuition	-	-	-	39,927	-
Textbooks	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-
<b>Total instruction</b>	<b>1,236</b>	<b>16,751</b>	<b>-</b>	<b>39,927</b>	<b>193</b>
<b>Support services:</b>					
<b>Other support services - students - special:</b>					
Other professional staff salaries	-	9,883	-	-	-
Secretarial/clerical salaries	-	-	-	-	-
Purchased professional services	-	1,950	389	-	-
Other purchased professional services	-	-	-	-	-
Purchased technical services	-	-	-	20,331	-
Employee benefits	-	756	-	-	-
Travel	-	-	-	-	-
Tuition	-	-	-	-	-
Miscellaneous purchased services	-	-	-	-	-
General supplies	28,250	-	-	-	-
Miscellaneous expenses	-	-	-	-	-
<b>Total other support services - students - special</b>	<b>28,250</b>	<b>12,589</b>	<b>389</b>	<b>20,331</b>	<b>-</b>
<b>Total support services</b>	<b>28,250</b>	<b>12,589</b>	<b>389</b>	<b>20,331</b>	<b>-</b>
<b>Equipment:</b>					
Regular programs instruction	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-
<b>Total equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>\$ 29,486</b>	<b>\$ 29,340</b>	<b>\$ 389</b>	<b>\$ 60,258</b>	<b>\$ 193</b>

(Continued on next page)

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2012

(Continued from prior page)

	IDEA Preschool 11/12	Title II Part A 11/12	Total 2012
<b>Revenues:</b>			
Local sources	\$ -	\$ -	\$ 29,486
State sources	-	-	193
Federal sources	4,225	19,238	113,450
<b>Total revenues</b>	<b>4,225</b>	<b>19,238</b>	<b>143,129</b>
<b>Expenditures:</b>			
<b>Instruction:</b>			
Salaries of teachers	-	-	-
Other salaries/instruction	-	-	-
Purchased professional services	-	-	193
General supplies	4,225	-	22,212
Tuition	-	-	39,927
Textbooks	-	-	-
Miscellaneous expenses	-	-	-
<b>Total instruction</b>	<b>4,225</b>	<b>-</b>	<b>62,332</b>
<b>Support services:</b>			
<b>Other support services - students - special:</b>			
Other professional staff salaries	-	-	9,883
Secretarial/clerical salaries	-	-	-
Purchased professional services	-	9,238	11,577
Other purchased professional services	-	-	-
Purchased technical services	-	-	20,331
Employee benefits	-	-	756
Travel	-	-	-
Tuition	-	-	-
Miscellaneous purchased services	-	-	-
General supplies	-	10,000	38,250
Miscellaneous expenses	-	-	-
<b>Total other support services - students - special</b>	<b>-</b>	<b>19,238</b>	<b>80,797</b>
<b>Total support services</b>	<b>-</b>	<b>19,238</b>	<b>80,797</b>
<b>Equipment:</b>			
Regular programs instruction	-	-	-
Non-instructional equipment	-	-	-
<b>Total equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>\$ 4,225</b>	<b>\$ 19,238</b>	<b>\$ 143,129</b>

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budgetary Basis**  
**For the Year Ended June 30, 2012**

**Revenues and Other Financing Sources**

State Sources - SDA Grants	\$	-
Bond proceeds and transfers		-
Contribution from private source		-
Transfer from capital reserve		(174,909)
Transfer from capital outlay		-
Total revenues		(174,909)

**Expenditures and Other Financing Uses**

Purchased professional and technical services		-
Land and improvements		-
Construction services		-
Other objects		-
Equipment purchases		-
Total expenditures		-
Excess (deficiency) of revenues over (under) expenditures		(174,909)
Fund balance - beginning		174,909
Fund balance - ending	\$	-

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Capital Projects Fund  
 Summary Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance-Budgetary Basis  
 Electrical Upgrade Project  
 From Inception and for the Year Ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 82,170	\$ -	\$ 82,170	\$ 82,170
Bond proceeds and transfers	-	-	-	-
Lease proceeds	-	-	-	-
Transfer from capital reserve	183,847	(92,531)	91,316	91,316
Transfer from capital outlay	-	-	-	-
Total revenues	266,017	(92,531)	173,486	173,486
<b>Expenditures and Other Financing Uses</b>				
Purchased prof. and technical serv.	5,883	-	5,883	5,883
Land and improvements	-	-	-	-
Construction services	167,603	-	167,603	167,603
Other objects	-	-	-	-
Equipment purchases	-	-	-	-
Total expenditures	173,486	-	173,486	173,486
Excess (deficiency) or revenues over (under) expenditures	\$ 92,531	\$ (92,531)	\$ -	\$ -

Additional project information:

Project Number	2760-050-09-0ZGA
Grant Date	6/29/2011
Bond Authorization Date	n/a
Bonds Authorized	-
Bonds Issued	-
Original Authorized Cost	266,017
Additional Authorized Cost	(92,531)
Revised AuthrORIZED Cost	173,486
Percentage Increase over Original Authorized Cost	-
Percentage Completion	-
Original target completion date	-
Revised target completion date	-

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Capital Projects Fund  
 Summary Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance-Budgetary Basis  
 HVAC Upgrade Project  
 From Inception and for the Year Ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 82,827	\$ -	\$ 82,827	\$ 82,827
Bond proceeds and transfers	-	-	-	-
Lease proceeds	-	-	-	-
Transfer from capital reserve	198,041	(82,378)	115,663	115,663
Transfer from capital outlay	-	-	-	-
Total revenues	<u>280,868</u>	<u>(82,378)</u>	<u>198,490</u>	<u>198,490</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased prof. and technical serv.	11,601	-	11,601	11,601
Land and improvements	-	-	-	-
Construction services	186,889	-	186,889	186,889
Other objects	-	-	-	-
Equipment purchases	-	-	-	-
Total expenditures	<u>198,490</u>	<u>-</u>	<u>198,490</u>	<u>198,490</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 82,378</u>	<u>\$ (82,378)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional project information:

Project Number	2760-050-09-0ZGB
Grant Date	6/29/2011
Bond Authorization Date	n/a
Bonds Authorized	-
Bonds Issued	-
Original Authorized Cost	280,868
Additional Authorized Cost	(82,378)
Revised Authorized Cost	198,490
Percentage Increase over Original Authorized Cost	-
Percentage Completion	-
Original target completion date	-
Revised target completion date	-

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Food Services Enterprise Fund  
 Statement of Net Assets  
 June 30, 2012

	<u>2012</u>
<b>Assets:</b>	
<b>Current assets:</b>	
Cash and cash equivalents	\$ 25,547
<b>Accounts receivable:</b>	
State	-
Federal	-
Interfunds	-
Inventories	-
	<hr/>
<b>Total current assets</b>	<u>25,547</u>
<b>Fixed assets:</b>	
Equipment	10,816
Accumulated depreciation	<u>(10,816)</u>
	<hr/>
<b>Total fixed assets</b>	-
	<hr/>
<b>Total assets</b>	<u><u>\$ 25,547</u></u>
<b>Liabilities and Fund Equity:</b>	
<b>Liabilities:</b>	
Accounts payable	\$ -
Interfund payable	<u>5,233</u>
	<hr/>
<b>Total liabilities</b>	<u>5,233</u>
<b>Net assets:</b>	
Invested in capital assets, net of related debt	-
Restricted for other purposes	-
Unrestricted net assets	<u>20,314</u>
	<hr/>
<b>Total fund equity</b>	<u>20,314</u>
	<hr/>
<b>Total liabilities and fund equity</b>	<u><u>\$ 25,547</u></u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Food Services Enterprise Fund  
 Statement of Revenues, Expenses and  
 Changes in Net Assets  
 for the Fiscal Year ended June 30, 2012

	<u>2012</u>
Operating revenues:	
Local sources:	
Daily sales-reimbursable programs:	
School lunch and breakfast program	\$ -
Total-daily sales-reimbursable programs	-
Daily sales non-reimbursable programs	-
Total operating revenues	-
Operating expenses:	
Salaries	-
Employee benefits	-
Payroll taxes	-
Supplies and materials	-
Bank fees	-
Annual Audit	-
Repairs	8,767
Cost of sales	-
Total operating expenses	<u>8,767</u>
Operating loss	<u>(8,767)</u>
Nonoperating revenues:	
State sources:	
State school lunch program	-
State school breakfast program	-
Federal sources:	
National school lunch program	-
National school breakfast program	-
U.S.D.A. commodities	-
Local sources:	
Interest income	-
Operating transfers	-
Total nonoperating revenues	-
Change in net assets	(8,767)
Total net assets beginning	<u>29,081</u>
Total net assets ending	<u>\$ 20,314</u>

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Food Services Enterprise Fund**  
**Statement of Cash Flows**  
**for the Fiscal Year ended June 30, 2012**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ -
Payments to employees	-
Payments for employee benefits	-
Payments to suppliers	(8,767)
Net cash used in operating activities	<u>(8,767)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
State sources	-
Federal sources	-
Operating subsidies and transfers from other funds	-
Net cash provided by non-capital financing activities	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	-
Advances from General fund	-
Net cash provided by investing activities	<u>-</u>
Net increase in cash and cash equivalents	(8,767)
Balances—beginning of year	<u>34,314</u>
Balances—end of year	<u><u>\$ 25,547</u></u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss	\$ (8,767)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	-
Federal commodities	-
Federal commodities	-
Increase in interfund receivable, net	-
Decrease in accounts receivable, net	-
Decrease in inventories	-
(Increase) decrease in other current assets	-
Decrease in interfund payable	-
Decrease in accounts payable	-
Total adjustments	<u>-</u>
Net cash used in operating activities	<u><u>\$ (8,767)</u></u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
Statement of Agency Fund Assets and Liabilities  
Fiduciary Funds  
June 30, 2012

	<u>Unemployment Compensation Trust</u>	<u>Agency Fund</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 38,199	\$ 44,175
Investments	-	-
Intergovernmental accounts receivable	-	-
Interfund receivable	-	-
Total assets	<u>\$ 38,199</u>	<u>\$ 44,175</u>
<b>LIABILITIES</b>		
Accounts payable	\$ -	\$ -
Claims payable	-	-
Payroll deductions and withholdings	-	44,175
Payable to student groups	-	-
Interfund payable	-	-
Other current liabilities	-	-
Total liabilities	<u>-</u>	<u>44,175</u>
<b>NET ASSETS</b>		
Held in trust for unemployment claims and other purposes	38,199	-
Total net assets	<u>38,199</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 38,199</u>	<u>\$ 44,175</u>

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2012**

	<b>Unemployment Compensation Trust</b>
<b>ADDITIONS</b>	
Contributions:	
Plan member	\$ 6
Other	-
Total Contributions	6
Investment earnings:	
Net increase (decrease) in fair value of investments	-
Interest	-
Dividends	-
Less investment expense	-
Net investment earnings	-
Total additions	6
<b>DEDUCTIONS</b>	
Quarterly contribution reports	-
Unemployment claims	16,540
Scholarships awarded	-
Refunds of contributions	-
Administrative expenses	-
NJ Catastrophic Illness	-
Total deductions	16,540
Change in net assets	(16,534)
Net assets—beginning of the year	54,733
Net assets—end of the year	\$ 38,199

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Payroll Agency Fund  
 Schedule of Receipts and Disbursements  
 For the Fiscal Year ended June 30, 2012

	<u>Balance July 1, 2011</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2012</u>
Payroll deductions and withholdings	29,615	6,217,722	6,203,162	44,175
Totals	\$ 29,615	\$ 6,217,722	\$ 6,203,162	\$ 44,175

STATISTICAL SECTION

<u>Contents</u>	<u>Pages</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	62-67
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	68-87
<b>Debt Capacity</b> 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.	88-95
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	96-97
<b>Operating Information</b> 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.	98-105

**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.*

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Net Assets by Component**  
**Last Nine Fiscal Years**  
**UNAUDITED**  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,								
	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental activities</b>									
Invested in capital assets, net of related debt	\$ 2,646,531	\$ 2,916,114	\$ 2,615,332	\$ 2,550,291	\$ 2,467,803	\$ 2,369,049	\$ 2,170,028	\$ 2,289,822	\$ 2,076,930
Restricted	1,039,182	1,169,092	1,391,859	1,426,775	956,433	1,316,419	1,279,162	1,052,916	1,487,879
Unrestricted	(115,523)	(25,603)	(35,370)	32,203	315,914	(60,306)	483,007	92,772	52,773
<b>Total governmental activities net assets</b>	<u>\$ 3,570,190</u>	<u>\$ 4,059,603</u>	<u>\$ 3,971,821</u>	<u>\$ 4,009,269</u>	<u>\$ 3,740,150</u>	<u>\$ 3,625,162</u>	<u>\$ 3,932,197</u>	<u>\$ 3,435,510</u>	<u>\$ 3,617,582</u>
<b>Business-type activities</b>									
Invested in capital assets, net of related debt	\$ 1,571	\$ 1,048	\$ 525	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-
Unrestricted	6,996	4,625	4,775	6,653	16,871	18,928	53,600	29,081	20,314
<b>Total business-type activities net assets</b>	<u>\$ 8,567</u>	<u>\$ 5,673</u>	<u>\$ 5,300</u>	<u>\$ 6,653</u>	<u>\$ 16,871</u>	<u>\$ 18,928</u>	<u>\$ 53,600</u>	<u>\$ 29,081</u>	<u>\$ 20,314</u>
<b>District-wide</b>									
Invested in capital assets, net of related debt	\$ 2,648,102	\$ 2,917,162	\$ 2,615,857	\$ 2,550,291	\$ 2,467,803	\$ 2,369,049	\$ 2,170,028	\$ 2,289,822	\$ 2,076,930
Restricted	1,039,182	1,169,092	1,391,859	1,426,775	956,433	1,316,419	1,279,162	1,052,916	1,487,879
Unrestricted	(108,527)	(20,978)	(30,595)	38,856	332,785	(41,378)	536,607	121,853	73,087
<b>Total district-wide net assets</b>	<u>\$ 3,578,757</u>	<u>\$ 4,065,276</u>	<u>\$ 3,977,121</u>	<u>\$ 4,015,922</u>	<u>\$ 3,757,021</u>	<u>\$ 3,644,090</u>	<u>\$ 3,985,797</u>	<u>\$ 3,464,591</u>	<u>\$ 3,637,896</u>

\* GASB requires that ten years of statistical data be presented, however in the current year only the years above need to be presented. Each year hereafter, an additional year's data will be included until ten years of data is presented.

## LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

## Changes in Net Assets

## Last Nine Fiscal Years

## UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,								
	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses</b>									
Governmental activities:									
Instruction:									
Regular	\$ 1,860,457	\$ 1,937,194	\$ 1,998,375	\$ 1,995,303	\$ 2,083,045	\$ 2,200,928	\$ 2,139,593	\$ 2,080,187	\$ 1,987,966
Special education	400,173	291,505	315,760	280,317	334,240	138,342	212,344	211,936	204,556
Other special education	37,123	66,567	78,345	87,466	111,584	124,018	119,173	119,173	123,611
Support Services:									
Tuition	148,663	144,439	169,406	91,904	64,185	106,111	43,160	43,160	72,164
Student & instruction related services	215,711	216,362	229,425	242,043	203,493	231,961	140,366	139,554	152,764
School Administrative services	215,152	114,569	104,511	113,017	104,617	115,850	91,509	91,508	103,610
General administration	191,796	162,646	165,442	145,225	165,741	151,480	134,429	139,070	179,597
Central Services	-	111,022	115,158	121,855	107,923	116,052	96,771	97,055	77,181
Plant operations and maintenance	1,009,647	1,047,881	1,150,274	807,482	1,191,297	1,097,514	921,784	1,036,585	925,042
Administrative information technology	-	-	-	-	-	-	-	-	-
Pupil transportation	282,664	295,707	291,846	348,101	277,851	271,816	243,843	282,393	285,832
Other support services	521,776	437,594	386,795	391,673	424,039	464,323	452,778	460,924	622,310
Unallocated employee benefits	1,022,659	778,238	1,011,899	1,130,992	1,114,666	1,136,914	1,179,249	1,133,201	1,127,354
Non-budgeted expenditures	383,821	374,282	459,852	468,657	-	-	-	366,337.00	526,126
Total governmental activities expenses	6,289,642	5,978,006	6,477,078	6,224,035	6,182,681	6,155,309	5,774,999	6,201,083	6,388,113
Business-type activities:									
Food service	179,046	193,209	187,391	198,493	197,893	202,210	210,791	24,853	8,767
Total business-type activities expense	179,046	193,209	187,391	198,493	197,893	202,210	210,791	24,853	8,767
Total district expenses	\$ 6,468,688	\$ 6,171,215	\$ 6,664,469	\$ 6,422,528	\$ 6,380,574	\$ 6,357,519	\$ 5,985,790	\$ 6,225,936	\$ 6,396,880
<b>Program Revenues</b>									
Governmental activities:									
Charges for services:									
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 366,337.00	\$ -
Operating grants and contributions	383,821	374,282	459,852	468,657	633,565	389,435	-	366,337	526,126
Total governmental activities program rev.	383,821	374,282	459,852	468,657	633,565	389,435	-	366,337	526,126
Business-type activities:									
Charges for services:									
Food service	60,263	53,324	47,155	44,452	45,140	49,663	52,432	-	-
Operating grants and contributions	120,170	136,991	139,863	155,394	162,971	154,604	193,031	-	-
Total business-type activities program rev.	180,433	190,315	187,018	199,846	208,111	204,267	245,463	-	-
Total district program revenues	564,254	\$ 564,597	\$ 646,870	\$ 668,503	\$ 841,676	\$ 593,702	\$ 245,463	\$ 366,337	\$ 526,126
<b>Net (Expense)/Revenue</b>									
Governmental activities	\$ (5,905,821)	\$ (5,603,724)	\$ (6,017,226)	\$ (5,755,378)	\$ (5,549,116)	\$ (5,765,874)	\$ (5,774,999)	\$ 5,834,746	\$ (5,861,987)
Business-type activities	1,387	(2,894)	(373)	1,353	10,218	2,057	34,672	24,853	(8,767)
Total district-wide net expense	\$ (5,904,434)	\$ (5,606,618)	\$ (6,017,599)	\$ (5,754,025)	\$ (5,538,898)	\$ (5,763,817)	\$ (5,740,327)	\$ 5,859,599	\$ (5,870,754)

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**

**Changes in Net Assets**

**Last Nine Fiscal Years**

**UNAUDITED**

*(accrual basis of accounting)*

	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Revenues and Other Changes in Net Assets</b>									
Governmental activities:									
Property taxes levied for general purp., net	\$ 5,305,732	\$ 5,330,262	\$ 5,286,708	\$ 5,172,983	\$ 5,324,012	\$ 5,483,732	\$ 5,250,925	\$ 5,250,925	\$ 5,422,226
Taxes levied for debt service	-	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	544,361	656,596	494,169	476,011	499,189	488,696	185,850	413,523	441,032
Payments in lieu of taxes	163,710	164,639	152,980	140,294	134,098	120,644	194,373	137,600	105,241
Tuition received	-	5,589	4,315	-	1,000	18,399	42,950	42,950	21,606
Investment earnings	3,912	43,415	87,312	118,683	80,939	40,272	-	11,397	1,288
Miscellaneous income	10,823	697	16,884	16,106	11,772	8,619	26,048	33,842	52,666
Transfers	63,401	(108,061)	(112,924)	(131,251)	(137,448)	(120,041)	381,888	-	-
<b>Total governmental activities</b>	<b>6,091,939</b>	<b>6,093,137</b>	<b>5,929,444</b>	<b>5,792,826</b>	<b>5,913,562</b>	<b>6,040,321</b>	<b>6,082,034</b>	<b>5,890,237</b>	<b>6,044,059</b>
Business-type activities:									
Investment earnings	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
<b>Total business-type activities</b>	<b>-</b>								
<b>Total district-wide</b>	<b>\$ 6,091,939</b>	<b>\$ 6,093,137</b>	<b>\$ 5,929,444</b>	<b>\$ 5,792,826</b>	<b>\$ 5,913,562</b>	<b>\$ 6,040,321</b>	<b>\$ 6,082,034</b>	<b>\$ 5,890,237</b>	<b>\$ 6,044,059</b>
<b>Change in Net Assets</b>									
Governmental activities	\$ 186,118	\$ 489,413	\$ (87,782)	\$ 37,448	\$ 5,913,562	\$ 274,447	\$ 307,035	\$ 55,491	\$ 182,072
Business-type activities	1,387	(2,894)	(373)	1,353	10,218	2,057	34,672	(24,853)	(8,767)
<b>Total district</b>	<b>\$ 187,505</b>	<b>\$ 486,519</b>	<b>\$ (88,155)</b>	<b>\$ 38,801</b>	<b>\$ 5,923,780</b>	<b>\$ 276,504</b>	<b>\$ 341,707</b>	<b>\$ 30,638</b>	<b>\$ 173,305</b>

\* GASB requires that ten years of statistical data be presented, however in current year only the years above need to be presented. Each year hereafter, an additional year's data will be included until ten years of data is presented.

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Fund Balances, Governmental Funds,**  
**Last Nine Fiscal Years**  
**UNAUDITED**  
*(modified accrual basis of accounting)*

	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund									
Reserved	\$ 1,024,810	\$ 1,169,814	\$ 1,392,581	\$ 1,427,497	\$ 1,257,155	\$ 1,266,419	\$ 906,057	\$ 878,007	\$ 1,422,269
Unreserved	150,917	101,889	99,105	230,972	229,683	225,423	172,693	244,056	187,445
Total general fund	<u>\$ 1,175,727</u>	<u>\$ 1,271,703</u>	<u>\$ 1,491,686</u>	<u>\$ 1,658,469</u>	<u>\$ 1,486,838</u>	<u>\$ 1,491,842</u>	<u>\$ 1,078,750</u>	<u>\$ 1,122,063</u>	<u>\$ 1,609,714</u>
All Other Governmental Funds									
Reserved	\$ 15,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:									
Special revenue fund	(722)	(722)	(722)	(722)	(722)	(722)	-	-	-
Capital projects fund	-	-	-	-	-	-	373,105	174,909	-
Debt service fund	-	-	-	-	-	-	-	-	-
Permanent fund	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 14,372</u>	<u>\$ (722)</u>	<u>\$ 373,105</u>	<u>\$ 174,909</u>	<u>\$ -</u>				

\* GASB requires that ten years of statistical data be presented, however in current year only the years above need to be presented. Each year hereafter, an additional year's data will be included until ten years of data is presented.

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
**UNAUDITED**  
*(modified accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Revenues</b>										
Tax levy	4,782,555	5,305,732	5,330,262	5,286,708	5,172,983	5,324,012	5,483,732	5,250,925	5,250,925	5,422,226
Tuition charges	-	-	-	4,315	-	1,000	18,399	42,950	42,950	21,606
Interest earnings	-	-	-	87,311	118,683	80,939	40,272	-	11,063	1,288
Miscellaneous	25,089	18,991	27,054	16,883	16,106	11,772	12,405	34,879	33,842	52,666
State sources	798,886	902,030	904,641	972,454	959,426	1,147,187	878,853	188,976	786,734	950,403
Federal sources	125,678	143,910	146,206	134,547	125,536	119,665	119,922	191,247	130,726	121,996
<b>Total revenue</b>	<b>5,732,208</b>	<b>6,370,663</b>	<b>6,408,163</b>	<b>6,502,218</b>	<b>6,392,734</b>	<b>6,684,575</b>	<b>6,553,583</b>	<b>5,708,977</b>	<b>6,256,240</b>	<b>6,570,185</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular instruction	1,603,422	1,723,833	1,832,612	1,998,375	1,995,303	2,083,045	2,200,928	2,139,593	2,080,187	1,987,966
Special education instruction	328,940	400,173	291,505	315,760	280,317	334,240	138,342	212,344	211,936	204,556
Other special instruction	69,461	37,123	66,567	78,345	87,466	111,584	124,018	119,173	119,173	123,611
<b>Support Services:</b>										
Student & inst. related services	790,896	729,783	736,843	398,831	333,947	267,678	338,072	183,526	182,714	224,928
General administration	187,376	191,796	162,646	165,442	145,225	165,741	151,480	134,429	139,070	179,597
School administrative services	242,794	215,152	114,569	104,511	113,017	104,617	115,850	91,509	91,508	103,610
Central services	-	-	111,022	115,158	121,855	107,923	116,052	96771	97055	77,181
Admin. information technology	-	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	648,400	708,222	809,892	825,471	671,662	907,982	743,859	722,811	725,600	636,304
Pupil transportation	236,780	282,664	295,707	291,846	348,101	277,851	271,816	243,843	282,393	290,570
Other Support Services	-	292,427	374,282	828,279	848,430	1,057,058	853,758	452,778	827,261	1,148,436
Employee benefits	782,353	499,234	542,904	1,004,906	1,066,698	1,099,666	1,064,954	1,223,448	1,223,447	1,143,966
Capital outlay	146,398	101,450	154,800	42,389	82,679	201,373	258,687	8,783	430,779	75,846
<b>Total expenditures</b>	<b>5,036,820</b>	<b>5,181,857</b>	<b>5,493,349</b>	<b>6,169,313</b>	<b>6,094,700</b>	<b>6,718,758</b>	<b>6,377,816</b>	<b>5,629,008</b>	<b>6,411,123</b>	<b>6,196,571</b>
Excess (Deficiency) of revenues over (under) expenditures	695,388	1,188,806	914,814	332,905	298,034	(34,183)	175,767	79,969	(154,883)	373,614
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing	-	-	200,000	-	-	-	-	-	-	-
Capital leases (non-budgeted)	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(112,924)	(131,251)	(137,448)	(120,041)	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>(112,924)</b>	<b>(131,251)</b>	<b>(137,448)</b>	<b>(120,041)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>695,388</b>	<b>1,188,806</b>	<b>1,114,814</b>	<b>219,981</b>	<b>166,783</b>	<b>(171,631)</b>	<b>55,726</b>	<b>79,969</b>	<b>(154,883)</b>	<b>373,614</b>
Debt service as a percentage of noncapital expenditures	-	-	-	-	-	-	-	-	-	-

**Source: District records**

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**General Fund - Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
**UNAUDITED**  
*(modified accrual basis of accounting)*

Fiscal Year Ending June 30,	<u>Sale of Capital Assets</u>	<u>Insurance Proceeds</u>	<u>Rentals</u>	<u>Prior Year Refunds</u>	<u>Sale and Leaseback of Textbooks</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
2003	-	-	-	2,759	-	592	3,351
2004	-	-	-	-	-	740	740
2005	-	-	-	3,671	-	4,436	8,107
2006	-	-	-	2,228	-	2,773	5,001
2007	-	-	-	12,696	-	15,402	28,098
2008	131	-	5,354	1,856	-	1,636	8,977
2009	-	-	-	-	-	11,941	11,941
2010	-	-	-	201	-	7,693	7,894
2011	-	-	-	1,803	-	30,780	32,583
2012	-	22,606	-	-	-	574	23,180

Source: District records

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Barnegat Light**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2003	12,426,200	298,768,800	n/a	n/a	17,471,700	n/a	1,767,600	330,434,300	54,287,100	254,355	276,401,555	597,143,638	0.130
2004	29,763,000	806,400,440	n/a	n/a	39,161,200	n/a	3,499,000	878,823,640	130,696,000	448,195	748,575,835	731,534,252	0.050
2005	34,328,800	804,603,300	n/a	n/a	39,181,100	n/a	3,499,000	881,612,200	131,306,000	370,800	750,677,000	864,287,665	0.049
2006	45,548,100	956,864,600	n/a	n/a	43,182,900	n/a	3,939,000	1,049,534,600	137,401,400	345,068	912,478,268	1,031,438,497	0.041
2007	40,850,500	976,830,300	n/a	n/a	43,455,900	n/a	1,156,800	1,062,293,500	137,831,400	334,753	924,127,347	1,129,944,717	0.040
2008	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2009	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2010	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2011	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2012	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-

Source: Ocean County Abstract of Ratables

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Harvey Cedars**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2003	9,276,100	364,193,100	n/a	n/a	6,982,500	n/a	n/a	380,451,700	18,497,600	226,559	362,180,659	729,031,044	0.130
2004	13,910,300	1,023,298,600	n/a	n/a	12,696,100	n/a	n/a	1,049,905,000	34,856,600	412,761	1,015,461,161	862,740,507	0.050
2005	12,677,300	1,022,884,100	n/a	n/a	12,696,100	n/a	n/a	1,048,257,500	41,734,800	378,868	1,006,901,568	1,020,080,610	0.049
2006	34,426,500	1,306,845,100	n/a	n/a	14,837,400	n/a	n/a	1,356,109,000	46,210,000	340,445	1,356,449,445	1,242,433,238	0.038
2007	31,069,300	1,316,938,800	n/a	n/a	14,316,900	n/a	n/a	1,362,325,000	46,156,800	339,038	1,315,829,162	1,362,664,038	0.037
2008	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2009	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2010	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2011	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2012	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-

Source: Ocean County Abstract of Ratables

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Assessed Value and Actual Value of Taxable Property,  
 Last Ten Fiscal Years  
 UNAUDITED

Long Beach Township

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Req.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2003	71,271,800	2,402,884,800	n/a	n/a	70,136,250	n/a	3,687,400	2,547,980,250	38,866,900	1,201,692	2,510,315,042	4,317,783,029	0.120
2004	75,392,700	2,424,018,100	n/a	n/a	68,279,450	n/a	3,450,900	2,571,141,150	38,942,200	1,003,028	2,533,201,978	5,247,548,689	0.130
2005	293,364,400	6,609,712,200	n/a	n/a	159,866,100	n/a	8,144,900	7,071,087,600	93,693,300	2,524,062	6,979,918,362	6,244,733,236	0.045
2006	317,454,700	6,658,170,700	n/a	n/a	155,526,800	n/a	8,736,200	7,139,888,400	93,353,100	2,191,996	7,048,727,296	7,534,365,131	0.043
2007	246,077,300	6,868,844,500	n/a	n/a	157,261,400	n/a	7,718,900	7,279,902,100	93,353,100	1,960,320	7,184,588,680	7,281,862,420	0.044
2008	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2009	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2010	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2011	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2012	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-

Source: Ocean County Abstract of Ratables

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Ship Bottom**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2003	7,646,300	341,298,598	n/a	n/a	61,976,400	n/a	3,058,200	413,979,498	23,931,280	253,721	390,301,939	667,768,899	0.120
2004	7,843,800	349,515,945	n/a	n/a	62,219,880	n/a	3,058,200	422,637,825	23,717,000	284,456	399,205,281	805,981,256	0.120
2005	25,395,400	888,728,500	n/a	n/a	125,420,600	n/a	7,091,600	1,046,636,100	49,773,000	360,107	997,223,207	960,675,241	0.045
2006	31,814,800	890,446,600	n/a	n/a	118,118,700	n/a	5,902,900	1,046,283,000	50,349,900	297,614	996,230,714	1,150,144,587	0.045
2007	26,689,500	918,975,200	n/a	n/a	118,167,100	n/a	4,259,700	1,068,091,500	50,292,700	267,999	1,017,530,801	1,068,359,499	0.046
2008	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2009	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2010	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2011	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2012	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-

Source: Ocean County Abstract of Ratables

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Surf City**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities *	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate b
2003	4,484,900	467,051,600	n/a	n/a	32,788,350	n/a	n/a	504,324,850	18,512,300	765,503	486,578,053	885,771,309	0.130
2004	4,896,600	477,424,200	n/a	n/a	32,457,350	n/a	n/a	514,778,150	18,430,800	731,471	497,078,821	1,073,504,583	0.130
2005	18,846,400	1,358,922,900	n/a	n/a	82,980,800	n/a	n/a	1,460,750,100	45,085,500	1,548,271	1,417,212,871	1,263,637,623	0.044
2006	19,589,100	1,368,323,700	n/a	n/a	82,682,000	n/a	n/a	1,470,594,800	46,036,000	1,435,673	1,425,994,473	1,533,093,520	0.043
2007	20,634,500	1,388,038,500	n/a	n/a	81,718,900	n/a	n/a	1,490,391,900	46,036,000	1,277,173	1,443,078,727	1,491,669,073	0.043
2008	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2009	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2010	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2011	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-
2012	-	-	n/a	n/a	-	n/a	-	-	-	-	-	-	-

Source: Ocean County Abstract of Ratables

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**UNAUDITED**  
*(rate per \$100 of assessed value)*

**Borough of Barnegat Light**

Fiscal Year Ended June 30,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6) Total Direct School Tax Rate	Municipal	Ocean County	
2003	0.130	-	0.130	0.30	0.70	1.130
2004	0.050	-	0.050	0.14	0.30	0.490
2005	0.049	-	0.049	0.15	0.31	0.509
2006	0.041	-	0.041	0.12	0.28	0.400
2007	0.400	-	0.400	0.13	0.27	0.406
2008	-	-	-	-	-	-
2009	-	-	-	-	-	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-

Source: Municipal Tax Collector

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**UNAUDITED**  
*(rate per \$100 of assessed value)*

**Borough of Harvey Cedars**

Fiscal Year Ended June 30,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6)	Municipal	Ocean County	
			Total Direct School Tax Rate			
2003	0.130	-	0.130	0.46	0.71	1.426
2004	0.050	-	0.050	0.19	0.30	0.590
2005	0.049	-	0.049	0.20	0.36	0.658
2006	0.038	-	0.038	0.18	0.26	0.440
2007	0.037	-	0.037	0.19	0.25	0.439
2008	-	-	0.039	0.19	0.31	-
2009	-	-	0.038	0.20	0.30	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-

**Source: Municipal Tax Collector**

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**UNAUDITED**  
*(rate per \$100 of assessed value)*

**Long Beach Township**

Fiscal Year Ended June 30,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6) Total Direct School Tax Rate	Municipal	Ocean County	
2003	0.120	-	0.120	0.37	0.65	1.265
2004	0.130	-	0.130	0.39	0.74	1.390
2005	0.045	-	0.045	0.20	0.29	0.575
2006	0.043	-	0.043	0.20	0.30	0.500
2007	0.044	-	0.044	0.20	0.31	0.510
2008	0.045	-	0.045	0.22	0.34	0.551
2009	-	-	-	-	-	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-

Source: Municipal Tax Collector

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**UNAUDITED**  
*(rate per \$100 of assessed value)*

**Borough of Ship Bottom**

Fiscal Year Ended June 30,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6) Total Direct School Tax Rate	Municipal	Ocean County	
2003	0.120	-	0.120	0.60	0.64	1.479
2004	0.120	-	0.120	0.60	0.69	1.530
2005	0.045	-	0.045	0.26	0.36	0.710
2006	0.045	-	0.045	0.26	0.31	0.570
2007	0.046	-	0.046	0.28	0.32	0.594
2008	-	-	-	-	-	-
2009	-	-	-	-	-	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-

Source: Municipal Tax Collector

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**UNAUDITED**  
*(rate per \$100 of assessed value)*

**Borough of Surf City**

Fiscal Year Ended June 30,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate a	General Obligation Debt Service b	(From J-6)	Municipal	Ocean County	
			Total Direct School Tax Rate			
2003	0.130	-	0.130	0.51	0.69	1.463
2004	0.130	-	0.130	0.52	0.75	1.530
2005	0.044	-	0.044	0.02	0.03	0.138
2006	0.043	-	0.043	0.20	0.30	0.500
2007	0.043	-	0.043	0.22	0.30	0.522
2008	0.045	-	0.045	0.23	0.36	0.631
2009	-	-	-	-	-	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-

Source: Municipal Tax Collector

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Principal Property Taxpayers,  
 Current Year and Ten Years Ago  
 UNAUDITED

Borough of Barnegat Light

	2012			2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total						

Source: Municipal Tax Assessor

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Principal Property Taxpayers,  
 Current Year and Ten Years Ago  
 UNAUDITED

Borough of Harvey Cedars

	2012			2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -		0.00%	\$ -		0.00%

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Principal Property Taxpayers,  
 Current Year and Ten Years Ago  
 UNAUDITED

Long Beach Township

	2012			2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -		0.00%	\$ -		0.00%

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Principal Property Taxpayers,  
 Current Year and Ten Years Ago  
 UNAUDITED

Borough of Ship Bottom

	2012			2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -		0.00%	\$ -		0.00%

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Principal Property Taxpayers,  
 Current Year and Ten Years Ago  
 UNAUDITED

Borough of Surf City

	2012			2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -		0.00%	\$ -		0.00%

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Barnegat Light**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	6,376,472	6,244,035	97.92%	-
2004	7,221,393	7,137,747	98.84%	-
2005	7,219,173	7,156,166	99.13%	-
2006	7,465,912	7,335,144	98.25%	-
2007	7,746,363	7,665,092	98.95%	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-

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

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Harvey Cedars**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	8,244,403	8,192,881	99.38%	-
2004	8,782,926	8,734,670	99.45%	-
2005	8,770,529	8,720,834	99.43%	-
2006	9,781,330	9,726,149	99.44%	-
2007	9,527,362	9,484,922	99.55%	-
2008	97,738,855	9,735,221	99.60%	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-

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

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Long Beach Township**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	46,048,933	44,777,367	97.24%	-
2004	50,077,626	49,787,264	99.42%	-
2005	55,853,541	55,566,380	99.49%	-
2006	58,062,825	57,668,707	99.32%	-
2007	60,225,117	59,881,231	99.40%	-
2008	60,225,117	59,819,055	99.55%	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-

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

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Ship Bottom**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	8,074,004	7,867,409	97.44%	-
2004	9,071,086	8,820,222	97.23%	-
2005	9,187,174	8,717,320	94.89%	-
2006	9,555,717	9,357,794	97.93%	-
2007	10,096,701	9,882,274	97.87%	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-

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

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**  
**UNAUDITED**

**Borough of Surf City**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	9,942,145	9,682,289	97.39%	-
2004	11,008,020	10,919,069	99.19%	-
2005	11,343,869	11,331,797	99.89%	-
2006	12,037,800	22,956,700	99.33%	-
2007	13,078,723	12,986,735	99.29%	-
2008	13,271,872	13,098,924	98.70%	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years  
 UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities				Business- Type Activities	Total District	Percentage of Personal Income a	Per Capita a
	General Obligation Bonds b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2003	The District had no general bonded debt.							
2004	The District had no general bonded debt.							
2005	The District had no general bonded debt.							
2006	The District had no general bonded debt.							
2007	The District had no general bonded debt.							
2008	The District had no general bonded debt.							
2009	The District had no general bonded debt.							

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
**UNAUDITED**

Fiscal Year Ended June 30,	<u>General Bonded Debt Outstanding</u>			Percentage of Actual Taxable Value a of Property	Per Capita b
	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>		
2003	The District had no general bonded debt.				
2004	The District had no general bonded debt.				
2005	The District had no general bonded debt.				
2006	The District had no general bonded debt.				
2007	The District had no general bonded debt.				
2008	The District had no general bonded debt.				
2009	The District had no general bonded debt.				
2010	The District had no general bonded debt.				
2011	The District had no general bonded debt.				
2012	The District had no general bonded debt.				

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2012**  
**UNAUDITED**

**Borough of Barnegat Light**

<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			
Borough of Barnegat Light	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			\$ -
<b>Long Beach Island School District Debt</b>			-
<b>Total direct and overlapping debt</b>			\$ -

**Sources:** Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation. Debt outstanding data provided by each governmental unit.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2012  
 UNAUDITED

As of June 30, 2012

Borough of Harvey Cedars

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable *</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Harvey Cedars	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			<hr style="border-top: 1px solid black;"/> -
<b>Long Beach Island School District Debt</b>			<hr style="border-top: 1px solid black;"/> -
<b>Total direct and overlapping debt</b>			<hr style="border-top: 3px double black;"/> \$ -

Board of Taxation. Debt outstanding data provided by each governmental unit.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2012  
 UNAUDITED

Long Beach Township

<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 Long Beach	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			<u>-</u>
<b>Long Beach Island School District Debt</b>			<u>-</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ -</u></u>

**Sources:** Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation. Debt outstanding data provided by each governmental unit.

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2012**  
**UNAUDITED**

**Borough of Ship Bottom**

<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			
Borough of Ship Bottom	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			<u>-</u>
<b>Long Beach Island School District Debt</b>			<u>-</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ -</u></u>

**Sources:** Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation. Debt outstanding data provided by each governmental unit.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2012  
 UNAUDITED

Borough of Surf City

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Surf City	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			<u>-</u>
<b>Long Beach Island School District Debt</b>			<u>-</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ -</u></u>

**Sources:** Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation. Debt outstanding data provided by each governmental unit.

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
Legal Debt Margin Information,  
Last Ten Fiscal Years**

UNAUDITED

**Legal Debt Margin Calculation for Fiscal Year 2011**

Equalized valuation basis

		2011	\$	-
		2010		-
		2009		-
		<b>[A]</b>	\$	<u>-</u>
Average equalized valuation of taxable property	<b>[A/3]</b>		\$	-
Debt limit (2 1/2 % of average equalization value)	<b>[B]</b>			-
Total Net Debt Applicable to Limit	<b>[C]</b>			<u>-</u>
Legal debt margin	<b>[B-C]</b>		\$	<u>-</u>

Fiscal Year

		2002	2003	2004	2005	2006	2007
Debt limit	#	\$ 152,260,274	\$ 179,937,448	\$ 218,032,732	\$ 258,835,359	\$ 263,051,655	\$ 382,040,902
Total net debt applicable to limit		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin		<u>\$ 152,260,274</u>	<u>\$ 179,937,448</u>	<u>\$ 218,032,732</u>	<u>\$ 258,835,359</u>	<u>\$ 263,051,655</u>	<u>\$ 382,040,902</u>
Total net debt applicable to the limit as a percentage of debt limit		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Source:** Equalized valuation bases were obtained from the Ocean County Board of Taxation. Percentage limit is for K-6 district.

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
**UNAUDITED**

Year	Per Capita			
	Population a	Personal Income b	Personal Income c	Unemployment Rate d
2003	7,436	234,211,692	31,497	3.40%
2004	7,580	241,802,000	31,900	4.10%
2005	6,792	224,190,336	33,008	3.85%
2006	7,614	252,751,526	34,509	4.40%
2007	7,743			5.50%
2008				
2009				
2010				
2011				
2012				

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Principal Employers,  
 Current Year and Nine Years Ago  
 UNAUDITED

Employer	2012			2003		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
	-		0.00%	-		0.00%

NOTE: Data was not available from local municipalities and Chambers of Commerce.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Full-time Equivalent District Employees by Function/Program,  
 Last Ten Fiscal Years  
 UNAUDITED

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction										
Regular	28	27	26	26	26	24	22			
Special education	6	4	4	4	4	4	3			
Other special education	2	2	2	2	2	1	1			
Vocational										
Other instruction	5	5	5	3	4	1	2			
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related service	10	8	8	8	8	1	8			
General administration	2	2	2	2	2	1	2			
School administrative services	4	3	3	3	3	1	3			
Other administrative services										
Central services	3	3	3	2	2	1	2			
Administrative Information Technology										
Plant operations and maintenance	7	7	7	7	5	6	6			
Pupil transportation	6	6	5	5	6	8	7			
Other support services	-	-	-	-	-	-	-			
Special Schools	-	-	-	-	-	-	-			
Food Service	4	4	4	4	4	5	5			
Child Care										
Total	<u>77</u>	<u>71</u>	<u>69</u>	<u>66</u>	<u>66</u>	<u>53</u>	<u>61</u>			

Source: District Personnel Records

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Operating Statistics,  
 Last Ten Fiscal Years  
 UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures a	Cost Per Pupil	Percentage Change	Teaching Staff b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) c	Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary					
2002	354	5,121,428	14,467	7.62%	46	1:9		354.2	336.4	-5.75%	94.97%
2003	325	5,420,796	16,679	15.29%	45	1:7		324.6	307.4	-8.36%	94.70%
2004	299	5,848,613	19,561	17.27%	42	1:7		299.0	281.6	-7.89%	94.18%
2005	292	5,878,965	20,133	2.93%	38	1:7		291.8	276.0	-2.41%	94.59%
2006	271	5,644,713	20,829	3.46%	39	1:7		270.6	255.1	-7.27%	94.27%
2007	252	5,871,727	23,301	11.86%	32	1:7		252.2	237.0	-6.80%	93.97%
2008	262	5,871,727	22,411	-3.82%	32	1:7		254.1	239.8	0.75%	94.37%
2009	240	6,223,808	25,932	15.71%	34	1:6		227	213.0	-10.67%	93.83%
2010											
2011	0	-	#DIV/0!	#DIV/0!	0	0		0	0.0	#DIV/0!	#DIV/0!
2012	0	-	#DIV/0!	#DIV/0!	0	0		0	0.0	#DIV/0!	#DIV/0!

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).

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 School Building Information  
 Last Ten Fiscal Years  
 UNAUDITED

<u>District Building</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>Elementary</u>										
Ethel Jacobsen School (1968)										
Square Feet	33,135	33,135	33,135	33,135	33,135	33,135	33,135	33,135	33,135	33,135
Capacity (students)	250	250	250	250	250	250	250	250	250	250
Enrollment	140	117	134	132	125	125	125	125	125	125
Long Beach Island Grade School (1956)										
Square Feet	48,165	48,165	48,165	48,165	48,165	48,165	48,165	48,165	48,165	48,165
Capacity (students)	256	256	256	256	256	256	256	256	256	256
Enrollment	192	181	152	134	127	127	127	127	127	127
Long Beach Island Bus Garage (1956)										
Square Feet	7,216	7,216	7,216	7,216	7,216	7,216	7,216	7,216	7,216	7,216
Number of Schools at June 30, 2010										
Elementary = 2										

Source: District Office

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT**  
**Schedule of Required Maintenance**  
**Last Ten Fiscal Years**  
**UNAUDITED**

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

* School Facilities Project # (s)	Ethel Jacobson School	Long Beach Island Grade School	Other Facilities - Bus Garage	Total
2003	74,729	80,978	6,930	162,637
2004	64,587	95,989	15,384	175,960
2005	81,504	178,183	24,421	284,108
2006	118,303	83,613	7,212	209,128
2007	50,762	53,068	4,200	108,030
2008	154,999	156,680	4,090	315,769
2009	67,676	36,686	3,058	107,420
2010	60,554	32,825	2,737	96,116
2011	63,634	34,495	2,875	101,004
2012	46,087	24,983	2,082	73,152
Total School Facilities	<u>\$ 782,835</u>	<u>\$ 777,500</u>	<u>\$ 72,989</u>	<u>\$ 1,633,324</u>

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

Casualty

SAIF

Certificate No. 066

SCHOOL ALLIANCE INSURANCE FUND  
LIABILITY COVERAGE  
51 Everett Drive, Suite B-40  
West Windsor, New Jersey 08550

DECLARATION

- Item A. MEMBER: Long Beach Island School District  
Mailing Address: 200 South Barnegat Avenue  
Ship Bottom, NJ 08106
- Item B. COVERAGE PERIOD: July 1, 2012 - July 1, 2013 12:01 a.m. standard time at the address of the member as stated herein.
- Item C. LIMITS OF LIABILITY: (1) \$100,000 per occurrence, General, Employee Benefits and Automobile Liability, Abuse or Molestation and Real Property, Liability and Fire combined single limit.
- Item D. PREMISES MEDICAL EXPENSE LIMIT: \$5,000 each person
- Item E. DEDUCTIBLE: \$1,000 per claim  
(applicable to Employee Benefits Liability only)
- Item F. Uninsured/Underinsured Motorist  
\$15,000 per person.  
\$30,000 each accident.  
\$ 5,000 property damage.  
(\$500 deductible applicable to property damage)
- Item G. PERSONAL INJURY PROTECTION: \$100,000 medical expense per person
- Item H. NOTICE OF CLAIM TO BE GIVEN TO: School Alliance Insurance Fund  
c/o PEGAS  
51 Everett Drive, Suite B-40  
West Windsor, New Jersey 08550
- Item I. ENDORSEMENTS: Bodily Injury to a Co-Employee  
Mobile Equipment – Uninsured and Underinsured Motorists Coverage Extension  
Title 18A – Defense Reimbursement  
Uninsured and Underinsured Motorists Coverage  
New Jersey Personal Injury Protection Extension  
Lawsuit Threshold  
Interlocal Agreement for Repair of Vehicles

This Declaration Page is issued in conjunction with and forms a part of School Alliance Insurance Fund Certificate.

Countersigned: 07/01/12 By:   
Date Authorized Representative

Effective July 1, 2012

CERTIFICATE OF INSURANCE  
AND  
CERTIFICATE OF INSURED MEMBER DISTRICT

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES LISTED BELOW.

Item A. THE CERTIFICATE HOLDER:

Name: Long Beach Island Board of Education  
Address: 200 South Barnegat Avenue  
Ship Botton, NJ 08008

Item B. CERTIFICATE OF INSURANCE:

This is to certify that the policy of insurance listed below has been issued by the insured fund named below and is in force at this time. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policy is subject to all the terms, exclusions and conditions of such policy. Should the policy described herein be cancelled before expiration date thereof the named certificate holder shall be notified, but failure to mail such notice shall impose no obligation or liability of any kind upon the fund.

MASTER POLICY NUMBER: PR-12-01  
CERTIFICATE NUMBER: PR-12-01-066  
TERM: July 1, 2012 - July 1, 2013  
TYPE OF INSURANCE: Property  
MEMBER DEDUCTIBLE:  
1. Auto Physical Damage \$1,000 per occurrence  
2. All other \$1,000 per occurrence

**IMPORTANT INFORMATION ABOUT THIS CERTIFICATE**

- < Read the policy for complete details of coverage, conditions, terms, limits and exclusions.
- < This policy is available to member districts of the Fund exclusively.
- < A copy of the policy is attached.

Item C. CERTIFICATE OF INSURED MEMBER DISTRICT

This is to certify that the insured member district is a member of the insured Fund and, as such, may derive benefit from the insurance policy listed above to the extent determined by the Fund.

SCHOOL ALLIANCE INSURANCE FUND

Date: 07/01/12

By: Willard R. Young  
Authorized Signature

SCHOOL ALLIANCE INSURANCE FUND  
 c/o Public Entity Group Administrative Services  
 51 Everett Drive, Suite B-40  
 West Windsor, New Jersey 08550

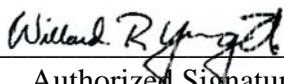
WORKERS' COMPENSATION  
 AND EMPLOYER'S LIABILITY POLICY

Certificate No. WC-12-066

INFORMATION PAGE

- Item 1. Name and Address of Employer: Long Beach Island School District  
 200 South Barnegat Avenue  
 Ship Bottom, NJ 08106
- Item 2. Named States: New Jersey
- Item 3. Other States: North Dakota, Ohio, Washington and Wyoming.
- Item 4. Policy Period: From: July 1, 2012 - July 1, 2013 12:01 a.m. standard time at the Employer's address shown in Item 1.
- Item 5. Specific Limit Bodily Injury by Accident - Each Accident is deemed excess of your specific retention.
- (a) Part I - Workers' Compensation: \$100,000  
 (b) Part II - Employers' Liability: \$100,000
- Item 6. Specific Limit Bodily Injury by Disease - Each Employee is deemed excess of your specific retention.
- (a) Part I - Workers' Compensation: \$100,000  
 (b) Part II - Employers' Liability: \$100,000
- Item 7. Specific Limit Bodily Injury by Policy Limit - Each Employee is deemed excess of your specific retention.
- (a) Part I - Workers' Compensation: \$100,000  
 (b) Part II - Employers' Liability: \$100,000

Date: 07/01/12  
 Date

By:   
 Authorized Signature

ENDORSEMENT #2

CERTIFICATE OF SUPPLEMENTAL INDEMNITY

Certificate No. WC-12A-066

INFORMATION PAGE

- Item 1. Name and Address of Employer: Long Beach Island School District  
200 South Barnegat Avenue  
Ship Bottom, NJ 08008
- Item 2. Insurer Affording Coverage: ACE USA on behalf of the School Excess Liability Joint Insurance Fund
- Item 3. Policy Number: OCA N04821920
- Item 4. Coverage Period: From: July 1, 2012 to July 1, 2013 12:01 a.m. standard time at the Employer's address shown in Item 1.
- Item 5. Terms & Conditions: The maximum salary benefit provided by this policy is 100% of the Covered Persons' salary less benefits paid under New Jersey Workers' Compensation Law for temporary disability, subject to a maximum benefit of \$250,000. Salary benefits begin following a 7 day waiting period, subject to a maximum benefit period of 365 days.

Coverage is provided for all active professional and non-professional employees of a member school who has elected coverage and pays the required premium.

Date: 07/01/12

By:   
Authorized Signature

SINGLE AUDIT SECTION

**JUMP, SCUTELLARO AND COMPANY, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS**

12 LEXINGTON AVENUE TOMS RIVER, NJ 08753 · PHONE (732) 240-7377 FAX (732) 505-8307 WEBSITE: jumpcpa.com

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

Honorable President and  
Members of the Board of Education  
Long Beach Island Consolidated School District  
Surf City, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Board of Education of the Long Beach Island Consolidated School District in the County of Ocean, State of New Jersey as of and for the year ended June 30, 2012, and have issued our report thereon dated November 8, 2011. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and 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

Management of the Board of Education of the Long Beach Island Consolidated District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Board of Education of the Long Beach Island Consolidated School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board of Education of the Long Beach Island Consolidated School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Long Beach Island Consolidated 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

This report is intended solely for the information of the Board of Education of the Long Beach Island Consolidated School District, management, the New Jersey State Department of Education and other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

JUMP, SCUTELLARO AND COMPANY, L.L.P.

A handwritten signature in black ink, appearing to read 'Kathryn Perry', with a long horizontal flourish extending to the right.

Kathryn Perry, Partner  
Licensed Public School Accountant  
No. CS 20CS00226400

January 28, 2013

**JUMP, SCUTELLARO AND COMPANY, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS**

12 LEXINGTON AVENUE TOMS RIVER, NJ 08753 PHONE (732) 240-7377 FAX (732) 505-8307 WEBSITE: jumpcpa.com

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

Honorable President and  
Members of the Board of Education  
Long Beach Island Consolidated School District  
Surf City, New Jersey

Compliance

We have audited the Board of Education of the Long Beach Island Consolidated School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and New Jersey OMB Circular 04-04 that could have a direct and material effect on each of the Board of Education of the Long Beach Island Consolidated School District's major federal and state programs for the year ended June 30, 2012. The Board of Education of the Long Beach Island Consolidated School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Board of Education of the Long Beach Island Consolidated School District's management. Our responsibility is to express an opinion on the Board of Education of the Long Beach Island Consolidated School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB Circular 04-04. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education of the Long Beach Island Consolidated 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 Board of Education of the Long Beach Island Consolidated School District's compliance with those requirements.

In our opinion, the Board of Education of the Long Beach Island Consolidated School District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of the Board of Education of the Long Beach Island Consolidated School District's is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to the federal and state programs. In planning and performing our audit, we considered the Board of Education of the Long Beach Island Consolidated School District's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Board of Education of the Long Beach Island Consolidated School District's internal control over compliance.

A deficiency in internal control over compliance exist 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 and state programs on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the 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 of the board of education, management, state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

JUMP, SCUTELLARO AND COMPANY, L.L.P.

  
Kathryn Perry, Partner  
Licensed Public School Accountant  
No. CS 20CS00226400

January 28, 2013

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards, Schedule A

for the Fiscal Year ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance at June 30, 2011	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior years' Balances	Accounts Receivable at June 30, 2012	Deferred Revenue at June 30, 2012	Due to Grantor at June 30, 2012
U.S. Department of Education											
Passed-through State Department of Education:											
Ed Jobs	84.410	7/1/11-6/30/12	16,948	\$ -	-	5,084	(16,948)	-	(11,864)	-	-
Total General Fund				-	-	5,084	(16,948)	-	(11,864)	-	-
U.S. Department of Education											
Passed-through State Department of Education:											
I.D.E.A. Part B Preschool	84.027	7/1/11-6/30/12	4,225	-	-	2,558	(4,225)	-	(1,667)	-	-
I.D.E.A. Part B Basic Regular	84.027	7/1/11-6/30/12	68,164	-	-	31,236	(60,258)	-	(29,022)	-	-
I.D.E.A. Part B Basic Regular	84.027	7/1/10-6/30/11	66,836	(6)	-	6	-	-	-	-	-
NCLB Title IA	84.009	7/1/10-6/30/11	44,477	(2,679)	-	3,068	(389)	-	-	-	-
NCLB Title IA	84.009	7/1/11-6/30/12	36,386	-	-	21,406	(29,340)	-	(7,934)	-	-
Title II, Part A	84.168	7/1/10-6/30/11	14,260	(1,530)	-	1,530	-	-	-	-	-
Title II, Part A	84.168	7/1/11-6/30/12	19,238	-	-	12,458	(19,238)	-	(6,780)	-	-
Title II Part D	84.168	7/1/11-6/30/12	10,000	-	-	-	-	-	-	-	-
Total Special Education				(4,215)	-	72,262	(113,450)	-	(45,403)	-	-
Total Expenditures of Federal Awards				\$ (4,215)	-	77,346	(130,398)	-	(57,267)	-	-

See accompanying notes to schedules of expenditures.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT  
 Schedule of Expenditures of State Awards, Schedule B  
 for the Fiscal Year ended June 30, 2012

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2011			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Accounts Receivable at June 30, 2012	Deferred Revenue at June 30, 2012	Due to Grantor at June 30, 2012	Memo	
				Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover Amount							Budgetary Receivable	Cumulative Total
State Department of Education														
Healthy Community		7/1/10-6/30/12	10,000	(34)	-	-	-	(193)	-	(227)	-	-	-	193
Transportation Cat. Aid	12-495-034-5120-014	7/1/11-6/30/12	68,525	-	-	-	68,525	(68,525)	-	-	-	-	-	68,525
Special Education Aid	12-495-034-5120-011	7/1/11-6/30/12	106,133	-	-	-	106,133	(106,133)	-	-	-	-	-	106,133
Extraordinary Aid	12-495-034-5120-044	7/1/11-6/30/12	26,190	-	-	-	-	(26,190)	(26,190)	-	-	-	-	26,190
Extraordinary Aid	11-495-034-5120-044	7/1/10-6/30/11	12,641	(12,641)	-	-	12,641	-	-	-	-	-	-	-
Non-public transportation aid	11-495-034-5120-044	7/1/10-6/30/11	1,206	(1,206)	-	-	1,206	-	-	-	-	-	-	-
Non-public transportation aid	12-495-034-5120-044	7/1/11-6/30/12	1,218	-	-	-	-	(1,218)	(1,218)	-	-	-	-	1,218
Security Aid	12-495-034-5120-084	7/1/11-6/30/12	24,584	-	-	-	24,584	(24,584)	-	-	-	-	-	24,584
Security Aid	11-495-034-5120-084	7/1/10-6/30/11	24,584	(19,791)	-	-	19,791	-	-	-	-	-	-	-
School Choice Aid		7/1/11-6/30/12	212,076	-	-	-	159,417	(212,076)	-	-	-	-	52,659	212,076
Bullying grant		7/1/11-6/30/12	359	-	-	-	359	(359)	-	-	-	-	-	359
Hurricane Irene grant		7/1/11-6/30/12	17,867	-	-	-	17,867	(17,867)	-	-	-	-	-	17,867
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	7/1/11-6/30/12	260,622	-	-	-	260,622	(260,622)	-	-	-	-	-	260,622
On-behalf TPAF Pension Contributions	12-495-034-5095-002	7/1/11-6/30/12	265,504	-	-	-	265,504	(265,504)	-	-	-	-	-	265,504
<b>Total State Department of Education</b>				\$ (33,672)	\$ -	\$ -	\$ 936,649	\$ (983,271)	\$ -	\$ (27,635)	\$ -	\$ -	\$ 52,659	\$ 983,271

See accompanying notes to schedules of expenditures.  
 \*\*This is not a receivable, but a deficit due to expenditures exceeding last state aid payment.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to the Schedules of Awards and Financial Assistance

June 30, 2012

1. General

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

2. Basis of Accounting

The accompanying schedules of expenditures of federal and state awards are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements.

3. Relationship to General Purpose Financial Statements

Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$32,868) for the general fund and (\$8,402) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

		<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
General Fund	\$	16,948	950,210	-	\$590,388
Special Revenue Fund		105,048	193	-	129,850
Debt Service Fund		-	-	-	-
Food Service Fund		-	-	-	-
Total awards and financial assistance	\$	<u>121,996</u>	<u>950,403</u>	<u>-</u>	<u>\$1,072,399</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to the Schedules of Awards and  
Financial Assistance (Continued)

4. Relationship to Federal and State Financial Reports

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

5. Other

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 represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2012.

Long Beach Island Consolidated School District

Ocean County, New Jersey

For the Year Ended June 30, 2012

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Section I - Summary of Auditor's Results

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Financial Statement Section

Type of auditor's report issued: Unqualified opinion

Internal control over financial reporting:

- 1) Material weakness(es) identified? \_\_\_\_\_ yes       X  no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes       X  none reported

Noncompliance material to general-purpose financial statements noted? \_\_\_\_\_ yes       X  no

State Awards Section

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

Auditee qualified as low-risk auditee?       X  yes      \_\_\_\_\_ no

Type of auditor's report issued on compliance for major programs: Unqualified Opinion

Internal Control over major programs:

- 1) Material weakness(es) identified? \_\_\_\_\_ yes       X  no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes       X  none reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04? \_\_\_\_\_ yes       X  no

Identification of major programs:

12-495-034-5095-002      TPAF/On-behalf

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Section II - Financial Statement Findings

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No matters were reported for the period ended June 30, 2012.

Prior Year Audit Findings - N/A

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Section III - State Award Findings and Questioned Costs

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No matters were reported for the period ended June 30, 2012.

There were no prior year findings for the period ended June 30, 2011.