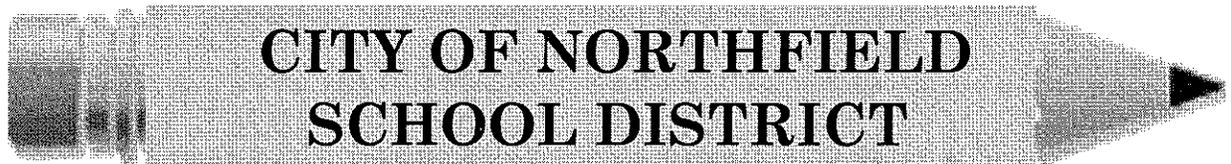


BOARD OF EDUCATION



"CHILDREN FIRST"

**County of Atlantic
Northfield, New Jersey**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Fiscal Year Ended June 30, 2012**

BOARD OF EDUCATION

**CITY OF NORTHFIELD
SCHOOL DISTRICT**

**County of Atlantic
Northfield, New Jersey**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Fiscal Year Ended June 30, 2012**

CITY OF NORTHFIELD SCHOOL DISTRICT

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NCS

NORTHFIELD COMMUNITY SCHOOL
"Children First"

Janice Fipp, Ed.D., Superintendent

2000 New Road
Northfield, NJ 08225
Telephone 609-407-4000
Fax 609-646-0608
www.ncs-nj.org

November 5, 2012

Honorable President and
Members of the Board of Education
City of Northfield School District
County of Atlantic
Northfield, New Jersey

Dear Board Members:

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

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of the principal officials. The financial section includes the basic financial statements and schedules, management's discussion and analysis, 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 1996 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 OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section report.

1) **REPORTING ENTITY AND ITS SERVICES:** The City of Northfield School District is an independent reporting entity within the criteria set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the District are included in this report. The City of Northfield Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2011-2012 fiscal year with an enrollment of 1,047 students, which is 8 fewer students than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Year	Enrollment	Change
2011-12	1,047	(0.76%)
2010-11	1,055	(1.22%)
2009-10	1,068	(3.17%)
2008-09	1,103	2.61%
2007-08	1,075	(1.19%)
2006-07	1,088	(1.27%)
2005-06	1,102	(0.72%)
2004-05	1,110	(1.06%)
2003-04	1,122	(0.44%)
2002-03	1,127	5.59%

2) **ECONOMIC CONDITION AND OUTLOOK:** In the past, the Northfield area had experienced a period of development and expansion. For the past nine years this period of growth has slowed, resulting in slight decreases in enrollments. In 2008-2009, enrollments increased significantly, particularly in the Kindergarten grade level, suggesting that young families continued to purchase older homes from retirees. However, enrollments have continued to decline since that time. Nonetheless, as in the industry as a whole, Northfield has experienced an overall decrease in home sales and home values. In 2009 Northfield City underwent a reassessment in property values which has lowered the tax rate and has resulted in an increase in the tax base of the community from tax year 2009 to tax year 2010. The housing requirements of the casino industry may continue to impact community services including schools, despite challenging economic conditions.

3) **MAJOR INITIATIVES:** The 2011-12 school year started and maintained a high level of involvement, motivation and momentum by staff, students and parents and several new teachers and support staff were approved by the Board of Education.

The October 15, 2011 enrollment was 1,047 students in contrast to an enrollment of 1,055 one year earlier. Throughout the 2011-12 academic year, programs and activities which benefited all Northfield Community School students were sponsored by the district, the active Parent Teacher Organization (PTO) and the Northfield Education

Foundation (NEF), the Sports Booster Club and the Northfield Board of Education. The level of parent participation continues to grow in Northfield. In addition, the quality of our staff is impressive, with one hundred percent of our teachers deemed highly qualified. Our district stakeholders worked for 16 months to create a 5 year Strategic Plan for Northfield, which continues to be implemented. The Northfield Board of Education continued its effort to install Smartboards in every classroom and budgeted for an additional eight Smartboards in the 2011-12 budget.

The 2012-13 budget was developed by the Administration, Board Finance Committee, and full Board of Education, and it was reviewed by the Atlantic County Superintendent of Schools' office. The 2012-13 budget was increased by 3.69%, which resulted in an overall \$0.776 cents increase in the school district's 2012-13 tax levy, due to additional State Aid.

Throughout the year, efforts were made at all grade levels to address both strengths and areas of need as a result of state and local testing. Our general student population was tested in the New Jersey Assessment of Skills and Knowledge Test (ASK) in grades 3, 4, 5, 6, 7, and 8. Student performance showed areas of strength and areas of need for which we focused. We continue to work diligently to address the academic needs of our continually growing sub populations, as identified by the New Jersey Department of Education. This is challenging, but a charge we take very seriously.

Professional development activities were aligned to the District Professional Development Plan and the New Jersey Core Curriculum Content Standards as well as the new Common Core Standards in math and language arts. All Kindergarten through 5th grade math curriculum was revised as was the Kindergarten through 8th curriculum in all areas. The Professional Development committee continued professional learning communities, focusing on development of benchmark testing among other topics. We continue to schedule regular and meaningful articulation within and between districts. Our School uses School Fusion based "classrooms" to enhance school home communication. In addition we created an active Intervention and Referral Services Committee (I&RS). Our technology and school culture committees met to meet our goals in these areas.

Our district activated our QSAC committee to prepare us for completion of NJ Department of Education monitoring. There was representation from all stakeholder groups. We were deemed in compliance in all areas.

Hazardous Materials Handling, Anti Bullying, Emergency Management Procedures, and Crisis Prevention workshops continue to help teachers and other staff gain knowledge in these areas to be better prepared to handle situations in their classroom and in the school building.

In order to help students perform better on standardized tests, an analysis and interpretation of scores and training in areas of need on the elementary school and middle school proficiency assessments was conducted. Our district passed the QAAR conducted in January 2012.

Technology integration and developing 21st century skill is a high priority. We continued training for staff in areas of technology. These goals are part of our Strategic Plan which we continue to work toward.

The Northfield Education Foundation continues to fund several after-school clubs which included the Book Club and Chess Club for both elementary and middle school students, and Multi-Media Club and Future Engineers Club for middle school students.

The Northfield Learning Center which addresses the reading needs of students with dyslexia finished its seventh year and was completely funded by the Masons.

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 is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principals (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. District management has developed a standard operating procedures and internal controls manual in accordance with N.J.A.C. 6A:23A-6, which was adopted by the Board of Education in December 2009, and will be re-adopted annually at the Board's Reorganization meeting.

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 and the special revenue 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 to 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) **DEBT ADMINISTRATION:** At June 30, 2012, the District's outstanding debt issues included \$5,758,000 in Bonds; and \$49,320 for the lease of computer equipment.

8) **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 1. The District has adopted a cash management plan which requires it to deposit public funds in 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.

9) **RISK MANAGEMENT:** The Board carries various forms of insurance, including, but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft on property and contents, and fidelity bonds.

10) **OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Accounting firm of Preziosi ~ Nicholson & Associates PA, CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in the state statutes, the audit is designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey OMB Circular Letter 04-04. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are 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.

11) **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the City of Northfield 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 financial and accounting staff.

Respectfully submitted,

Janice D. Fipp

Janice Fipp, Ed.D.
Superintendent

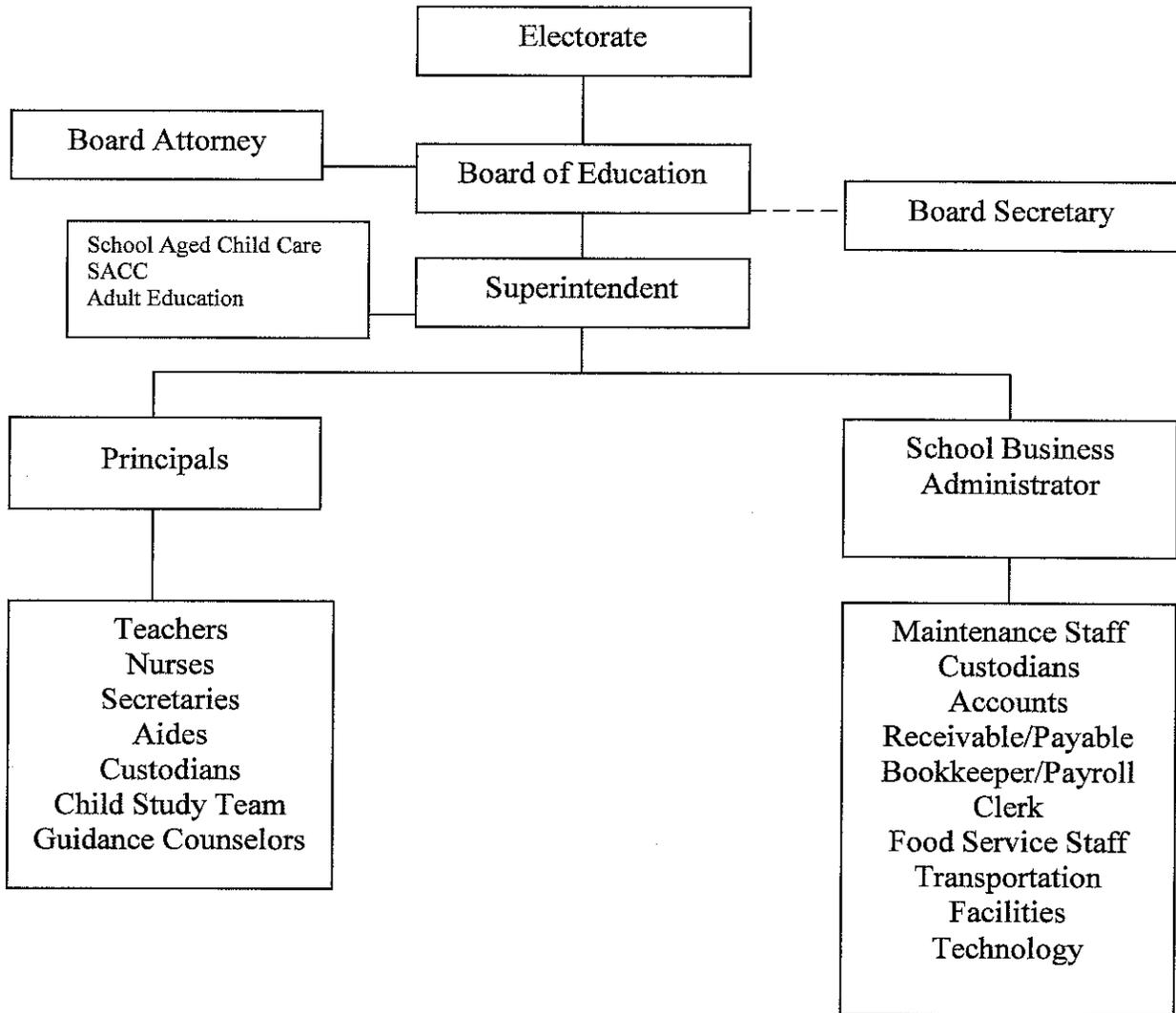
Linda Albright

Linda Albright
Board Secretary/
Business Administrator

CITY OF NORTHFIELD SCHOOL DISTRICT

**County of Atlantic
Northfield, New Jersey**

ORGANIZATIONAL CHART



Adopted: 21 June 2010

CITY OF NORTHFIELD SCHOOL DISTRICT

**County of Atlantic
Northfield, New Jersey**

ROSTER OF OFFICIALS

June 30, 2012

Members of the Board of Education		Term Expires
John Palmieri	President	2013
Steve Wynne	Vice-President	2013
Jon Barnhart	Board Member	2014
Patricia Fitzsimons	Board Member	2012
Erland Chau	Board Member	2014
Deborah Levitt	Board Member	2012
Kevin Milhous	Board Member	2014
James Travagline	Board Member	2013
Karyn White	Board Member	2012

Other Officials

Janice Fipp, ED.D.	Superintendent of Schools
Linda Albright	Business Administrator
Linda Albright	Treasurer

CITY OF NORTHFIELD SCHOOL DISTRICT

Consultants and Advisors

Architect

Ralph Wesner
Modelle Plan Studio
419 Bethel Road - Suite B
Somers Point, NJ 08244

Attorney

Andy Brown, Esq.
John Geppert, Esq.
Schwartz, Simon, Edelstein, Celso & Zitomer, LLC
44 Whippany Road Suite 210
Moorestown, NJ 07962

Audit Firm

James M. Preziosi, MS, CPA, PSA
Preziosi Nicholson & Associates, P.A.
Certified Public Accountants
1101 Wheaton Avenue
Suite 100
Millville, New Jersey 08332

Official Depository

Ocean City Home Bank
1777 New Road
Linwood, NJ 08221

TD Bank

101 Haddonfield Road, 2nd Floor
Cherry Hill, NJ 08002

FINANCIAL SECTION

PREZIOSI·NICHOLSON

& ASSOCIATES PA

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable President and
Members of the Board of Education
City of Northfield School District
County of Atlantic
Northfield, 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 City of Northfield School District in the County of Atlantic, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Northfield 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 in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Northfield School District in the County of Atlantic, State of New Jersey as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, 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 14, 2012 on our consideration of the City of Northfield School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 of 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 District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and State of New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the financial statements as a whole

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Northfield School District's basic financial statements. The introductory section and statistical information are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

PREZIOSI • NICHOLSON & ASSOCIATES
Certified Public Accountants



James M. Preziosi
Certified Public Accountant
Public School Accountant No. CS 01141

November 14, 2012
Millville, NJ

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

CITY OF NORTHFIELD SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

This section of the City of Northfield Board of Education School District's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the year ended 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 follows this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2012 are as follows:

Exhibit A-1

Net Assets for Governmental and Business-Type activities were \$7,319,701 and \$179,052, respectively

Exhibit A-2

Net Assets for both activities increased in total by \$1,213,287.

Exhibit B-1

The General Fund, fund balance as of June 30, 2012 was \$1,442,155 an increase of \$269,310 when compared with the beginning balance as of July 1, 2011 of \$1,172,845.

Exhibit I-1

The District's outstanding bond debt at June 30, 2012 is \$5,758,000

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

1. District-Wide Financial Statements
2. Fund Financial Statements
3. Notes to Basic Financial Statements

This report also contains other supplementary information in addition to the basic financial statements.

District-Wide Financial Statements

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

The two district-wide statements report net assets and how they have changed. Net assets, the difference between the District's assets and liabilities, is one way to measure the District's financial health or *position*. The district-wide financial statements include the *Governmental Activities*. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. Property taxes and grants finance most of these activities.

CITY OF NORTHFIELD SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds - not the District as a whole. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

The District has the following kinds of funds:

Governmental Funds - Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

Proprietary Funds - Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

Fiduciary Funds - The District is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that - because of a trust arrangement - can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net Assets

The Statement of Net Assets reports all financial and capital resources. The statement presents the assets and liabilities in order of relative liquidity. The liabilities with average maturities greater than one year are reported in two components - the amount due within one year and the amount due in more than one year. The difference between the District's assets and liabilities is its net assets.

CITY OF NORTHFIELD SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

DISTRICT-WIDE FINANCIAL ANALYSIS

Net Assets

Comparative Summary of Net Assets				
	Governmental Activities		Business-Type Activities	
	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Assets				
Current and Other Assets	\$ 1,827,081	\$ 1,477,985	\$ 167,095	\$ 292,339
Capital Assets; net	<u>11,920,389</u>	<u>12,186,298</u>	<u>91,967</u>	<u>66,610</u>
Total Assets	<u>13,747,470</u>	<u>13,664,283</u>	<u>259,062</u>	<u>358,949</u>
Liabilities				
Current Liabilities	1,573,384	1,463,158	79,210	128,488
Other Liabilities	<u>4,854,384</u>	<u>6,145,321</u>		
Total Liabilities	<u>6,427,763</u>	<u>7,608,479</u>	<u>79,210</u>	<u>128,488</u>
Net Assets				
Invested in Capital Assets, Net of Debt	6,216,822	5,085,340	91,967	66,610
Restricted	1,659,368	1,342,277		
Unrestricted	<u>(556,489)</u>	<u>(371,813)</u>	<u>87,885</u>	<u>163,851</u>
TOTAL NET ASSETS	<u><u>\$ 7,319,701</u></u>	<u><u>\$ 6,055,804</u></u>	<u><u>\$ 179,852</u></u>	<u><u>\$ 230,461</u></u>

CITY OF NORTHFIELD SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

DISTRICT-WIDE FINANCIAL ANALYSIS

Net Assets

CHANGE IN NET ASSETS	Governmental Activities		Business-Type Activities	
	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Program Revenues				
Charges for Services	\$ 7,917	\$ 2,075	\$ 443,074	\$ 428,681
Grants and Contributions	2,257,044	2,207,548	128,237	114,135
General Revenues				
Property Taxes	9,529,343	9,520,466		
Grants and Entitlements	3,340,067	3,085,921		
Other	<u>82,517</u>	<u>22,837</u>	<u>881</u>	<u>2,062</u>
Total Revenues	<u>15,216,888</u>	<u>14,838,847</u>	<u>572,192</u>	<u>544,878</u>
Program Expenses				
Instruction	9,189,434	8,965,160		
Support Services	3,986,444	3,889,091		
Unallocated Depreciation	477,572	452,073		
Interest on Debt	264,957	310,448		
Food Service			360,987	321,956
School Aged Child Care			<u>261,814</u>	<u>198,601</u>
Total Expenses	<u>13,918,407</u>	<u>13,616,772</u>	<u>622,801</u>	<u>520,557</u>
Change in Net Assets	1,298,481	1,222,075	(50,609)	24,321
Transfers		(25,000)		25,000
Bond Issue Cost Amortization	(34,583)	(34,583)		
Disposal of Fixed Assets		(62,992)		
Net Assets, July 1	<u>6,055,804</u>	<u>4,956,304</u>	<u>230,461</u>	<u>181,140</u>
Net Assets, June 30	<u>\$ 7,319,702</u>	<u>\$ 6,055,804</u>	<u>\$ 179,852</u>	<u>\$ 230,461</u>

CITY OF NORTHFIELD SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is also reflected in the governmental funds which are accounted for by using the modified accrual basis of accounting. As of the end of the current fiscal year, the District's governmental funds reported combining ending fund balances of:

	June 30, 2012	June 30, 2011	Change
Restricted			
Capital Reserve	\$ 286,897	\$ 313,797	\$ (26,900)
Capital Projects		95,855	(95,855)
Maintenance Reserve	117,000	117,000	
Debt Service	110,857	2	110,855
Excess Surplus	661,489	331,728	329,761
Assigned			
Encumbrances	56,107	133,895	(77,788)
Designated for Subsequent Years Expenditures	427,018	350,000	77,018
Unassigned			
General Fund	(106,356)	(73,575)	(32,781)
Total	\$ 1,553,012	\$ 1,268,702	\$ 284,310

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts.

	Original	Revised	Expended
General Fund	\$ 12,667,041	\$ 12,814,154	\$ 11,974,866
On-Behalf Non-Budgeted			
TPAF Pension Contribution			614,947
TPAF Social Security			452,345
	\$ 12,667,941	\$ 12,814,154	\$ 13,042,158

CITY OF NORTHFIELD SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenues

The General Fund proposed budget, estimated revenues at \$12,136,777. Actual revenues, not including on-behalf contributions for Pension and Social Security, were \$12,278,871.

Expenditures

The General Fund adopted expenditures were budgeted at \$12,667,041. Actual expenditures, not including on-behalf contributions for Pension and Social Security, were \$11,974,866.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2012, the School District had \$18,110,335 invested in land, building, furniture and equipment. Cost of capital assets increased by \$250,284 from fiscal year 2011 to fiscal year 2012. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At the end of fiscal year 2012, the School District had \$6,174,561 of outstanding debt. Of this amount, \$367,240 is for compensated absences, \$49,320 is for capital leases, and \$5,758,000 is for general obligation bonds.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a summary of the financial condition of School District. Questions concerning any of the information provided in this report should be addressed to:

School Business Administrator/Board Secretary
City of Northfield School District
2000 New Road
Northfield, NJ 08317
609.407.4002

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

CITY OF NORTHFIELD SCHOOL DISTRICT

Statement of Net Assets

June 30, 2012

See Accompanying Notes to the Basic Financial Statements

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,068,059.30	\$ 155,675.98	\$ 1,223,735.28
Accounts Receivable			
Interfunds Receivable	58,525.02	472.46	58,997.48
Due From Other Governments	192,847.08	6,301.13	199,148.21
Inventory		4,645.42	4,645.42
Restricted Cash and Cash Equivalents	403,897.00		403,897.00
Bond Issue Costs, Net	103,753.00		103,753.00
Capital Assets, Net	11,920,389.00	91,967.00	12,012,356.00
Total Assets	13,747,470.40	259,061.99	14,006,532.39
LIABILITIES			
Liabilities			
Accounts Payable	8,014.06	13,979.29	21,993.35
Accrued Interest	82,893.05		82,893.05
Interfunds Payable	44,323.06	14,674.46	58,997.52
Deferred Revenues	117,978.84	50,556.12	168,534.96
Noncurrent Liabilities			
Due Within One Year	1,320,176.03		1,320,176.03
Due Beyond One Year	4,854,384.03		4,854,384.03
Total Liabilities	6,427,769.07	79,209.87	6,506,978.94
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	6,216,821.94	91,967.00	6,308,788.94
Restricted For			
Debt Service	110,856.92		110,856.92
Capital Projects			-
Other Purposes	1,548,511.52		1,548,511.52
Unrestricted	(556,489.05)	87,885.12	(468,603.93)
Total Net Assets	\$ 7,319,701.33	\$ 179,852.12	\$ 7,499,553.45

CITY OF NORTHFIELD SCHOOL DISTRICT
Statement of Activities
For The Fiscal Year Ended June 30, 2012

See Accompanying Notes to the Basic Financial Statements

Function/Programs	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	Expenses					
Instruction						
Regular	\$ 6,897,104.64	\$ 7,917.00	\$ 984,706.39	\$ (5,904,481.25)	\$ -	\$ (5,904,481.25)
Special Education	1,855,027.19		732,654.67	(1,122,372.52)		(1,122,372.52)
School Sponsored Activities	47,034.03			(47,034.03)		(47,034.03)
Other Special	390,268.43			(390,268.43)		(390,268.43)
Support Services						
Tuition	16,889.00			(16,889.00)		(16,889.00)
Student and Instruction	1,513,018.34		180,846.13	(1,332,172.21)		(1,332,172.21)
General Administration	519,417.46		49,161.84	(470,255.62)		(470,255.62)
School Administrative	472,465.94		44,717.97	(427,747.97)		(427,747.97)
Central Services	229,265.96			(229,265.96)		(229,265.96)
Administrative Information Technology	135,106.33			(135,106.33)		(135,106.33)
Plant Operations and Maintenance	928,684.42			(928,684.42)		(928,684.42)
Pupil Transportation	171,597.11			(171,597.11)		(171,597.11)
Other Support Services						
Interest on Long-Term Debt	264,956.86		264,956.86			
Unallocated Depreciation	477,572.00			(477,572.00)		(477,572.00)
Total Governmental Activities	13,918,407.71	7,917.00	2,257,043.86	(11,653,446.85)	-	(11,653,446.85)
Business-Type Activities						
Food Service	360,987.25	202,825.39	128,236.56		(29,925.30)	(29,925.30)
School Aged Child Care Program	261,814.18	240,248.82			(21,565.36)	(21,565.36)
Total Business-Type Activities	622,801.43	443,074.21	128,236.56	-	(51,490.66)	(51,490.66)
Total Primary Government	\$ 14,541,209.14	\$ 450,991.21	\$ 2,385,280.42	(11,653,446.85)	(51,490.66)	(11,704,937.51)
General Revenues						
Tax Levy				9,529,343.00		9,529,343.00
Unrestricted Federal and State Aid				3,340,066.70		3,340,066.70
Investment Earnings				4,883.06	881.39	5,764.45
Other Income				77,634.25		77,634.25
Amortization of Bond Issue Costs				(34,583.00)		(34,583.00)
Total General Revenues And Transfers				12,917,344.01	881.39	12,918,225.40
Change in Net Assets				1,263,897.16	(50,609.27)	1,213,287.89
Net Assets, July 1				6,055,804.17	230,461.39	6,286,265.56
Net Assets, June 30				\$ 7,319,701.33	\$ 179,852.12	\$ 7,499,553.45

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

CITY OF NORTHFIELD SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2012

See Accompanying Notes to the Basic Financial Statements

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
ASSETS					
Cash and Cash Equivalents	\$ 956,822.48		\$ 111,234.47	\$ 2.35	\$ 1,068,059.30
Accounts Receivable					
Interfund Receivable	58,525.02				58,525.02
Due From Other Governments	30,925.08	161,922.00			192,847.08
Restricted Cash and Cash Equivalents	<u>403,897.00</u>				<u>403,897.00</u>
Total Assets	<u>\$ 1,450,169.58</u>	<u>\$ 161,922.00</u>	<u>\$ 111,234.47</u>	<u>\$ 2.35</u>	<u>\$ 1,723,328.40</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 8,014.06	\$ -	\$ -	\$ -	\$ 8,014.06
Interfund Payable		43,943.16	379.90		44,323.06
Deferred Revenues		<u>117,978.84</u>			<u>117,978.84</u>
Total Liabilities	<u>8,014.06</u>	<u>161,922.00</u>	<u>379.90</u>	<u>-</u>	<u>170,315.96</u>
FUNDS BALANCES					
Restricted					
Capital Projects					-
Capital Reserve	286,897.00				286,897.00
Maintenance Reserve	117,000.00				117,000.00
Excess Surplus	661,489.45				661,489.45
Debt Service Fund			110,854.57	2.35	110,856.92
Assigned					
Designated for Subsequent Year's Expenditures	427,017.57				427,017.57
Other Purposes	56,107.50				56,107.50
Unassigned	<u>(106,356.00)</u>				<u>(106,356.00)</u>
Total Fund Balance	<u>1,442,155.52</u>	<u>-</u>	<u>110,854.57</u>	<u>2.35</u>	<u>1,553,012.44</u>
Total Liabilities and Fund Balances	<u>\$ 1,450,169.58</u>	<u>\$ 161,922.00</u>	<u>\$ 111,234.47</u>	<u>\$ 2.35</u>	<u>\$ 1,723,328.40</u>

Total Governmental Fund Balances **\$ 1,553,012.44**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds and consist of:

Construction in Progress	
Cost of Capital Assets	17,794,722.00
Accumulated Depreciation	<u>(5,874,333.00)</u>

The costs associated with the issuance of various bonds are expensed in the governmental funds in the year the bonds are issued, but are capitalized in the Statement of Net Assets 103,753.00

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. Long-Term liabilities consist of:

Accrued Interest	(82,893.05)
Bond Payable	(5,758,000.00)
Capital Leases	(49,320.06)
Compensated Absences Payable	<u>(367,240.00)</u>

Total Net Assets - Governmental Activities **\$ 7,319,701.33**

CITY OF NORTHFIELD SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenses and Changes in Fund Balances
For The Fiscal Year Ended June 30, 2012

See Accompanying Notes to the Basic Financial Statements

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
REVENUES					
Local Sources					
Local Tax Levy	\$ 8,490,117.00	\$ -	\$ -	\$ 1,039,226.00	\$ 9,529,343.00
Tuition Charges	7,917.00				7,917.00
Interest Earned	4,883.06				4,883.06
Miscellaneous	17,523.36	10,110.89	50,000.00		77,634.25
	8,520,440.42	10,110.89	50,000.00	1,039,226.00	9,619,777.31
Federal Sources	136,677.00	354,670.56			491,347.56
State Sources	4,654,351.00			451,412.00	5,105,763.00
Total Revenues	13,311,468.42	364,781.45	50,000.00	1,490,638.00	15,216,887.87
EXPENDITURES					
Current					
Regular Instruction	4,288,907.44	327,139.53			4,616,046.97
Special Education Instruction	1,238,038.02				1,238,038.02
School Sponsored Activities	47,034.03				47,034.03
Other Instruction	390,268.43				390,268.43
Support Services					
Tuition	16,889.00				16,889.00
Student and Instruction	972,140.71	37,641.92			1,009,782.63
General Administration	346,657.22				346,657.22
School Administrative	315,321.95				315,321.95
Central Services	229,265.96				229,265.96
Administrative Information Technology	135,106.33				135,106.33
Plant Operations and Maintenance	928,684.42				928,684.42
Pupil Transportation	171,597.11				171,597.11
Other Support Services					-
Employee Benefits	3,750,584.30				3,750,584.30
Debt Service					
Principal				1,245,000.00	1,245,000.00
Interest				280,637.76	280,637.76
Capital Outlay	211,663.30				211,663.30
Total Expenditures	13,042,158.22	364,781.45	-	1,525,637.76	14,932,577.43
Excess (Deficiency) of Revenues Over Expenditures	269,310.20	-	50,000.00	(34,999.76)	284,310.44
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)			(35,000.00)	35,000.00	-
Total Other Financing Sources (Uses)	-	-	(35,000.00)	35,000.00	-
Net Changes in Fund Balance	269,310.20	-	15,000.00	0.24	284,310.44
Fund Balance, July 1	1,172,845.32	-	95,854.57	2.11	1,268,702.00
Fund Balance, June 30	\$ 1,442,155.52	\$ -	\$ 110,854.57	\$ 2.35	\$ 1,553,012.44

CITY OF NORTHFIELD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For The Fiscal Year Ended June 30, 2012

See Accompanying Notes to the Basic Financial Statements

Total Net Change in Fund Balances - Governmental Funds	(B-2)	\$ 284,310.44
<p>Amounts reported for Governmental Activities in the Statement of Activities are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation Expense		(477,572.00)
Capital Outlays		211,663.30
<p>Repayment of long term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets and is not reported in the Statement of Activities.</p>		
Repayments of Bond Principle		1,245,000.00
Repayments of Capital Leases		48,637.52
<p>Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets</p>		
Bond Proceeds		
Capital Lease Proceeds		
<p>In the Statement of Activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).</p>		
(Increase) Decrease in Accrued Compensated Absences		(29,240.00)
<p>Bond issue costs are reported in the governmental fund as expenditures in the year the bonds are issued. However, on the statement of activities, the costs are amortized over the life of the bonds.</p>		
(Increase) Decrease in Accrued Interest		15,680.90
Change in Net Assets of Governmental Activities		\$ 1,263,897.16

PROPRIETARY FUNDS

CITY OF NORTHFIELD SCHOOL DISTRICT
Proprietary Funds
Statement of Net Assets
June 30, 2012

See Accompanying Notes to the Basic Financial Statements

	Business Type Activities Enterprise Funds		Totals
	Food Service	School Aged Child Care	
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 63,335.91	\$ 92,340.07	\$ 155,675.98
Accounts Receivable	6,301.13	-	6,301.13
Interfund Receivable	472.46	-	472.46
Inventories	4,645.42		4,645.42
Total Current Assets	74,754.92	92,340.07	167,094.99
Noncurrent Assets			
Equipment	167,805.00	147,808.00	315,613.00
Less: Accumulated Depreciation	154,778.00	68,868.00	223,646.00
Total Noncurrent Assets	13,027.00	78,940.00	91,967.00
Total Assets	87,781.92	171,280.07	259,061.99
LIABILITIES			
Current Liabilities			
Accounts Payable	13,979.29		13,979.29
Deferred Revenue		50,556.12	50,556.12
Interfund Payable	14,202.00	472.46	14,674.46
Total Current Liabilities	28,181.29	51,028.58	79,209.87
NET ASSETS			
Invested in Capital Assets Net of Related Debt	13,027.00	78,940.00	91,967.00
Unrestricted	46,573.63	41,311.49	87,885.12
Total Net Assets	\$ 59,600.63	\$ 120,251.49	\$ 179,852.12

CITY OF NORTHFIELD SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For The Fiscal Year Ended June 30, 2012

See Accompanying Notes to the Basic Financial Statements

	Business Type Activities Enterprise Funds		Totals
	Food Service	School Aged Child Care	
OPERATING REVENUES			
Charges For Services			
Daily Sales			
Reimbursable Programs	\$ 135,071.43	\$ -	\$ 135,071.43
Non-Reimbursable Programs	67,753.96		67,753.96
Program Revenue		240,248.82	240,248.82
Total Operating Revenue	202,825.39	240,248.82	443,074.21
OPERATING EXPENSES			
Instructor Costs		58,752.11	58,752.11
Cost of Sales	149,790.34		149,790.34
Salaries	113,004.27	172,671.76	285,676.03
Employee Benefits	41,135.56	14,418.09	55,553.65
General Supplies	24,671.02	6,095.03	30,766.05
Depreciation	5,308.00	7,956.00	13,264.00
Management Fee	20,399.82		20,399.82
Other	6,678.24	1,921.19	8,599.43
Total Operating Expenses	360,987.25	261,814.18	622,801.43
Operating Income (Loss)	(158,161.86)	(21,565.36)	(179,727.22)
NONOPERATING REVENUES (EXPENSES)			
State Sources			
State School Lunch and Breakfast Program	3,908.05		3,908.05
Federal Sources			
National School Lunch and Breakfast Program	102,522.91		102,522.91
Food Distribution Program	21,805.60		21,805.60
Interest on Investments	326.21	555.18	881.39
Total Nonoperating Revenues (Expenses)	128,562.77	555.18	129,117.95
Income (Loss) Before Contributions and Transfers	(29,599.09)	(21,010.18)	(50,609.27)
Transfers In	-		-
Change in Net Assets	(29,599.09)	(21,010.18)	(50,609.27)
Net Assets, July 1	89,199.72	141,261.67	230,461.39
Net Assets, June 30	\$ 59,600.63	\$ 120,251.49	\$ 179,852.12

CITY OF NORTHFIELD SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For The Fiscal Year Ended June 30, 2012

See Accompanying Notes to the Basic Financial Statements

	Business Type Activities		Totals
	Enterprise Funds		
	Food Service	School Aged Child Care	
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts From Customers and Other Funds	\$ 202,825.39	\$ 203,119.52	\$ 405,944.91
Payments to Employees	(154,139.83)	(187,089.85)	(341,229.68)
Payments to Suppliers	(206,803.63)	(66,768.33)	(273,571.96)
Net Cash Provided By (Used In) Operating Activities	<u>(158,118.07)</u>	<u>(50,738.66)</u>	<u>(208,856.73)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	3,668.53		3,668.53
Federal Sources	118,266.90		118,266.90
Operating Subsidies and Transfers	(472.46)	(8,147.71)	(8,620.17)
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>121,462.97</u>	<u>(8,147.71)</u>	<u>113,315.26</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	-	(38,621.00)	(38,621.00)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>-</u>	<u>(38,621.00)</u>	<u>(38,621.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	326.21	555.18	881.39
Net Cash Provided By (Used In) Investing Activities	<u>326.21</u>	<u>555.18</u>	<u>881.39</u>
Net Increase (Decrease) In Cash and Cash Equivalents	(36,328.89)	(96,952.19)	(133,281.08)
Cash and Cash Equivalents, July 1	99,664.80	189,292.26	288,957.06
Cash and Cash Equivalents, June 30	<u>\$ 63,335.91</u>	<u>\$ 92,340.07</u>	<u>\$ 155,675.98</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities			
Operating Income (Loss)	\$ (158,161.86)	\$ (21,565.36)	\$ (179,727.22)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities			
Depreciation	5,308.00	7,956.00	13,264.00
(Increase) Decrease			
Accounts Receivable			
Inventories	(1,263.32)		(1,263.32)
Other Current Assets			
Increase (Decrease)			
Accounts Payable	(4,000.89)		(4,000.89)
Accrued Expenses			
Deferred Revenue		(37,129.30)	(37,129.30)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (158,118.07)</u>	<u>\$ (50,738.66)</u>	<u>\$ (208,856.73)</u>

FIDUCIARY FUNDS

CITY OF NORTHFIELD SCHOOL DISTRICT
Fiduciary Funds
Statement of Fiduciary Net Assets
June 30, 2012

See Accompanying Notes to the Basic Financial Statements

	Agency Fund
ASSETS	
Cash and Cash Equivalents	\$ 113,078.38
Total Assets	113,078.38
LIABILITIES	
Accounts Payable	2,353.77
Payroll Deductions	62,458.52
Due to Other Governments	24,973.27
Payable to Student Groups	23,292.82
Total Liabilities	113,078.38
NET ASSETS	
Reserved	-
Total Net Assets	\$ -

NOTES TO FINANCIAL STATEMENTS

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity – The City of Northfield School District (hereafter referred to as the “District”) is a Type II district located in the County of Atlantic, 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-8. Students in grades 9-12 attend Mainland Regional High School.

The primary criterion for including activities within the School 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 School 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 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 included in any other reporting entity on the basis of such criteria.

Basis of Presentation

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities, and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described in this Note. The District's basis financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide more detailed level of financial information.

Government-Wide Statements

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Fund Financial Statements

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

Governmental Fund Types

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

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned expenditures for capital outlays, including acquisition or construction of capital facilities and other capital assets. 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 and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Proprietary Fund

Proprietary Funds are used to account for and report for the District's ongoing activities, which are similar to those found in the private sector.

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 and School Aged Child Care Fund.

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

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

Equipment	5-12 Years
Light Trucks and Vehicles	4-10 Years
Heavy Trucks and Vehicles	6-10 Years

Fiduciary Fund

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

Masurement Focus

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of Accounting

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

Revenues – Exchange and Nonexchange 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.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute a municipality is required to remit to its 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 monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Budgets and Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C.6A:23A-13.3.

Format budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the Special Revenue Fund are maintained on the 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 revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Cash, Cash Equivalents and Investments

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

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

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

Inventories

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Deferred Expenditures

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

Short-Term Interfund Receivables / Payables

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

Capital Assets

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

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

Depreciation is computed using the straight-line method under the full month convention over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Land Improvements	10-20 Years
Building and Improvements	10-50 Years
Furniture and Equipment	5-20 Years
Vehicles	5-10 Years

Compensated Absences

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Compensated Absences

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

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

Deferred Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Net Assets

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

Fund Balance

The District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The District's classifications, and policies for determining such classifications, are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact. The "not spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Balance

Restricted – The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, which, for the District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned – The assigned fund balance classification includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

Unassigned – The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other government funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the District to spend restricted fund balances first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the District to spend fund balances, if appropriated, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts.

Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Interfund Activity

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

Estimates

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

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Districts' deposits might not be recovered. Although the District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the District relative to the happening of a future condition. Such funds are considered uninsured and uncollateralized.

As of June 30, 2012, the District's bank balances of \$1,876,617.87 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	0.00
Collateralized by securities held		1,876,617.87
		1,876,617.87
	\$	1,876,617.87

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 3 RESERVE ACCOUNT

Capital Reserve

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23 A-5.1(d) 7, the balance in the account cannot at any time exceed the support costs of uncompleted capital projects in its approved LRFP.

Maintenance Reserve

Maintenance reserve accounts may be established by New Jersey school districts for the accumulation of funds for the use of required maintenance of a facility. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the reserve accounts for the year is as follows:

Beginning Balance; July 1, 2011	\$	430,797.00
Deposits		
Interest Earned		3,100.00
Board Approval		25,000.00
Withdrawals		
Approved at Election		55,000.00
Ending Balance; June 30, 2012	\$	403,897.00

Allocation of Reserve Account at June 30, 2012:

Capital Reserve	\$	286,897.00
Maintenance Reserve		117,000.00
	\$	403,897.00

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 4 CAPITAL ASSETS

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

	<u>Beginning</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Ending</u>
Governmental Activities				
Land Improvements	\$ 673,495.00	\$ 4,845.00	\$ -	\$ 678,340.00
Buildings	16,324,049.00	81,119.00		16,405,168.00
Equipment	585,514.70	125,699.30		711,214.00
Historical Costs	17,583,058.70	211,663.30		17,794,722.00
Accumulated Depreciation	5,396,761.00	477,572.00		5,874,333.00
Capital Assets, Net	<u>\$ 12,186,297.70</u>	<u>\$ (265,908.70)</u>	<u>\$ -</u>	<u>\$ 11,920,389.00</u>
Business-Type Activities				
Equipment	\$ 276,992.00	\$ 38,621.00	\$ -	\$ 315,613.00
Historical Costs	276,992.00	38,621.00	-	315,613.00
Accumulated Depreciation	210,382.00	13,264.00	-	223,646.00
Capital Assets, Net	<u>\$ 66,610.00</u>	<u>\$ 25,357.00</u>	<u>\$ -</u>	<u>\$ 91,967.00</u>

NOTE 5 LONG-TERM OBLIGATIONS

During the year ended June 30, 2012 the following changes occurred in loans and compensated absences payable:

	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>
Compensated Absences	\$ 338,000.00	\$ 29,240.00	\$ -	\$ 367,240.00
Capital Leases	97,957.58		48,637.52	49,320.06
Bonds	7,003,000.00		1,245,000.00	5,758,000.00
	<u>\$ 7,438,957.58</u>	<u>\$ 29,240.00</u>	<u>\$ 1,293,637.52</u>	<u>\$ 6,174,560.06</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 5 LONG-TERM OBLIGATIONS

Compensated Absences

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

Capital Leases Payable

The District is leasing computer equipment under the following capital leases:

	Original Lease	Balance Due June 30, 2012
Effective 8/25/08, lease purchase of 30 Dell Latitude Notebook computers. Lease is payable in 5 annual installments of \$7,185.71, which includes interest at a rate of 4.48% per annum. The first payment of principal only was due 9/1/08	\$ 32,918	\$ 6,870.63
Effective 8/25/08, lease purchase of 65 Optiplex Desktop core 2 Computers. Lease is payable in 5 annual installments of \$15,664.49, which includes interest at a rate of 4.52% per annum. The first payment of principal only was due 9/1/08.	71,760	14,979.32
Effective 7/20/09, lease purchase of 74 Optiplex 7060 Desktop core 2 Computers. Lease is payable in 5 annual installments of \$15,012.19, which includes interest at a rate of 5.97% per annum. The first payment of principal only was due 7/20/09	66,867.07	27,470.11
	\$ 171,545.07	\$ 49,320.06

As of June 30, 2012, minimum lease payments in future years are as follows:

	Principal	Interest	Total
Year Ending June 30,			
2013	\$ 35,176.18	\$ 2,686.21	\$ 37,862.39
2014	14,144.03	868.16	15,012.19
	\$ 49,320.21	\$ 3,554.37	\$ 52,874.58

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 5 LONG-TERM OBLIGATIONS

Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired within the statutory period of usefulness.

As of June 30, 2012, debt service requirements in future years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending June 30,			
2013	\$ 1,285,000.00	\$ 260,875.26	\$ 1,545,875.26
2014	1,345,000.00	220,141.50	1,565,141.50
2015	1,415,000.00	153,206.50	1,568,206.50
2016	1,490,000.00	82,664.00	1,572,664.00
2017	50,000.00	8,514.00	58,514.00
Thereafter	173,000.00	11,287.50	184,287.50
	<hr/>		
	\$ 5,758,000.00	\$ 736,688.76	\$ 6,494,688.76
	<hr/>		

NOTE 6 PENSION PLANS

A substantial number of School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plant has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Teacher's Pension and Annuity Fund

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 6 PENSION PLANS

Teacher's Pension and Annuity Fund

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103 P.L., 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in the member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Public Employees' Retirement System

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for the fiscal year ended June 30, 2012 was \$125,823.00

NOTE 7 POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990,c.6 required Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through 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 P.L. 1994 c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 7 POST-RETIREMENT BENEFITS

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides free health to members of PERS, and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in fiscal year 2011.

NOTE 8 ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2012, the School Board has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$204,284.00 and \$410,663.00, respectively.

NOTE 9 DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the financial investment institutions, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

NOTE 10 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 "Contributory Method".

NOTE 11 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	\$ 58,525.06	\$
Special Revenue Fund		43,943.16
Capital Projects		379.90
Enterprise Fund		14,202.00
Total	\$ 58,525.06	\$ 58,525.06

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 12 INVENTORY

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

Food	\$	2,313.07
Supplies		<u>2,332.35</u>
	\$	<u>4,645.42</u>

The value of Federal donated commodities as reflected on Schedule A is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 13 DEFERRED BOND ISSUE COSTS

The costs associated with the issues of various bonds are expensed in the governmental funds in the year the bonds are issued, but are capitalized in the Statement of Assets. The bond issuance costs are \$415,000 and accumulated amortization is \$311,247.

NOTE 14 DEFICIT UNRESTRICTED NET ASSETS

The governmental activities has a deficit in unrestricted net assets of \$452,736.05. This deficit is attributable to the allocation of compensated absences balances payable and accrued interest payable to unrestricted net assets.

NOTE 15 EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, the designation for Restricted 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 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.

NOTE 16 FUND BALANCES

Restricted

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes, such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the District's fund balance are summarized as follows:

General Fund

For Excess Surplus - Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7 as amended. New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2012 is \$661,489.45.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 16 FUND BALANCES

Restricted

General Fund

For Capital and Maintenance Reserve - As of June 30, 2012, the balance in the capital reserve and maintenance reserve accounts were \$403,897.00. These funds are restricted for future expenditures.

Debt Service Fund - The Debt Service Fund restricted fund balance of \$110,856.92, as of June 30, 2012, has been designated for future utilization.

Assigned

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the District's fund balance are summarized as follows:

General Fund

Designated for Subsequent Year's Expenditures – As of June 30, 2012 the District has assigned \$427,017.57 to be designated for subsequent year's expenditures.

Other Purposes - As of June 30, 2012, the District had \$56,107.50 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year.

Unassigned

As stated in Note 1, the unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The District's unassigned fund balance is summarized as follows:

General Fund

The District has a deficit fund balance of \$106,356.00 in the General Fund as of June 30, 2012 as reported in the fund statements (modified accrual basis). P.L. 2004, c. 97 provides that in the event a state school aid payment is not made until the following school budget year, Districts must record the last payment as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the District cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the General Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated General Fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered a violation of New Jersey statute and regulation nor in need of corrective action.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Financial Statements
June 30, 2012

NOTE 17 CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The 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.

General

Per confirmation by the District's legal counsel, there are no material pending litigation, claims, assessments or contingent liabilities against the District.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule

For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 8,490,117.00	\$ -	\$ 8,490,117.00	\$ 8,490,117.00	\$ -
Tuition	10,000.00		10,000.00	7,917.00	(2,083.00)
Interest Earned on Investments		8,500.00	8,500.00	1,783.06	(6,716.94)
Interest Earned on Capital Reserve Funds	3,100.00		3,100.00	3,100.00	-
Miscellaneous	9,500.00	(8,500.00)	1,000.00	17,523.36	16,523.36
Total Local Sources	8,512,717.00	-	8,512,717.00	8,520,440.42	7,723.42
State Sources					
Equalization Aid	2,934,455.00		2,934,455.00	3,061,473.00	127,018.00
Special Education Categorical Aid	557,080.00		557,080.00	557,080.00	-
Nonpublic Transportation Reimbursement				1,914.00	1,914.00
Other				1,287.00	1,287.00
On-Behalf Payments					
Teacher's Pension and Annuity Fund				614,947.00	614,947.00
Reimbursed TPAF Social Security Contributions				452,345.00	452,345.00
Total State Sources	3,491,535.00	-	3,491,535.00	4,689,046.00	1,197,511.00
Federal Sources					
Education Jobs	132,525.00	4,152.00	136,677.00	136,677.00	-
Total Federal Sources	132,525.00	4,152.00	136,677.00	136,677.00	-
Total Revenues	12,136,777.00	4,152.00	12,140,929.00	13,346,163.42	1,205,234.42

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule

For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
Current Expense					
Regular Programs - Instruction					
Preschool - Salaries of Teachers	353,753.00		353,753.00	349,761.46	3,991.54
Kindergarten - Salaries of Teachers	2,096,086.00	(17,000.00)	2,079,086.00	2,057,784.85	21,301.15
Grades 1-5 - Salaries of Teachers	1,631,650.00	(35,000.00)	1,596,650.00	1,579,561.92	17,088.08
Grades 6-8 - Salaries of Teachers					
Regular Programs - Home Instruction					
Salaries of Teachers	7,500.00		7,500.00	6,298.50	1,201.50
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	45,733.00	15,736.39	61,469.39	61,469.39	-
Other Purchased Services (400-500 series)	65,172.00	(3,836.82)	61,335.18	61,044.57	290.61
General Supplies	168,385.00	8,066.03	176,451.03	158,640.76	17,810.27
Textbooks	20,000.00	(7,651.65)	12,348.35	9,321.05	3,027.30
Other Objects	6,880.00	631.08	7,511.08	5,024.94	2,486.14
Total Regular Programs - Instruction	4,395,159.00	(39,054.97)	4,356,104.03	4,288,907.44	67,196.59
Multiple Disabilities					
Salaries of Teachers	136,014.00	2,000.00	138,014.00	136,839.00	1,175.00
Other Salaries for Instruction	128,074.00	(2,000.00)	126,074.00	118,551.74	7,522.26
General Supplies	2,800.00		2,800.00	2,666.64	133.36
Other Objects					
Total Multiple Disabilities	266,888.00	-	266,888.00	258,057.38	8,830.62
Resource Room/Resource Center					
Salaries of Teachers	798,591.00	(15,379.00)	783,212.00	707,543.00	75,669.00
Other Salaries for Instruction	188,629.00	(17,598.00)	171,031.00	165,760.49	5,270.51
General Supplies	7,200.00		7,200.00	6,194.35	1,005.65
Other Objects					
Total Resource Room/Resource Center	994,420.00	(32,977.00)	961,443.00	879,497.84	81,945.16

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule

For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Preschool Disabilities - Part-Time					
Salaries of Teachers	71,644.00	110.00	71,754.00	71,153.97	600.03
Other Salaries for Instruction	16,943.00	240.00	17,183.00	17,178.33	4.67
General Supplies	500.00	(350.00)	150.00	-	150.00
Other Objects	200.00		200.00		200.00
Total Preschool Disabilities - Part-Time	89,287.00	-	89,287.00	88,332.30	954.70
Home Instruction					
Salaries of Teachers	25,000.00	(4,438.73)	20,561.27	12,150.50	8,410.77
Total Home Instruction	25,000.00	(4,438.73)	20,561.27	12,150.50	8,410.77
Total Special Education - Instruction	1,375,595.00	(37,415.73)	1,338,179.27	1,238,038.02	100,141.25
Basic Skills/Remedial - Instruction					
Salaries of Teachers	322,710.00	20,788.73	343,498.73	343,243.73	255.00
Total Basic Skills/Remedial - Instruction	322,710.00	20,788.73	343,498.73	343,243.73	255.00
Bilingual Education - Instruction					
Salaries of Teachers	69,088.00	(16,350.00)	52,738.00	46,628.16	6,109.84
General Supplies	400.00		400.00	396.54	3.46
Total Bilingual Education - Instruction	69,488.00	(16,350.00)	53,138.00	47,024.70	6,113.30
School-Sponsored Co curricular Activities - Instruction					
Salaries	14,432.00	2,328.43	16,760.43	16,180.43	580.00
Other Objects	1,600.00	(81.43)	1,518.57	880.00	638.57
Total School-Sponsored Co curricular Activities - Instruction	16,032.00	2,247.00	18,279.00	17,060.43	1,218.57

CITY OF NORTHFIELD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Co curricular Athletics - Instruction					
Salaries	28,900.00	(2,247.00)	26,653.00	26,134.00	519.00
Purchased Services (300-500 series)	5,491.00		5,491.00	3,839.60	1,651.40
Total School-Sponsored Co curricular Athletics - Instruction	34,391.00	(2,247.00)	32,144.00	29,973.60	2,170.40
Total Instruction and At-Risk Programs	6,213,375.00	(72,031.97)	6,141,343.03	5,964,247.92	177,095.11
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	31,420.00	16,889.00	16,889.00	16,889.00	-
Tuition to CSSD and Regional Day Schools	2,500.00		31,420.00	-	31,420.00
Tuition - Other			2,500.00		2,500.00
Total Undistributed Expenditures - Instruction	33,920.00	16,889.00	50,809.00	16,889.00	33,920.00
Undistributed Expenditures - Attendance and Social Work					
Salaries	4,160.00	(4,160.00)			-
Purchased Professional and Technical Services	750.00	4,015.00	4,765.00	4,053.90	711.10
Total Undistributed Expenditures - Attendance and Social Work	4,910.00	(145.00)	4,765.00	4,053.90	711.10
Undistributed Expenditures - Health Services					
Salaries	158,004.00		158,004.00	157,885.93	118.07
Supplies and Materials	2,018.00	250.00	2,268.00	2,016.64	251.36
Total Undistributed Expenditures - Health Services	160,022.00	250.00	160,272.00	159,902.57	369.43
Other Support Services - Students - Related Services					
Salaries	165,853.00	945.00	166,798.00	157,497.14	9,300.86
Purchased Professional - Educational Services	17,000.00	420.00	17,420.00	13,950.00	3,470.00
Supplies and Materials	2,000.00		2,000.00	1,779.74	220.26
Other Objects					-
Total Support Services - Students - Related Services	184,853.00	1,365.00	186,218.00	173,226.88	12,991.12

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule

For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Support Services - Students - Extraordinary					
Salaries	31,895.00		31,895.00	31,826.23	68.77
Purchased Professional - Educational Services	13,000.00	752.28	13,752.28	12,078.32	1,673.96
Other Objects					
Total Support Services - Students - Extraordinary	44,895.00	752.28	45,647.28	43,904.55	1,742.73
Undistributed Expenditures - Guidance Services					
Salaries of Other Professional Staff	127,220.00		127,220.00	122,016.09	5,203.91
Supplies and Materials	12,958.00	7,412.00	20,370.00	12,487.99	7,882.01
Total Undistributed Expenditures - Guidance Services	140,178.00	7,412.00	147,590.00	134,504.08	13,085.92
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	253,735.00		253,735.00	253,734.74	0.26
Salaries of Secretarial and Clerical Assistants	49,010.00		49,010.00	49,005.00	5.00
Purchased Professional - Educational Services	1,500.00		1,500.00	-	1,500.00
Other Purchased Professional and Technical Services	8,000.00	112.00	8,112.00	3,239.00	4,873.00
Miscellaneous Purchased Services	250.00		250.00	104.43	145.57
Supplies and Materials	4,900.00	(333.23)	4,566.77	2,330.78	2,235.99
Other Objects					
Total Undistributed Expenditures - Child Study Teams	317,395.00	(221.23)	317,173.77	308,413.95	8,759.82
Undistributed Expenditures - Educational Media Services/School Library					
Salaries	109,520.00		123,520.00	118,650.23	4,869.77
Purchased Professional and Technical Services	5,300.00	14,000.00	5,300.00	5,164.60	135.40
Other Purchased Services (400-500 Series)	3,850.00		3,850.00	3,455.44	394.56
Supplies and Materials	29,060.00	(12,209.00)	16,851.00	10,926.04	5,924.96
Other Objects	6,200.00	(282.00)	5,918.00	3,735.80	2,182.20
Total Undistributed Expenditures - Educational Media Services/School Library	153,930.00	1,509.00	155,439.00	141,932.11	13,506.89

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule
For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instructional Staff Training Services					
Purchased Professional - Educational Services	3,000.00	500.00	3,500.00	3,125.92	374.08
Other Purchased Services (400-500 series)	8,000.00	(500.00)	7,500.00	2,826.75	4,673.25
Supplies and Materials	1,000.00		1,000.00	250.00	750.00
Total Undistributed Expenditures - Instructional Staff Training Services	12,000.00	-	12,000.00	6,202.67	5,797.33
Undistributed Expenditures - Support Services - General Administration					
Salaries	189,717.00	483.83	190,200.83	190,200.83	-
Legal Services	50,000.00	3,917.25	53,917.25	48,513.93	5,403.32
Audit Fees	15,000.00	(1,000.00)	14,000.00	13,450.00	550.00
Architectural/Engineering Services	8,000.00	500.00	8,500.00	2,500.00	6,000.00
Other Purchased Professional Services	12,500.00	7,168.37	19,668.37	18,472.12	1,196.25
Communications/Telephone	48,000.00	(5,174.07)	42,825.93	23,302.39	19,523.54
Miscellaneous Purchased Services (400-500 Series Other Than 530/585)	25,000.00	7,293.05	32,293.05	29,156.18	3,136.87
General Supplies	7,500.00	17.85	7,517.85	6,357.26	1,160.59
Miscellaneous Expenditures	6,500.00	2,050.00	8,550.00	8,272.06	277.94
Board of Education Membership Dues and Fees	7,000.00		7,000.00	6,432.45	567.55
Total Undistributed Expenditures - Support Services - General Administration	369,217.00	15,256.28	384,473.28	346,657.22	37,816.06
Undistributed Expenditures - Support Services - School Administration					
Salaries of Principals/Assistant Principals/Program Directors	207,113.00	0.20	207,113.00	206,502.23	610.77
Salaries of Secretarial and Clerical Assistants	92,644.00	1,449.00	92,644.20	92,644.20	-
Other Purchased Services (400-500 series)	3,000.00		4,449.00	3,040.00	1,409.00
Supplies and Materials	10,420.00		10,420.00	9,524.42	895.58
Other Objects	6,123.00	(1,099.20)	5,023.80	3,611.10	1,412.70
Total Undistributed Expenditures - Support Services - School Administration	319,300.00	350.00	319,650.00	315,321.95	4,328.05

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule

For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Central Services					
Salaries	189,473.00	14,650.00	204,123.00	203,501.38	621.62
Purchased Professional Services	5,500.00	938.15	6,438.15	2,757.35	3,680.80
Purchased Technical Services	7,500.00		7,500.00	7,258.00	242.00
Miscellaneous Purchased Services (400-500 Series)	16,000.00	(500.00)	15,500.00	11,095.75	4,404.25
Supplies and Materials	3,500.00	(284.44)	3,215.56	1,723.26	1,492.30
Miscellaneous Expenditures	2,500.00	512.40	3,012.40	2,930.22	82.18
Total Undistributed Expenditures - Central Services	224,473.00	15,316.11	239,789.11	229,265.96	10,523.15
Undistributed Expenditures - Administration Information Technology					
Salaries	21,270.00	11,625.16	32,895.16	28,564.37	4,330.79
Purchased Technical Services	7,400.00	10,616.00	18,016.00	16,326.00	1,690.00
Other Purchased Services (400-500 series)	14,167.00		14,167.00	14,166.50	0.50
Supplies and Materials	40,000.00	3,055.00	43,055.00	42,594.14	460.86
Other Objects	50,000.00	(3,574.16)	46,425.84	33,455.32	12,970.52
Total Undistributed Expenditures - Administration Information Technology	132,837.00	21,722.00	154,559.00	135,106.33	19,452.67
Undistributed Expenditures - Required Maintenance for School Facilities					
Salaries	107,801.00		107,801.00	107,244.30	556.70
Cleaning, Repair, and Maintenance Services	100,000.00	(1,609.04)	98,390.96	82,182.02	16,208.94
General Supplies	50,000.00	11,650.09	61,650.09	57,855.11	3,794.98
Total Undistributed Expenditures -Required Maintenance for School Facilities	257,801.00	10,041.05	267,842.05	247,281.43	20,560.62

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule

For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Custodial Services					
Salaries	271,840.00	29,588.38	301,428.38	300,809.85	618.53
Insurance	43,000.00		43,000.00	42,960.00	40.00
Miscellaneous Purchased Services	1,500.00		1,500.00	1,150.00	350.00
General Supplies	40,000.00		40,000.00	35,827.80	4,172.20
Energy - Electricity	350,000.00	(6,085.38)	343,914.62	287,780.34	56,134.28
Salaries of Non-Instructional Aides	22,248.00	(22,248.00)			-
Total Undistributed Expenditures - Custodial Services	728,588.00	1,255.00	729,843.00	668,527.99	61,315.01
Undistributed Expenditures - Care and Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	5,000.00	775.00	5,775.00	5,775.00	-
Other Objects					-
Total Undistributed Expenditures - Care and Upkeep of Grounds	5,000.00	775.00	5,775.00	5,775.00	-
Undistributed Expenditures - Security					
Salaries	9,000.00	(1,900.00)	7,100.00	7,100.00	-
Other Objects					-
Total Undistributed Expenditures - Security	9,000.00	(1,900.00)	7,100.00	7,100.00	-
Total Undistributed Expenditures - Operations & Maintenance Of Plant	1,000,389.00	10,171.05	1,010,560.05	928,684.42	81,875.63
Undistributed Expenditures - Student Transportation Services					
Contracted Services - Aid In Lieu of Payment for Non-Public Students	12,376.00	(2,308.80)	10,067.20	4,862.00	5,205.20
Contracted Services (Other than Between Home and School)-Vendors	6,625.00	14,173.00	20,798.00	17,055.00	3,743.00
Contracted Services - (Between Home and School) - Joint Agreements	9,500.00	5,070.00	14,570.00	10,296.77	4,273.23
Contracted Services - (Special Education Students) - Vendors	127,900.00	(113,260.00)	14,640.00	14,640.00	-
Contracted Services - (Special Education Students) - Joint Agreements	10,000.00	115,993.80	125,993.80	124,743.34	1,250.46
Other Objects					-
Total Undistributed Expenditures - Student Transportation Services	166,401.00	19,668.00	186,069.00	171,597.11	14,471.89

CITY OF NORTHFIELD SCHOOL DISTRICT

General Fund

Budgetary Comparison Schedule

For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated Benefits					
Group Insurance	135,000.00	20,000.00	155,000.00	149,489.72	5,510.28
Social Security Contributions	135,000.00	(7,379.08)	127,620.92	125,823.00	1,797.92
Other Retirement Contributions - Regular	28,000.00	5,000.00	33,000.00	31,486.80	1,513.20
Unemployment Compensation	58,000.00	389.00	58,389.00	58,389.00	-
Workmen's Compensation	2,674,346.00	(31,136.79)	2,643,209.21	2,301,924.70	341,284.51
Health Benefits	23,000.00		23,000.00	6,300.00	16,700.00
Tuition Reimbursement	2,500.00	7,379.08	9,879.08	9,879.08	-
Other Employee Benefits					
Total Unallocated Benefits	3,055,846.00	(5,747.79)	3,050,098.21	2,683,292.30	366,805.91
On-Behalf Contributions					
On-Behalf TPAF Pension Contributions (Non-Budgeted)				614,947.00	(614,947.00)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				452,345.00	(452,345.00)
Total On-Behalf Contributions				1,067,292.00	(1,067,292.00)
Total Personal Services - Employee Benefits	3,055,846.00	(5,747.79)	3,050,098.21	3,750,584.30	(700,486.09)
Total Undistributed Expenditures	6,320,566.00	104,546.70	6,425,112.70	6,866,247.00	(441,134.30)
Total Current Expense	12,533,941.00	32,514.73	12,566,455.73	12,830,494.92	(264,039.19)

CITY OF NORTHFIELD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Capital Outlay					
Equipment					
Regular Programs - Instruction					
Grades 1-5	50,155.50		50,155.50	35,314.50	14,841.00
Grades 6-8	40,314.50		40,314.50	40,314.50	-
Undistributed Expenditures					
Instruction	40,000.00	(40,000.00)	-	-	-
Administration Information Technology	10,000.00	14,805.00	24,805.00	24,805.00	-
Required Maintenance for School Facilities	10,000.00	30,503.30	40,503.30	40,503.30	-
Security		18,820.00	18,820.00	18,820.00	-
Total Equipment	60,000.00	114,598.30	174,598.30	159,757.30	14,841.00
Facilities Acquisition and Construction Services					
Architectural/Engineering Services					
Other Purchased Professional and Technical Services					
Construction Services	55,000.00		55,000.00	51,906.00	3,094.00
Other Objects					
Total Facilities Acquisition and Construction Services	55,000.00	-	55,000.00	51,906.00	3,094.00
Assets Acquired Under Capital Leases (Non-Budgeted)					
Undistributed Expenditures					
School Administration					
Assets Acquired Under Capital Leases (non-budgeted)					
Total Capital Outlay	115,000.00	114,598.30	229,598.30	211,663.30	17,935.00
Transfer of Funds to Charter Schools					
TOTAL EXPENDITURES	12,648,941.00	147,113.03	12,796,054.03	13,042,158.22	(246,104.19)

CITY OF NORTHFIELD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess (Deficiency) of Revenues Over(Under) Expenditures	(512,164.00)	(142,961.03)	(655,125.03)	304,005.20	959,130.23
Other Financing Sources (Uses)					
Operating Transfer In (Out)	(3,100.00)		(3,100.00)		3,100.00
Transfer to Capital Reserve	(15,000.00)		(15,000.00)		15,000.00
Transfer to Food Service Fund - Board Contribution					
Total Other Financing Sources (Uses)	(18,100.00)		(18,100.00)	-	18,100.00
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(530,264.00)	(142,961.03)	(673,225.03)	304,005.20	977,230.23
Fund Balance, July 1	1,496,420.32		1,496,420.32	1,496,420.32	-
Fund Balance, June 30	\$ 966,156.32	\$ (142,961.03)	\$ 823,195.29	\$ 1,800,425.52	\$ 977,230.23
Recapitulation					
Restricted Fund Balance				286,897.00	
Capital Reserve				117,000.00	
Maintenance Reserve					
Excess Surplus				206,464.43	
Designated for Subsequent Year's Expenditures Current Year				455,025.02	
Assigned Fund Balance				427,017.57	
Designated for Subsequent Year's Expenditures Reserve for Encumbrances				56,107.50	
Unassigned Fund Balance				251,914.00	
Reconciliation to Governmental Funds Statements (GAAP)				1,800,425.52	
Last State Aid Payment Not Recognized on GAAP Basis				(358,270.00)	
Fund Balance Per Governmental Funds (GAAP)				\$ 1,442,155.52	

CITY OF NORTHFIELD SCHOOL DISTRICT
 Education Jobs Fund Program
 Budgetary Comparison Schedule
 For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Federal Sources					
Education Jobs Fund	\$ 132,525.00	\$ 4,152.00	\$ 136,677.00	\$ 136,677.00	\$ -
Total Revenues	<u>\$ 132,525.00</u>	<u>\$ 4,152.00</u>	<u>\$ 136,677.00</u>	<u>\$ 136,677.00</u>	<u>\$ -</u>
EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Grades 1-5	15,000.00	-	15,000.00	15,000.00	-
Grades 6-8	15,000.00	-	15,000.00	15,000.00	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	25,233.00	-	25,233.00	25,233.00	-
Total Instruction	<u>55,233.00</u>	<u>-</u>	<u>55,233.00</u>	<u>55,233.00</u>	<u>-</u>
Resource Room/Resource Center					
Other Salaries for Instruction	18,500.00	4,152.00	22,652.00	22,652.00	-
Total Resource Room/Resource Center	<u>18,500.00</u>	<u>4,152.00</u>	<u>22,652.00</u>	<u>22,652.00</u>	<u>-</u>
Undistributed Expenditures - Custodial Salaries					
Salaries	29,092.00	-	29,092.00	29,092.00	-
Total Undistributed Expenditures - Custodial Salaries	<u>29,092.00</u>	<u>-</u>	<u>29,092.00</u>	<u>29,092.00</u>	<u>-</u>
Undistributed Expenditures - Security					
Salaries	7,100.00	-	7,100.00	7,100.00	-
Total Undistributed Expenditures - Security	<u>7,100.00</u>	<u>-</u>	<u>7,100.00</u>	<u>7,100.00</u>	<u>-</u>
Unallocated Benefits					
Health Benefits	22,600.00	-	22,600.00	22,600.00	-
Total Unallocated Benefits	<u>22,600.00</u>	<u>-</u>	<u>22,600.00</u>	<u>22,600.00</u>	<u>-</u>
Total Expenditures	<u>\$ 132,525.00</u>	<u>\$ 4,152.00</u>	<u>\$ 136,677.00</u>	<u>\$ 136,677.00</u>	<u>\$ -</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources	\$ -	\$ 10,657.82	\$ 10,657.82	\$ 10,110.89	\$ (546.93)
State Sources	-	-	-	-	-
Federal Sources	292,948.00	170,619.00	463,567.00	357,604.11	(105,962.89)
Total Revenues	292,948.00	181,276.82	474,224.82	367,715.00	(106,509.82)
EXPENDITURES					
Instruction					
Salaries of Teachers	88,635.00	121,920.75	210,555.75	178,075.75	32,480.00
Purchased Professional and Technical Services	204,313.00	(44,221.69)	160,091.31	123,700.42	36,390.89
Supplies and Materials		18,857.44	18,857.44	18,186.02	671.42
Other Objects		10,657.82	10,657.82	10,110.89	546.93
Total Instruction	292,948.00	107,214.32	400,162.32	330,073.08	70,089.24
Support Services					
Program Administration		11,000.00	11,000.00	5,000.00	6,000.00
Personal Services - Employee Benefits		44,403.42	44,403.42	19,302.84	25,100.58
Purchased Professional and Technical Services		15,362.88	15,362.88	12,890.88	2,472.00
Purchased Educational Services		3,119.20	3,119.20	271.20	2,848.00
Supplies and Materials		177.00	177.00	177.00	-
Total Support Services	-	74,062.50	74,062.50	37,641.92	36,420.58
Facilities Acquisition					
Building Renovations					
Total Facilities Acquisition	-	-	-	-	-
Total Expenditures	292,948.00	181,276.82	474,224.82	367,715.00	106,509.82
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -				

**NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF NORTHFIELD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
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
Sources/Inflows of Resources		
Actual amounts (Budgetary Basis) revenue from the Budgetary Comparison Schedule	\$ 13,346,163.42	\$ 367,715.00
Difference - Budget to GAAP		
Grant accounting Budgetary Basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized.		
Encumbrances		
June 30, 2011		8,462.11
June 30, 2012		(11,395.66)
State Aid payment recognized for budgetary purposes, not recognized for GAAP purposes.		
State Aid Payment		
June 30, 2011	323,575.00	
June 30, 2012	(358,270.00)	
Total revenues as reported on the Statements of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 13,311,468.42	\$ 364,781.45
Uses/Outflows of Resources		
Actual amounts (Budgetary Basis) total outflows from the Budgetary Comparison Schedule	\$ 13,042,158.22	\$ 367,715.00
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are recorded in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances		
June 30, 2011		8,462.11
June 30, 2012		(11,395.66)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	\$ 13,042,158.22	\$ 364,781.45

OTHER SUPPLEMENTARY INFORMATION

SCHOOL BASED BUDGET SCHEDULES

SPECIAL REVENUE FUND

CITY OF NORTHFIELD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures
Budgetary Basis
For The Fiscal Year Ended June 30, 2012

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
REVENUES				
Federal Sources	\$ 357,604.11	\$ -	\$ -	\$ 357,604.11
State Sources		-		-
Local Sources			10,110.89	10,110.89
Total Revenues	<u>\$ 357,604.11</u>	<u>\$ -</u>	<u>\$ 10,110.89</u>	<u>\$ 367,715.00</u>
EXPENDITURES				
Instruction				
Salaries of Teachers	178,075.75			178,075.75
Purchased Professional and Technical Services	123,700.42			123,700.42
Supplies and Materials	18,186.02			18,186.02
Other Objects			10,110.89	10,110.89
Total Instruction	<u>319,962.19</u>	<u>-</u>	<u>10,110.89</u>	<u>330,073.08</u>
Support Services				
Program Administration	5,000.00			5,000.00
Personal Services - Employee Benefits	19,302.84			19,302.84
Purchased Professional and Technical Services	12,890.88			12,890.88
Purchased Educational Services	271.20			271.20
Supplies and Materials	177.00			177.00
Total Support Services	<u>37,641.92</u>	<u>-</u>	<u>-</u>	<u>37,641.92</u>
Facilities Acquisition				
Building Renovations				
Total Facilities Acquisition	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 357,604.11</u>	<u>\$ -</u>	<u>\$ 10,110.89</u>	<u>\$ 367,715.00</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
 Special Revenue Fund
FEDERAL
 Combining Schedule of Program Revenues and Expenditures
 Budgetary Basis
 For The Fiscal Year Ended June 30, 2012

	No Child Left Behind				I.D.E.A. Part B		
	ARRA Title I	Title II Part A	Title II Part D	Title III	Basic	Preschool	Totals
REVENUES							
Federal Sources	\$ 55,852.12	\$ 1,140.00	\$ 177.00	\$ 4,545.04	\$ 257,194.86	\$ 10,879.09	\$ 357,604.11
Total Federal Revenues	55,852.12	1,140.00	177.00	4,545.04	257,194.86	10,879.09	357,604.11
EXPENDITURES							
Instruction							
Salaries of Teachers	44,574.00	15,636.00			108,865.75	9,000.00	178,075.75
Purchased Professional Technical Services	3,159.88			0.04	119,400.50		123,700.42
Supplies and Materials				4,545.00	13,006.33	634.69	18,186.02
Other Objects							
Total Instruction	47,733.88	15,636.00	-	4,545.04	241,272.58	9,634.69	319,962.19
Support Services							
Program Administration					5,000.00		5,000.00
Personal Services - Employee Benefits	7,847.04	2,289.12			7,922.28	1,244.40	19,302.84
Purchased Professional Technical Services	271.20	9,890.88			3,000.00		12,890.88
Supplies and Materials			177.00				271.20
Total Support Services	8,118.24	12,180.00	177.00	-	15,922.28	1,244.40	37,641.92
Facilities Acquisition							
Building Renovations							
Total Facilities Acquisition	-	-	-	-	-	-	-
Total Expenditures	\$ 55,852.12	\$ 27,816.00	\$ 177.00	\$ 4,545.04	\$ 257,194.86	\$ 10,879.09	\$ 357,604.11

CITY OF NORTHFIELD SCHOOL DISTRICT
Special Revenue Fund
STATE AND OTHER
Combining Schedule of Program Revenues and Expenditures
Budgetary Basis
For The Fiscal Year Ended June 30, 2012

	Atlantic Care Green House Grant	Health School Initiative Grant	Caring School Inclusion Project	Math Movies U Grant	Raytheon Stem Teacher Scholarship	Total
REVENUES						
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	1,372.22	3,075.35	924.02	2,500.00	2,239.30	10,110.89
Total Revenues	\$ 1,372.22	\$ 3,075.35	\$ 924.02	\$ 2,500.00	\$ 2,239.30	\$ 10,110.89
EXPENDITURES						
Instruction						
Salaries of Teachers						
Purchased Professional Technical Services						
Supplies and Materials						
Other Objects						
Total Instruction	1,372.22	3,075.35	924.02	2,500.00	2,239.30	10,110.89
Support Services						
Program Administration						
Personal Services - Employee Benefits						
Purchased Professional Technical Services						
Purchased Educational Services						
Supplies and Materials						
Total Support Services	-	-	-	-	-	-
Facilities Acquisition						
Building Renovations						
Total Facilities Acquisition	-	-	-	-	-	-
Total Expenditures	\$ 1,372.22	\$ 3,075.35	\$ 924.02	\$ 2,500.00	\$ 2,239.30	\$ 10,110.89

CAPITAL PROJECTS FUND

CITY OF NORTHFIELD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
For The Fiscal Year Ended June 30, 2012

REVENUES AND OTHER FINANCING SOURCES	
State Solar Rebate	<u>\$ 50,000.00</u>
Total Revenues and Other Financing Sources	<u>50,000.00</u>
EXPENDITURES AND OTHER FINANCING USES	
Transfer to Debt Service	<u>35,000.00</u>
Total Expenditures and Other Financing Uses	<u>35,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,000.00
Fund Balance, July 1	<u>95,854.57</u>
Fund Balance, June 30	<u>\$ 110,854.57</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Balance and Status
For The Fiscal Year Ended June 30, 2012

	Prior Year	Current Year	Totals
SOLAR PROTOVOLTAIC ROOF PANELS			
REVENUES AND OTHER FINANCING SOURCES			
Bond Proceeds	\$ 468,000.00	\$ -	\$ 468,000.00
Transfer from Capital Reserve			
Total Revenues and Other Financing Sources	468,000.00	-	468,000.00
EXPENDITURES AND OTHER FINANCING USES			
Purchased Professional and Technical Services	49,696.43		49,696.43
Construction Services	322,449.00		322,449.00
Solar Rebate		(50,000.00)	(50,000.00)
Total Expenditures and Other Financing Uses	372,145.43	(50,000.00)	322,145.43
Excess of Revenues Over Expenditures	95,854.57	50,000.00	145,854.57
Transfer to Debt Service Fund		(35,000.00)	(35,000.00)
Balance of Bond Proceeds	\$ 95,854.57	\$ 15,000.00	\$ 110,854.57

Project Information

Date Authorized	September 29, 2009
Bonds Authorized	\$ 468,000.00
Bonds Issued	\$ 468,000.00
Original Authorized Cost	\$ 468,000.00
Additional Authorized Cost	\$ (145,881.57)
Revised Authorized Cost	\$ 322,118.43
Percentage Completion	100.00%

PROPRIETARY FUND

ENTERPRISE FUNDS

CITY OF NORTHFIELD SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Assets
June 30, 2012

	Business Type Activities Enterprise Funds		Totals
	Food Service	School Aged Child Care	
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 63,335.91	\$ 92,340.07	\$ 155,675.98
Accounts Receivable	6,301.13		6,301.13
Interfund Receivable	472.46		472.46
Inventories	4,645.42		4,645.42
Total Current Assets	<u>74,754.92</u>	<u>92,340.07</u>	<u>167,094.99</u>
Noncurrent Assets			
Equipment	167,805.00	147,808.00	315,613.00
Less: Accumulated Depreciation	154,778.00	68,868.00	223,646.00
Total Noncurrent Assets	<u>13,027.00</u>	<u>78,940.00</u>	<u>91,967.00</u>
Total Assets	<u>87,781.92</u>	<u>171,280.07</u>	<u>259,061.99</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	13,979.29		13,979.29
Deferred Revenue		50,556.12	50,556.12
Interfunds Payable	14,202.00	472.46	14,674.46
Total Current Liabilities	<u>28,181.29</u>	<u>51,028.58</u>	<u>79,209.87</u>
NET ASSETS			
Invested in Capital Assets Net of Related Debt	13,027.00	78,940.00	91,967.00
Unrestricted	46,573.63	41,311.49	87,885.12
Total Net Assets	<u>\$ 59,600.63</u>	<u>\$ 120,251.49</u>	<u>\$ 179,852.12</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
For The Fiscal Year Ended June 30, 2012

	Business Type Activities Enterprise Funds		Totals
	Food Service	School Aged Child Care	
OPERATING REVENUES			
Charges For Services			
Daily Sales			
Reimbursable Programs	\$ 135,071.43	\$ -	\$ 135,071.43
Non-Reimbursable Programs	67,753.96		67,753.96
Program Revenue		240,248.82	240,248.82
Total Operating Revenue	<u>202,825.39</u>	<u>240,248.82</u>	<u>443,074.21</u>
OPERATING EXPENSES			
Instructor Costs		58,752.11	58,752.11
Cost of Sales	149,790.34		149,790.34
Salaries	113,004.27	172,671.76	285,676.03
Employee Benefits	41,135.56	14,418.09	55,553.65
General Supplies	24,671.02	6,095.03	30,766.05
Depreciation	5,308.00	7,956.00	13,264.00
Management Fee	20,399.82		20,399.82
Other	6,678.24	1,921.19	8,599.43
Total Operating Expenses	<u>360,987.25</u>	<u>261,814.18</u>	<u>622,801.43</u>
Operating Income (Loss)	<u>(158,161.86)</u>	<u>(21,565.36)</u>	<u>(179,727.22)</u>
NONOPERATING REVENUES (EXPENSES)			
State Sources			
State School Lunch Program	3,908.05		3,908.05
Federal Sources			
National School Lunch Program	102,522.91		102,522.91
Food Distribution Program	21,805.60		21,805.60
Interest on Investments	326.21	555.18	881.39
Total Nonoperating Revenues (Expenses)	<u>128,562.77</u>	<u>555.18</u>	<u>129,117.95</u>
Income (Loss) Before Contributions and Transfers	<u>(29,599.09)</u>	<u>(21,010.18)</u>	<u>(50,609.27)</u>
Transfers In			-
Change in Net Assets	<u>(29,599.09)</u>	<u>(21,010.18)</u>	<u>(50,609.27)</u>
Net Assets, July 1	<u>89,199.72</u>	<u>141,261.67</u>	<u>230,461.39</u>
Net Assets, June 30	<u>\$ 59,600.63</u>	<u>\$ 120,251.49</u>	<u>\$ 179,852.12</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Cash Flows
For The Fiscal Year Ended June 30, 2012

	Business Type Activities Enterprise Funds		Totals
	Food Service	School Aged Child Care	
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts From Customers and Other Funds	\$ 202,825.39	\$ 203,119.52	\$ 405,944.91
Payments to Employees	(154,139.83)	(187,089.85)	(341,229.68)
Payments to Suppliers	(206,803.63)	(66,768.33)	(273,571.96)
Net Cash Provided By (Used In) Operating Activities	<u>(158,118.07)</u>	<u>(50,738.66)</u>	<u>(208,856.73)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	3,668.53		3,668.53
Federal Sources	118,266.90		118,266.90
Operating Subsidies and Transfers	(472.46)	(8,147.71)	(8,620.17)
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>121,462.97</u>	<u>(8,147.71)</u>	<u>113,315.26</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	-	(38,621.00)	(38,621.00)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>-</u>	<u>(38,621.00)</u>	<u>(38,621.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	326.21	555.18	881.39
Net Cash Provided By (Used In) Investing Activities	<u>326.21</u>	<u>555.18</u>	<u>881.39</u>
Net Increase (Decrease) In Cash and Cash Equivalents	<u>(36,328.89)</u>	<u>(96,952.19)</u>	<u>(133,281.08)</u>
Cash and Cash Equivalents, July 1	99,664.80	189,292.26	288,957.06
Cash and Cash Equivalents, June 30	<u>\$ 63,335.91</u>	<u>\$ 92,340.07</u>	<u>\$ 155,675.98</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities			
Operating Income (Loss)	\$ (158,161.86)	\$ (21,565.36)	\$ (179,727.22)
Adjustments to reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities			
Depreciation	5,308.00	7,956.00	13,264.00
(Increase) Decrease			
Accounts Receivable			
Inventories	(1,263.32)		(1,263.32)
Other Current Assets			
Increase (Decrease)			
Accounts Payable	(4,000.89)		(4,000.89)
Accrued Expenses			
Deferred Revenue		(37,129.30)	(37,129.30)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (158,118.07)</u>	<u>\$ (50,738.66)</u>	<u>\$ (208,856.73)</u>

INTERNAL SERVICE FUND

FIDUCIARY FUNDS

CITY OF NORTHFIELD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2012

	<u>Student Activity</u>	<u>Agency Payroll</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 25,646.59	\$ 87,431.79	\$ 113,078.38
Total Assets	<u>25,646.59</u>	<u>87,431.79</u>	<u>113,078.38</u>
LIABILITIES			
Accounts Payable	2,353.77		2,353.77
Payroll Deductions		62,458.52	62,458.52
Due to Other Governments		24,973.27	24,973.27
Payable to Student Groups	<u>23,292.82</u>		<u>23,292.82</u>
Total Liabilities	<u>25,646.59</u>	<u>87,431.79</u>	<u>113,078.38</u>
NET ASSETS			
Reserved			
Total Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
 Student Activity Funds
 Schedule of Receipts and Disbursements
 For The Fiscal Year Ended June 30, 2012

	Balance June 30, 2011	Cash Receipts	Cash Disbursements	Balance June 30, 2012
Elementary School	<u>\$ 22,826.70</u>	<u>\$ 42,058.98</u>	<u>\$ 39,239.09</u>	<u>\$ 25,646.59</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For The Fiscal Year Ended June 30, 2012

	Balance June 30, 2011	Cash Receipts	Cash Disbursements	Balance June 30, 2012
ASSETS				
Cash and Cash Equivalents	\$ 54,954.57	\$ 3,474,943.67	\$ 3,442,466.45	\$ 87,431.79
Total Assets	<u>\$ 54,954.57</u>	<u>\$ 3,474,943.67</u>	<u>\$ 3,442,466.45</u>	<u>\$ 87,431.79</u>
LIABILITIES				
Net Payroll	\$ -	\$ -	\$ -	\$ -
Payroll Deductions and Withholding	29,514.15	3,474,943.67	3,441,999.30	62,458.52
Due to Other Governments	25,440.42		467.15	24,973.27
Total Liabilities	<u>\$ 54,954.57</u>	<u>\$ 3,474,943.67</u>	<u>\$ 3,442,466.45</u>	<u>\$ 87,431.79</u>

LONG-TERM DEBT

CITY OF NORTHFIELD SCHOOL DISTRICT
Long-Term Debt
Schedule of Bonds Payable
For The Fiscal Year Ended June 30, 2012

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2011	Issued	Retired	Balance June 30, 2012
			Date	Amount					
School Refunding Bonds	1/15/2004	\$ 11,130,000.00	9/1/2012	1,245,000.00	3.130%	\$ 6,565,000.00	\$ -	\$ 1,210,000.00	\$ 5,355,000.00
			9/1/2013	1,300,000.00	5.000%				
			9/1/2014	1,370,000.00	5.000%				
			9/1/2015	1,440,000.00	5.000%				
Solar Project	12/17/2009	468,000.00	6/30/2013	40,000.00	4.300%	438,000.00	-	35,000.00	403,000.00
			6/30/2014	45,000.00	4.300%				
			6/30/2015	45,000.00	4.300%				
			6/30/2016	50,000.00	4.300%				
			6/30/2017	50,000.00	4.300%				
			6/30/2018	55,000.00	4.300%				
		6/30/2019	60,000.00	4.300%					
		6/30/2020	58,000.00	4.300%					
						\$ 7,003,000.00	\$ -	\$ 1,245,000.00	\$ 5,758,000.00

CITY OF NORTHFIELD SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Capital Lease
For The Fiscal Year Ended June 30, 2012

Purpose	Date of Lease	Interest Rate Payable	Amount of Original Issue	Balance June 30, 2011	Issued	Retired	Balance June 30, 2012
Dell Optiplex Computers	9/18/2007	5.61%	67,080.00	\$ 14,125.86	\$ -	\$ 14,125.86	\$ -
Dell Latitude D531 Laptop Computers	9/18/2007	5.83%	28,094.00	1,062.47	-	1,062.47	-
Dell Latitude D531 Laptop Computers	8/25/2008	4.48%	32,918.00	13,441.10	-	6,570.47	6,870.63
Dell Optiplex Computers	8/25/2008	4.52%	71,760.00	29,302.61	-	14,323.29	14,979.32
Dell 74 Optiplex 760 Desktop Base	7/20/2009	5.97%	66,867.07	40,025.54	-	12,555.43	27,470.11
				\$ 97,957.58	\$ -	\$ 48,637.52	\$ 49,320.06

CITY OF NORTHFIELD SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For The Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 1,039,226.00	\$ -	\$ 1,039,226.00	\$ 1,039,226.00	\$ -
Interest on Investments					
Total Local Sources	1,039,226.00	-	1,039,226.00	1,039,226.00	-
State Sources					
Debt Service Aid Type I	451,412.00		451,412.00	451,412.00	
Debt Service Aid Type II	451,412.00		451,412.00	451,412.00	
Total State Sources	1,490,638.00	-	1,490,638.00	1,490,638.00	-
Total Revenues					
EXPENDITURES					
Regular Debt Service	280,638.00		280,638.00	280,637.76	0.24
Interest	1,245,000.00		1,245,000.00	1,245,000.00	
Redemption of Principal					
Total Expenditures	1,525,638.00	-	1,525,638.00	1,525,637.76	0.24
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,000.00)	-	(35,000.00)	(34,999.76)	0.24
Other Financing Sources					
Operating Transfers In	35,000.00		35,000.00	35,000.00	
Interest Earned in Capital Projects Fund					
Total Other Financing Sources	35,000.00	-	35,000.00	35,000.00	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	0.24	0.24
Fund Balance, July 1	2.11		2.11	2.11	
Fund Balance, June 30	2.11	\$ -	2.11	\$ 2.35	\$ 0.24

STATISTICAL SECTION

CITY OF NORTHFIELD SCHOOL DISTRICT

Statistical Section

Introduction to the Statistical Section

Financial Trends

- J-1 These schedules contain trend information to help the reader understand how the District's
- J-2 financial performance and well being have changed over time.
- J-3
- J-4
- J-5

Revenue Capacity

- J-6 These schedules contain information to help the reader assess the District's most
- J-7 significant local revenue source, the property tax.
- J-8
- J-9

Debt Capacity

- J-10 These schedules present information to help the reader assess the affordability of the
- J-11 District's current levels of outstanding debt and the District's ability to issue additional debt
- J-12 in the future.
- J-13

Demographic and Economic Information

- J-14 These schedules offer demographic and economic indicators to help the reader
- J-15 understand the environment within which the District's financial activities take place.

Operating Information

- J-16 These schedules contain service and infrastructure data to help the reader understand
- J-17 how the information in the District's financial report relates to the services the District
- J-18 provides and the activities it performs.
- J-19
- J-20

Sources: *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report (CAFR) for the relevant year.*

FINANCIAL TRENDS

CITY OF NORTHFIELD SCHOOL DISTRICT

Net Assets By Component

Source: CAFR A-1

Exhibit J-1
Unaudited

	Fiscal Year Ended									
	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004	
Governmental Activities										
Invested in										
Capital Assets	\$ 6,216,821.94	\$ 5,085,340.12	\$ 3,654,750.93	\$ 3,430,815.00	\$ 2,678,966.00	\$ 1,853,353.00	\$ 1,212,549.00	\$ 475,194.00	\$ 120,472.00	
Restricted	1,659,368.44	1,342,277.00	1,412,623.91	1,007,139.00	889,265.00	1,046,587.00	1,229,071.00	1,250,855.00	1,010,197.00	
Unrestricted	(556,489.05)	(371,812.95)	(111,070.68)	(253,553.00)	(21,552.00)	(2,977.00)	(139,532.00)	(259,775.00)	(1,116,782.00)	
Total	\$ 7,319,701.33	\$ 6,055,804.17	\$ 4,956,304.16	\$ 4,184,401.00	\$ 3,546,679.00	\$ 2,896,963.00	\$ 2,302,088.00	\$ 1,466,274.00	\$ 13,887.00	
Business-Type Activities										
Invested										
Capital Assets	\$ 91,967.00	\$ 66,610.00	\$ 79,812.00	\$ 74,438.00	\$ 76,456.00	\$ 88,950.00	\$ 76,257.00	\$ 77,470.00	\$ 32,436.00	
Restricted	87,885.12	163,851.39	101,328.18	61,379.00	48,037.00	41,256.00	43,906.00	22,331.00	74,010.00	
Total	\$ 179,852.12	\$ 230,461.39	\$ 181,140.18	\$ 135,817.00	\$ 124,493.00	\$ 130,206.00	\$ 120,163.00	\$ 99,801.00	\$ 106,446.00	
District-Wide										
Invested in										
Capital Assets	\$ 6,308,788.94	\$ 5,151,950.12	\$ 3,734,562.93	\$ 3,505,253.00	\$ 2,755,422.00	\$ 1,942,303.00	\$ 1,288,806.00	\$ 552,664.00	\$ 152,908.00	
Restricted	1,659,368.44	1,342,277.00	1,412,623.91	1,007,139.00	889,265.00	1,046,587.00	1,229,071.00	1,250,855.00	1,010,197.00	
Unrestricted	(468,603.93)	(207,961.56)	(9,742.50)	(192,174.00)	26,485.00	38,279.00	(95,626.00)	(237,444.00)	(1,042,772.00)	
Total	\$ 7,499,553.45	\$ 6,286,265.56	\$ 5,137,444.34	\$ 4,320,218.00	\$ 3,671,172.00	\$ 3,027,169.00	\$ 2,422,251.00	\$ 1,566,075.00	\$ 120,333.00	

CITY OF NORTHFIELD SCHOOL DISTRICT

Changes in Net Assets

Source: CAFR A-2

Exhibit J-2
Unaudited

	Fiscal Year Ended									
	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004	
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 6,897,104.94	\$ 6,132,109.34	\$ 6,674,688.49	\$ 5,790,380.00	\$ 5,749,342.00	\$ 5,689,497.00	\$ 5,367,078.00	\$ 4,691,023.00	\$ 4,370,876.00	
Special Education	1,855,027.19	2,428,341.71	1,810,546.09	1,711,245.00	1,543,997.00	1,435,822.00	1,175,973.00	1,138,956.00	1,015,417.00	
Other Special education	47,034.03	47,402.07	64,450.00	626,544.00	574,946.00	449,521.00	384,396.00	478,740.00	421,352.00	
Other Instruction	390,268.43	357,306.87	491,214.54	149,598.00	138,049.00	134,639.00	127,831.00	131,609.00	123,288.00	
Nonpublic School Programs				42,944.00	17,134.00	23,366.00	42,606.00	17,149.00	46,807.00	
Support Services										
Tuition	16,889.00	7,912.00	4,531.24	325,207.00	305,990.00	223,048.00	136,732.00	253,419.00	290,743.00	
Related Services	1,513,018.34	1,522,566.45	1,549,572.51	1,440,429.00	1,552,751.00	1,497,649.00	1,364,238.00	1,364,011.00	1,362,828.00	
General Administration	519,417.46	477,223.89	577,824.19	574,697.00	565,493.00	586,809.00	524,475.00	526,804.00	646,756.00	
School Administrative	472,465.94	442,346.29	524,343.83	495,951.00	505,996.00	448,042.00	413,859.00	392,459.00	380,593.00	
Plant Operations	928,684.42	927,471.27	936,889.52	1,203,776.00	1,216,228.00	1,231,385.00	1,066,311.00	1,019,375.00	862,640.00	
Pupil Transportation	171,597.11	203,488.87	204,228.61	300,638.00	252,924.00	205,698.00	180,013.00	226,177.00	258,782.00	
Central Services	229,265.96	196,679.41	204,721.40	269,478.00	252,037.00	254,022.00				
Administrative Technology	135,106.33	111,512.89	127,346.94	168,763.00	143,517.00	193,435.00				
Unallocated Depreciation	477,572.00	452,073.00	434,326.00				433,005.00	394,685.00	253,308.00	
Food Service							5,580.00	19,098.00	6,034.00	
Interest on Long-Term Debt	264,956.86	310,447.80	337,061.01	383,296.00	431,999.00	455,425.00	174,625.00	668,758.00	770,317.00	
Total	13,918,407.71	13,616,871.86	13,941,744.37	13,482,946.00	13,250,403.00	12,828,358.00	11,396,722.00	11,322,263.00	10,809,741.00	
Business-Type Activities										
Food Service Fund	360,987.25	321,955.71	329,071.06	319,632.00	303,921.00	294,064.00				
Child Care	261,814.18	198,601.15	175,292.77	204,948.00	211,029.00	183,189.00	214,258.00	215,307.00	199,225.00	
Total	622,801.43	520,556.86	504,363.83	524,580.00	514,950.00	477,253.00	214,258.00	215,307.00	199,225.00	
Total District-Wide Expenses	\$ 14,541,209.14	\$ 14,137,428.72	\$ 14,446,108.20	\$ 14,007,526.00	\$ 13,765,353.00	\$ 13,305,611.00	\$ 11,610,980.00	\$ 11,537,570.00	\$ 11,008,966.00	

CITY OF NORTHFIELD SCHOOL DISTRICT
 Changes in Net Assets (Continued)

Source: CAFR A-2

Exhibit J-2
 Unaudited

	Fiscal Year Ended									
	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004	
Program Revenues										
Governmental Activities										
Charges For Services	\$ 7,917.00	\$ 2,074.80	\$ 18,227.45	11,702.00	\$ 14,345.00	\$ 7,820.00	\$ 2,591.00	\$ 4,281.00	\$ 4,530.00	
Grants and Contributions	2,257,043.86	2,207,548.40	2,829,663.64	1,219,425.00	1,671,269.00	1,653,220.00	1,305,572.00	1,129,732.00	1,038,822	
Total	2,264,960.86	2,209,623.20	2,847,891.09	1,231,127.00	1,685,614.00	1,661,040.00	1,308,163.00	1,134,013.00	1,043,352	
Business-Type Activities										
Charges For Services										
Food Service	202,825.39	215,843.78	219,898.95	219,170.00	208,639.00	214,482.00				
Child Care	240,248.82	212,837.01	193,736.35	186,960.00	203,988.00	184,782.00	231,236.00	207,314.00	223,880	
Grants and Contributions										
Food Service	128,236.56	114,135.45	109,066.75	98,885.00	78,304.00	58,743.00				
Total	571,310.77	542,816.24	522,702.05	505,015.00	490,931.00	458,007.00	231,236.00	207,314.00	223,880.00	
Total	\$ 2,836,271.63	\$ 2,752,439.44	\$ 3,370,593.14	\$ 1,736,142.00	\$ 2,176,545.00	\$ 2,119,047.00	\$ 1,539,399.00	\$ 1,341,327.00	\$ 1,267,232.00	
Net (Expense) Revenue										
Governmental Activities	\$(11,653,446.85)	\$(11,407,248.66)	\$(11,093,853.28)	\$(12,251,819.00)	\$(11,564,789.00)	\$(11,167,318.00)	\$(10,088,559.00)	\$(10,188,250.00)	\$(9,766,389.00)	
Business-Type Activities	(51,490.66)	22,259.38	18,338.22	(19,565.00)	(24,019.00)	(19,246.00)	16,978.00	(7,993.00)	24,655.00	
Total	\$(11,704,937.51)	\$(11,384,989.28)	\$(11,075,515.06)	\$(12,271,384.00)	\$(11,588,808.00)	\$(11,186,564.00)	\$(10,071,581.00)	\$(10,196,243.00)	\$(9,741,734.00)	

CITY OF NORTHFIELD SCHOOL DISTRICT
Changes in Net Assets (Continued)
Source: CAFR A-2

	Fiscal Year Ended								
	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004
General Revenues and Other Changes in Net Assets									
Governmental Activities									
Property Taxes - General Levy	\$ 8,490,117.00	\$ 8,448,154.00	\$ 8,306,966.00	\$ 7,847,193.00	\$ 7,571,998.00	\$ 7,194,807.00	\$ 6,486,859.00	\$ 6,351,580.00	\$ 5,947,247.00
Property Taxes - Debt Service	1,039,226.00	1,072,312.00	958,802.00	958,557.00	954,879.00	1,093,305.00	961,822.00	1,101,106.00	1,139,103
Unrestricted Grants/Contributions	3,340,066.70	3,085,920.52	2,660,347.18	4,111,842.00	3,662,461.00	3,442,382.00	3,421,586.00	3,458,555.00	3,365,978
Investment Earnings	4,883.06	16,623.54	15,497.48	17,997.00	49,996.00	84,226.00	64,034.00	45,978.00	27,844
Miscellaneous Income	77,634.25	6,213.93	45,029.49	15,116.00	23,996.00	5,152.00	24,655.00	33,068.00	22,234
Special Items	(34,583.00)	(122,575.32)	(120,889.00)	(61,163.00)	(48,826.00)	(52,839.00)	(34,583.00)		
Total	12,917,344.01	12,506,648.67	11,865,753.15	12,889,542.00	12,214,504.00	11,767,033.00	10,924,373.00	10,990,267.00	10,502,406
Business-Type Activities									
Investment Earnings	881.39	2,061.83	1,984.96	1,889.00	4,063.00	5,313.00	3,384.00	1,348.00	1,481
Special Items		25,000.00	25,000.00	29,000.00	14,243.00	18,256.00			
Total	881.39	27,061.83	26,984.96	30,889.00	18,306.00	23,569.00	3,384.00	1,348.00	1,481
Total District-Wide General Revenues and Other Changes in Net Assets	\$ 12,918,225.40	\$ 12,533,710.50	\$ 11,892,738.11	\$ 12,920,431.00	\$ 12,232,810.00	\$ 11,790,602.00	\$ 10,927,757.00	\$ 10,991,615.00	\$ 10,503,887.00
Change in Net Assets									
Governmental Activities	\$ 1,263,897.16	\$ 1,099,400.01	\$ 771,899.87	\$ 637,723.00	\$ 649,715.00	\$ 599,715.00	\$ 835,814.00	\$ 802,017.00	\$ 736,017.00
Business-Type Activities	(50,609.27)	49,321.21	45,323.18	11,324.00	(5,713.00)	4,323.00	20,362.00	(6,645.00)	26,136.00
Total District-Wide	\$ 1,213,287.89	\$ 1,148,721.22	\$ 817,223.05	\$ 649,047.00	\$ 644,002.00	\$ 604,038.00	\$ 856,176.00	\$ 795,372.00	\$ 762,153.00

CITY OF NORTHFIELD SCHOOL DISTRICT
Fund Balances - Governmental Funds

Source: CAFR B-1

Exhibit J-3
 Unaudited

	Fiscal Year Ended									
	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004	
General Fund										
Restricted	\$ 1,065,386.45	\$ 762,524.95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed										
Assigned	483,125.07	483,895.37								
Unassigned	(106,356.00)	(73,575.00)								
Reserved			1,097,052.13	1,007,139.00	889,265.00	1,046,587.00	1,229,071.00	1,244,003.00	1,010,195.00	
Unreserved			(143,270.00)	(71,784.00)	111,561.00	119,904.00	54,832.00	57,710.00	129,353.00	
Total	\$ 1,442,155.52	\$ 1,172,845.32	\$ 953,782.13	\$ 935,355.00	\$ 1,000,826.00	\$ 1,166,491.00	\$ 1,283,903.00	\$ 1,301,713.00	\$ 1,139,548.00	
All Other Governmental Funds										
Restricted	\$ 110,856.92	\$ 95,856.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed										
Assigned										
Unassigned			214,767.00	-	-	-	-	6,852.00	2.00	
Reserved			100,804.78		(854.00)	(854.00)	(141,180.00)	5,871.00	5,998.00	
Unreserved										
Total	\$ 110,856.92	\$ 95,856.68	\$ 315,571.78	\$ -	\$ (854.00)	\$ (854.00)	\$ (141,180.00)	\$ 12,723.00	\$ 6,000.00	

CITY OF NORTHFIELD SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
 Source: CAFR B-2

Exhibit J-4
Unaudited

	Fiscal Year Ended									
	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004	
Revenues										
Tax Levy	\$ 9,529,343.00	\$ 9,520,466.00	\$ 9,265,768.00	\$ 8,805,750.00	\$ 8,526,877.00	\$ 8,288,112.00	\$ 7,448,691.00	\$ 7,452,666.00	\$ 7,086,350.00	
Tuition Charges	7,917.00	2,074.80	18,227.45	11,702.00	14,345.00	7,820.00	2,591.00	4,281.00	4,530.00	
Interest Earned	4,883.06	16,623.54	15,497.48	17,997.00	49,996.00	86,476.00	64,034.00	45,978.00	27,844.00	
Local Sources	77,634.25	6,213.93	46,691.50	16,798.00	24,643.00	5,600.00	24,695.00	36,568.00	26,829.00	
State Sources	5,105,763.00	4,794,734.11	4,452,409.51	5,003,804.00	5,013,415.00	4,760,378.00	4,383,467.00	4,287,546.00	4,108,137.00	
Federal Sources	491,347.56	498,734.81	1,035,939.30	325,781.00	319,664.00	334,776.00	343,691.00	287,241.00	292,068.00	
Total Revenues	15,216,887.87	14,838,847.19	14,834,533.24	14,181,832.00	13,948,940.00	13,483,162.00	12,267,119.00	12,124,280.00	11,545,758.00	
Expenditures										
Instruction										
Regular	4,616,046.97	4,199,752.83	4,673,879.28	4,217,278.00	4,043,688.00	3,972,251.00	3,854,717.00	3,437,694.00	3,253,486.00	
Special Education	1,238,038.02	1,648,605.83	1,269,201.91	1,245,742.00	1,085,939.00	1,001,008.00	844,601.00	834,654.00	755,831.00	
Other Special Instruction	390,268.43	357,306.87	491,214.54	456,108.00	404,377.00	313,391.00	276,079.00	350,832.00	313,636.00	
Other Instruction	47,034.03	47,402.07	64,450.00	108,904.00	97,094.00	93,866.00	91,810.00	98,446.00	91,770.00	
Nonpublic School Programs				31,262.00	12,051.00	16,291.00	30,600.00	12,567.00	34,841.00	
Support Services										
Tuition	16,889.00	7,912.00	4,531.24	236,742.00	215,212.00	155,502.00	98,203.00	185,712.00	216,416.00	
Student and Instruction	1,009,782.63	1,033,666.48	1,086,258.12	1,089,347.00	1,117,674.00	1,059,182.00	1,000,291.00	1,014,747.00	1,014,429.00	
General Administration	346,657.22	323,988.21	405,057.66	420,164.00	397,725.00	442,213.00	376,683.00	386,055.00	481,417.00	
School Administrative	315,321.95	300,241.85	367,567.66	362,708.00	355,882.00	312,360.00	299,330.00	285,833.00	283,297.00	
Central Services	229,265.96	196,679.41	204,721.40	196,173.00	177,265.00	177,096.00	310,993.00	289,235.00	171,456.00	
Administrative Information	135,106.33	111,512.89	127,346.94	122,857.00	100,940.00	134,857.00				
Plant Operations and Maintenance	928,684.42	927,471.27	936,889.52	898,140.00	855,410.00	858,481.00	767,455.00	747,023.00	642,111.00	
Pupil Transportation	171,597.11	203,488.87	204,228.61	218,857.00	177,889.00	143,406.00	129,288.00	165,748.00	192,626.00	
Unallocated Employee Benefits	3,750,584.30	3,550,209.78	3,327,719.67	3,106,251.00	3,406,330.00	3,282,632.00	2,714,706.00	2,435,143.00	2,171,508.00	
Capital Outlay	211,663.30	382,976.64	380,768.38	145,400.00	287,491.00	19,543.00	166,616.00	66,064.00	32,584.00	
Debt Service	1,525,637.76	1,523,284.10	1,466,568.76	1,466,194.00	1,460,569.00	1,457,663.00	1,607,221.00	1,628,541.00	1,668,563.00	
Total Expenditures	14,932,577.43	14,814,499.10	15,010,403.69	14,322,127.00	14,195,536.00	13,439,742.00	12,568,593.00	11,936,294.00	11,323,971.00	
Excess (Deficiency)	284,310.44	24,348.09	(175,870.45)	(140,295.00)	(246,596.00)	43,420.00	(301,474.00)	187,986.00	221,787.00	
Other Financing Sources (Uses)										
Capital Leases (Non-Budgeted)			66,867.07	104,678.00	95,174.00					
Increase in Capital Reserve Fund						(2,250.00)				
Bond Proceeds			468,000.00							
Food Service		(25,000.00)	(25,000.00)	(29,000.00)	(14,243.00)	(18,256.00)	(5,580.00)	(19,098.00)	(6,034)	
Total Other Financing Sources (Uses)	-	(25,000.00)	509,867.07	75,678.00	80,931.00	(20,506.00)	129,760.00	(19,098.00)	(6,034.00)	
Net Changes in Fund Balance	\$ 284,310.44	\$ (651.91)	\$ 333,996.62	\$ (64,617.00)	\$ (165,665.00)	\$ 22,914.00	\$ (171,714.00)	\$ 168,888.00	\$ 215,753.00	

CITY OF NORTHFIELD SCHOOL DISTRICT
General Fund - Other Local Revenue By Source
Source: District Records

Exhibit J-5
Unaudited

<u>Fiscal Year Ended June 30</u>	<u>Interest on Investments</u>	<u>Tuition Revenue</u>	<u>Miscellaneous</u>	<u>Total</u>
2003	\$ 16,261.00	\$ -	\$ 39,876.00	\$ 56,137.00
2004	17,684.00	4,530.00	22,234.00	44,448.00
2005	39,255.00	4,281.00	33,068.00	76,604.00
2006	64,034.00	2,591.00	24,655.00	91,280.00
2007	86,476.00	7,820.00	5,152.00	99,448.00
2008	49,996.00	14,345.00	23,996.00	88,337.00
2009	17,997.00	12,483.00	7,000.00	37,480.00
2010	15,497.48	18,227.45	45,029.49	78,754.42
2011	16,623.00	2,075.00	6,214.00	24,912.00
2012	4,883.06	7,917.00	77,634.25	90,434.31

REVENUE CAPACITY

CITY OF NORTHFIELD SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Source: Municipal Tax Assessor

Exhibit J-6
Unaudited

Fiscal Year Ended June 30,	Land	Improvements	Net Total Taxable		Less Tax Exempt Property	Personal Property	Net Valuation Taxable	Total Direct School Tax Rate	Equalized Value
			Value of Land & Improvements	Value of Land & Improvements					
2003	\$ -	\$ -	\$ 513,568,400	\$ -	\$ -	\$ -	513,568,400	1.343	\$ 594,936,295
2004			526,527,429				526,527,429	1.387	702,419,475
2005			530,431,500				530,431,500	1.386	795,315,820
2006			543,709,800				543,709,800	1.461	988,969,726
2007			549,910,600				549,910,600	1.515	1,170,679,885
2008			552,780,200				552,780,200	1.569	1,221,193,024
2009	174,577,700	375,648,100	550,225,800			936,223	551,162,023	1.643	1,246,547,553
2010	333,447,600	660,017,500	993,465,100		2,073,817		995,538,917	0.949	1,096,167,052
2011	330,923,800	654,170,800	985,094,600		1,693,246		986,787,846	0.965	1,043,116,116
2012	328,215,900	647,298,100	975,514,000		1,580,553		977,094,553	0.980	1,032,869,506

CITY OF NORTHFIELD SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates

Source: Municipal Tax Collector

Fiscal Year Ended June 30,	School District			Overlapping Rates			Total Direct and Overlapping Tax Rates
	Basic Rate	Debt Service	Total	Mainland Regional District	City of Northfield	Atlantic County	
2003	\$ 1.150	0.190	1.340	\$ 0.585	\$ 0.868	\$ 0.523	\$ 1.976
2004	1.170	0.220	1.390	0.612	0.955	0.561	2.128
2005	1.210	0.180	1.390	0.685	1.012	0.561	2.258
2006	1.260	0.200	1.460	0.741	1.080	0.603	2.424
2007	1.340	0.180	1.520	0.803	1.178	0.591	2.572
2008	1.390	0.180	1.570	0.832	1.268	0.570	2.670
2009	1.470	0.180	1.650	0.849	1.327	0.598	2.774
2010	0.840	0.110	0.950	0.503	0.799	0.319	1.621
2011	0.860	0.110	0.970	0.514	0.827	0.352	1.693
2012	0.870	0.110	0.980	0.521	0.826	0.349	1.696

CITY OF NORTHFIELD SCHOOL DISTRICT

Principal Property Taxpayers

Source: Municipal Tax Assessor

**Exhibit J-8
Unaudited**

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Herzel Gurwicz, 9 Tilton Road	\$ 10,000,000	1	1.00%			
Atlantic City County Club, 900 Shore Rd	8,750,000	2	0.88%	8,214,500	1	1.06%
Jack Trocki Development Co., 1601 New Rd	6,471,000	3	0.65%	3,000,000	6	0.61%
Miljer LLC & Miljer Mgt., 803 Tilton Rd	6,467,400	4	0.65%	4,000,000	5	0.81%
ACG of New Jersey, Inc. 2111 New Rd	5,597,300	5	0.56%			
Jack Trocki Development Co., 631 Tilton Rd	5,299,100	6	0.53%	2,698,900	7	0.55%
Kensington Square, LLC, 200 Tilton Rd	4,964,300	7	0.50%			
Atlantic City County Club Golf Course	4,552,400	8	0.46%	5,300,000	3	1.07%
Rite Aid #10477, 1315 New Rd	3,989,900	9	0.40%			
Antebi Properties, LLC, 1907 & 1909 New Rd	3,797,600	10	0.38%			
Stan-Bud Realty Corp of NJ				5,650,000	2	1.14%
SJS-450 Tilton Road L.P.				2,188,500	8	0.44%
House and Garden Department Store				2,000,000	9	0.40%
Antebi Properties, LLC				1,956,700	10	0.40%
Taxpayer #1				5,250,000	4	

CITY OF NORTHFIELD SCHOOL DISTRICT
Property Tax Levies and Collections
Source: District Records

Exhibit J-9
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>School Taxes Levied for the Fiscal Year</u>	<u>Current Tax Collections</u>	<u>Percentage of Tax Levy Collections</u>
2003	\$ 6,620,398.00	\$ 6,620,398.00	100.00%
2004	7,086,350.00	7,086,350.00	100.00%
2005	7,452,666.00	7,452,666.00	100.00%
2006	7,448,681.00	7,448,681.00	100.00%
2007	8,288,112.00	8,288,112.00	100.00%
2008	8,526,877.00	8,526,877.00	100.00%
2009	8,805,750.00	8,805,750.00	100.00%
2010	9,265,768.00	9,265,768.00	100.00%
2011	9,520,466.00	9,520,466.00	100.00%
2012	9,529,343.00	9,529,343.00	100.00%

DEBT CAPACITY

CITY OF NORTHFIELD SCHOOL DISTRICT
Ratio of Outstanding Debt By Type

Source: District Records

Fiscal Year Ended June 30,	Governmental Activities			Business-Type		Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes	Capital Leases			
2003	\$ 14,516,787					\$ 14,516,787	5.756%	\$ 457.14
2004	13,998,958					13,998,958	5.343%	440.83
2005	12,995,000		16,885			13,011,885	4.840%	398.81
2006	11,915,000		63,453			11,978,453	4.219%	356.62
2007	10,935,000		44,929			10,979,929	3.891%	309.47
2008	9,915,000		103,737			10,018,737	3.569%	282.38
2009	8,850,000		152,435			9,002,435	3.143%	253.73
2010	8,198,000		150,065			8,348,065	2.653%	229.82
2011	7,003,000		97,957			7,100,957	2.102%	178.26
2012	5,758,000		49,320			5,807,320	1.696%	148.31

CITY OF NORTHFIELD SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Source: District Records

Exhibit J-11
Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>General</u> <u>Obligation Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value of Property</u>	<u>Per Capita</u>
2003	\$ 14,516,787.00		\$ 14,516,787.00	2.82%	\$ 457.14
2004	13,998,958.00		13,998,958.00	2.65%	428.85
2005	12,995,000.00		12,995,000.00	2.44%	386.88
2006	11,915,000.00		11,915,000.00	2.19%	335.82
2007	10,935,000.00		10,935,000.00	1.99%	308.20
2008	9,915,000.00		9,915,000.00	1.79%	279.45
2009	8,850,000.00		8,850,000.00	1.61%	243.63
2010	8,198,000.00		8,198,000.00	0.83%	205.80
2011	7,003,000.00		7,003,000.00	0.71%	178.85
2012	5,758,000.00		5,758,000.00	0.59%	144.87

CITY OF NORTHFIELD SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
Source: District Records

Exhibit J-12
Unaudited

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Net Direct Debt of the School District	5,758,000.00	100.00%	5,758,000
Debt Repaid With Property Taxes			
Local Municipality	8,871,250.00	100.00%	8,871,250
Other Debt			
Mainland Regional High School District	46,770,000.00	28.78%	13,460,406
Atlantic County	131,518,545.00	2.04%	<u>2,682,978</u>
Total Direct and Overlapping Debt			<u><u>30,772,634</u></u>

CITY OF NORTHFIELD SCHOOL DISTRICT

Legal Debt Margin Information

Source: District Records

Exhibit J-13
Unaudited

Year	Equalized Valuation Basis
------	---------------------------

2010	\$1,100,732,041
2011	1,047,043,012
2012	994,078,874

\$3,141,853,927

\$1,047,284,642

\$1,047,284,642
3.00%

31,418,539
5,758,000

\$ 25,660,539

Average Equalized Valuation of Taxable Property

School Borrowing Margin

Average Equalized Valuation of Taxable Property

Net Bonded School Debt

Legal Debt Margin

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt Limit	\$ 16,132,809	\$ 18,015,021	\$ 20,558,063	\$ 24,336,459	\$ 29,061,275	\$ 33,314,799	\$ 36,128,996	\$ 35,608,411	\$ 32,513,166	\$ 31,418,539
Total Net Debt Applicable Limit	<u>14,516,787</u>	<u>13,998,958</u>	<u>12,995,000</u>	<u>11,915,000</u>	<u>10,935,000</u>	<u>9,915,000</u>	<u>8,850,000</u>	<u>8,198,000</u>	<u>7,003,000</u>	<u>5,758,000</u>
Legal Debt Margin	\$ <u>1,616,022</u>	\$ <u>4,016,063</u>	\$ <u>7,563,063</u>	\$ <u>12,421,459</u>	\$ <u>18,126,275</u>	\$ <u>23,399,799</u>	\$ <u>27,278,996</u>	\$ <u>27,410,411</u>	\$ <u>25,510,166</u>	\$ <u>25,660,539</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	89.98%	77.71%	63.21%	48.96%	37.63%	29.76%	24.50%	23.02%	21.54%	18.33%

DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF NORTHFIELD SCHOOL DISTRICT
Demographic and Economic Statistics
Source: NJ Department of Labor

Exhibit J-14
Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>School District</u> <u>Population</u>	<u>Personal</u> <u>Income</u>	<u>Per Capita</u> <u>Personal Income</u>	<u>Unemployment</u> <u>Rate</u>
2003	7,942	\$ 252,206,152	\$ 31,756	5.90%
2004	8,027	262,025,361	32,643	5.10%
2005	8,004	268,846,356	33,589	2.50%
2006	8,003	283,946,440	35,480	2.50%
2007	7,953	282,172,440	35,480	3.10%
2008	7,911	280,682,280	35,480	3.10%
2009	7,885	286,422,625	36,325	3.90%
2010	7,898	314,616,830	39,835	7.00%
2011	8,629	337,877,124	39,156	7.10%
2012	8,616	342,451,536	39,746	7.20%

Information Not Available

Operating Information

CITY OF NORTHFIELD SCHOOL DISTRICT
Full-Time Equivalent District Employees By Function/Program
Source: District Personnel Records

Exhibit J-16
Unaudited

Function/Program	2006	2007	2008	2009	2010	2011	2012
Instruction							
Regular	64.0	62.0	63.0	65.0	64.5	59.7	62.9
Special Education	23.0	23.0	22.0	23.0	23.5	18.5	17.8
Other Special Education	7.5	11.0	17.5	14.5	18.0	18.7	18.5
Other Instruction	2.0	3.5	7.0	7.0	7.0	11.0	8.5
Adult/Continuing Education Programs	0.5	0.5	1.0	1.0	1.0	1.0	1.0
Support Services							
Student Related	15.0	19.0	12.5	12.5	10.0	11.4	11.1
General Administrative	2.5	2.5	5.5	5.5	4.0	2.0	2.0
School Administrative	5.0	4.5	3.0	4.0	5.5	6.0	6.0
Business Administrative	7.0	5.0	3.0	3.0	3.0	3.0	3.5
Plant Operation	9.0	11.0	9.0	9.0	9.0	12.7	12.0
Food Service	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	<u>136.5</u>	<u>143.0</u>	<u>144.5</u>	<u>145.5</u>	<u>146.5</u>	<u>145.0</u>	<u>144.3</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Operating Statistics

Source: District Records

Fiscal Year Ended June 30,	Operating Expenditures		Cost Per Pupil	% Change	Teaching Staff	Average Daily Attendance		% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	(a)				Enrollment	(c)		
2003	1,127	\$ 8,743,791	\$ 7,758	-2.57%	N/A	1,116	1,055	4.99%	94.53%
2004	1,122	9,628,858	8,582	10.61%	N/A	1,104	1,045	-1.08%	94.66%
2005	1,110	10,260,787	9,244	7.71%	N/A	1,202	1,141	8.88%	94.93%
2006	1,102	10,800,336	9,801	6.02%	137.0	1,230	1,177	2.33%	95.69%
2007	1,088	11,962,536	10,995	12.19%	90.0	1,083	1,033	-11.95%	95.38%
2008	1,075	12,447,476	11,579	5.31%	91.0	1,080	1,073	-0.28%	99.35%
2009	1,103	12,710,533	11,524	-0.48%	91.0	1,081	1,073	0.09%	99.26%
2010	1,076	13,163,068	12,233	6.16%	92.0	1,066	1,015	-1.39%	95.22%
2011	1,055	12,908,241	12,235	0.02%	96.0	1,054	1,004	-1.13%	95.26%
2012	1,047	13,195,277	12,603	3.00%	97.0	1,048	1,028	-0.57%	98.09%

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

(b) Teaching staff includes only full time equivalents of certified staff

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

CITY OF NORTHFIELD SCHOOL DISTRICT
School Building Information
Source: District Records

Exhibit J-18
Unaudited

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
District Building										
Northfield Community School										
Square Feet		145,797	145,797	145,797	145,797	145,797	145,797	147,855	147,855	147,855
Capacity		1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111
Enrollment		1,112	1,103	1,102	1,088	1,075	1,095	1,076	1,055	1,047

CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of Required Maintenance for School Facilities
Source: District Records

Undistributed Expenditures - Required Maintenance for School Facilities

Facilities	Project Number	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Northfield Community School	N/A	\$ 121,527	\$ 162,476	\$ 217,260	\$ 207,721	\$ 214,679	\$ 209,746	\$ 239,479	\$ 243,563	\$ 212,341	\$ 247,281

CITY OF NORTHFIELD SCHOOL DISTRICT

Insurance Schedule

Source: District Records

Exhibit J-20

Unaudited

Company	Type of Coverage	Amount of Coverage	Deductible
Atlantic and Cape May Counties School Business Officials Joint Insurance Fund	Property, Inland Marine and Automobile Physical Damages		
	Limit of Liability - Per Occurrence	\$ 150,000,000	
	ACCASBOJIF Self Insured Retention - Per Occurrence	200,000	
	Member District Deductible		\$ 500
	Property Valuation		
	Buildings and Contents	Replacement Cost	
	Contractors Equipment	Actual Cash Value	
	Automobiles	Actual Cash Value	
	Boiler and Machinery		
	Limit of Liability	125,000,000	
	ACCASBOJIF Self Insured Retention	None	
	Member District Deductible		1,000
	General and Automobile Liability		
	Limit of Liability	10,000,000	
	ACCASBOJIF Self Insured Retention	150,000	
Member District Deductible		-	
Workers Compensation			
Limit of Liability	Statutory		
ACCASBOJIF Self Insured Retention	250,000		
Member District Deductible		-	
Educator's Legal Liability			
Limit of Liability	10,000,000		
ACCASBOJIF Self Insured Retention	100,000		
Member District Deductible		-	
Pollution Legal Liability			
Limit of Liability	3,000,000		
ACCASBOJIF Self Insured Retention	None		
Member District Deductible		25,000	
Surety Bonds			
Western Surety Company	School Business Administrator/Board Secretary & Treasurer	228,000	

SINGLE AUDIT SECTION

PREZIOSI·NICHOLSON

& ASSOCIATES PA

Certified Public Accountants

EXHIBIT K-1

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
City of Northfield School District
County of Atlantic
Northfield, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Northfield School District, in the County of Atlantic, State of New Jersey, as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated November 14, 2012. 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 described by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the City of Northfield School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Northfield Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

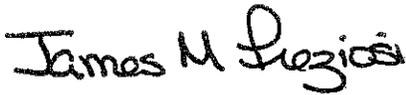
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material 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 City of Northfield School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

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

PREZIOSI • NICHOLSON & ASSOCIATES
Certified Public Accountants



James M. Preziosi
Certified Public Accountant
Public School Accountant No. CS 01141

November 14, 2012
Millville, NJ

PREZIOSI·NICHOLSON

& ASSOCIATES PA

Certified Public Accountants

EXHIBIT K-2

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

Honorable President and
Members of the Board of Education
City of Northfield School District
County of Atlantic
Northfield, New Jersey

Compliance

We have audited the City of Northfield 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 the New Jersey Compliance Manual *State Grants Compliance Supplement* that could have a direct and material effect on the District's major state programs for the fiscal year ended June 30, 2012. The City of Northfield School District's major state programs are identified in the *Summary of Auditor's Results Section* of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the City of Northfield School District's management. Our responsibility is to express an opinion on the 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; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the 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 District's compliance with those requirements.

In our opinion, the Board of Education of the City of Northfield School District, in the County of Atlantic, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2012.

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major state program to determine the auditing procedures for the purposes of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 District's internal control over compliance.

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

Our consideration of 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 the 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.

Expenditure for federal awards were less than the single audit threshold required by OMB Circular A-133 and therefore were not subject to a single audit. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Division of Finance, Department of Education, State of New Jersey and is not a required part of basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements.

This report is intended solely for the information and use of the management of the District, 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.

PREZIOSI • NICHOLSON & ASSOCIATES

Certified Public Accountants



James M. Preziosi
Certified Public Accountant
Public School Accountant No. CS 01141

November 14, 2012
Millville, NJ

CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
Schedule A
For The Fiscal Year Ended June 30, 2012

See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Grant Period	Balance at June 30, 2011	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2012	
									Accounts Receivable	Deferred Revenue
U.S. Department of Education General Fund Education Jobs Fund	84.410	136,677.00	9/11/11 - 8/31/12	\$ -	\$ -	\$ 136,677.00	\$ 136,677.00	\$ -	\$ -	\$ -
Total Special Revenue Fund				-	-	136,677.00	136,677.00	-	-	-
U.S. Department of Education Passed-through State Department of Education Special Revenue Fund:										
Title I	84.010	71,212.00	9/11/11 - 8/31/12		8,118.24	33,430.00	55,852.12		(14,303.88)	
Title I	84.010	75,335.00	9/11/10 - 8/31/11	3,899.24	(8,118.24)	4,219.00				
Title I ARRA	84.389	22,745.00	9/11/11 - 8/31/12		1,140.00		1,140.00			
Title I ARRA	84.389	22,745.00	9/11/10 - 8/31/11	(4,867.00)	(1,140.00)	6,007.00				
Title II A	84.367	24,835.00	9/11/11 - 8/31/12		8,580.00	15,327.00	27,816.00		(3,909.00)	
Title II A	84.367	28,764.00	9/11/10 - 8/31/11	(3,900.00)	(8,580.00)	12,480.00				
Title II D	84.318	177.00	9/11/10 - 8/31/11		(177.00)	177.00				
Title II D	84.318	177.00	9/11/11 - 8/31/12		177.00		177.00			
Title III	84.031	11,362.00	9/11/11 - 8/31/12			4,391.00	4,545.04		(154.04)	
I.D.E.A. Part B, Basic Regular	84.027	231,178.00	9/11/11 - 8/31/12		49,455.00	170,607.61	257,194.86		(37,132.25)	
I.D.E.A. Part B, Basic Regular	84.027	278,898.17	9/11/10 - 8/31/11	(11,030.75)	(49,455.00)	60,485.75				
I.D.E.A. Part B, Basic ARRA	84.391	247,047.00	9/11/10 - 8/31/11	(39,680.00)		39,680.00				
I.D.E.A. Part B, Preschool	84.173	11,344.00	9/11/11 - 8/31/12		1,373.51	9,119.00	10,879.09		(386.58)	
I.D.E.A. Part B, Preschool	84.173	11,058.98	9/11/10 - 8/31/11	(1,112.13)	(1,373.51)	2,485.64				
Total Special Revenue Fund				(56,690.64)	-	358,409.00	357,604.11	-	(55,885.75)	-
U.S. Department of Agriculture Passed-through State Department of Education Enterprise Fund:										
Food Distribution Program	10.550	21,805.60	7/11/11 - 6/30/12			21,805.60	21,805.60			
National School Lunch Program	10.555	102,522.91	7/11/11 - 6/30/12			96,461.30	102,522.91		(6,061.61)	
Total Enterprise Fund				-	-	118,266.90	124,328.51		(6,061.61)	
Total Federal Financial Awards				\$ (56,690.64)	\$ -	\$ 613,352.90	\$ 618,609.62	\$ -	\$ (61,947.36)	\$ -

CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
Schedule B
For The Fiscal Year Ended June 30, 2012

See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance

State Grantor/Program Title	Project Number	Grant Period	Program or Award Amount	Balance at June 30, 2011	Cash Received	Budgetary Expenditures	Balance at June 30, 2012		(MEMO) Delayed State Aid Payment
							Accounts Receivable	Due to State	
State Department of Education General Fund									
Equalization Aid	12-495-034-5120-078	07/01/11-06/30/12	3,061,473.00	\$ -	\$ 2,703,203.00	\$ 3,061,473.00	\$ (358,270.00)	\$ -	\$ (358,270.00)
Equalization Aid	11-495-034-5120-078	07/01/10-06/30/11	2,807,437.00	(321,835.00)	321,835.00				
Special Education Categorical Aid	12-495-034-5120-089	07/01/11-06/30/12	557,080.00		557,080.00	557,080.00			
Nonpublic Transportation Aid	12-495-034-5120-014	07/01/11-06/30/12	1,914.00			1,914.00	(1,914.00)		
Nonpublic Transportation Aid	11-495-034-5120-014	07/01/10-06/30/11	1,740.00	(1,740.00)	1,740.00				
Other Aid	N/A	07/01/10-06/30/11	1,287.00		1,287.00				
On Behalf TPAF									
Pension Contributions	12-495-034-5095-006	07/01/11-06/30/12	614,947.00		614,947.00	614,947.00			
Social Security Contributions	12-495-034-5095-002	07/01/11-06/30/12	452,345.00		431,088.21	452,345.00	(21,256.79)		
Social Security Contributions	11-495-034-5095-002	07/01/10-06/30/11	459,075.48	(23,087.33)	23,087.33				
Total General Fund				(346,662.33)	4,654,267.54	4,689,046.00	(381,440.79)	-	(358,270.00)
Debt Service Fund									
Debt Service Aid	12-495-034-5120-075	07/01/11-06/30/12	451,412.00	-	451,412.00	451,412.00	-	-	-
U.S. Department of Agriculture Passed-through State Department of Education Enterprise Fund:									
National School Lunch Program	12-100-010-3360-067	07/01/11-06/30/12	3,908.05		3,668.53	3,908.05	(239.52)		
Total Enterprise Fund									
Total State Financial Assistance				(346,662.33)	\$ 5,109,348.07	\$ 5,144,366.05	\$ (381,690.31)	\$ -	\$ (358,270.00)

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Schedules of Awards and Financial Assistance
June 30, 2012

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented using 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 basis of accounting are described in Note 1 to the District's basic financial statements. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3 RELATIONSHIP TO GENERAL PURPOSE 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 revenue recognition of one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

See Exhibit C-3, the Notes to Required Supplementary Information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

CITY OF NORTHFIELD SCHOOL DISTRICT
Notes to Schedules of Awards and Financial Assistance
June 30, 2012

NOTE 3 RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

Awards and financial assistance revenues are reported in the basic financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 136,677.00	\$ 4,654,351.00	\$ 4,791,028.00
Special Revenue Fund	354,670.56		354,670.56
Debt Service Fund		451,412.00	451,412.00
Enterprise Fund	<u>124,328.51</u>	<u>3,908.05</u>	<u>128,236.56</u>
Total GAAP	615,676.07	5,109,671.05	5,725,347.12
Budgetary Adjustment			
State Aid Payment			
Current Year		358,270.00	358,270.00
Prior Year		(323,575.00)	(323,575.00)
Encumbrances			
Current Year	11,395.66		11,395.66
Prior Year	<u>(8,462.11)</u>		<u>(8,462.11)</u>
Total Budgetary	\$ 618,609.62	\$ 5,144,366.05	\$ 5,762,975.67

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER

Revenues and expenditures reported under the U.S.D.A. Commodities Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions 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

NOTE 5 MAJOR PROGRAMS

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

**CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs**

For The Fiscal Year Ended June 30, 2012

PART 1 - SUMMARY OF AUDITORS' RESULTS

Financial Statements

- A. Type of auditors' report issued:
Unqualified
- B. Internal control over financial reporting:
 - 1. Material weakness(es) identified?
No
 - 2. Significant deficiencies identified?
None Reported
- C. Noncompliance material to financial statements noted.
No

Federal Awards Section

N/A

State Awards Section

- A. Dollar threshold used to determine Type A programs.
\$300,000.00
- B. Auditee qualified as low-risk auditee?
Yes
- C. Type of auditors' report issued on compliance for major programs.
Unqualified
- D. Internal control over major programs.
 - 1. Material weakness(es) identified?
No
 - 2. Significant deficiencies identified?
None Reported
- E. Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 or New Jersey Circular 04-04-OMB?
No
- F. Identification of major programs.

Equalization Aid	495-034-5120-078
Special Education Categorical Aid	495-034-5120-089
On Behalf TPAF Pension Contribution	495-034-5085-006
Reimbursed TPAF Social Security Contributions	495-034-5095-002
Debt Service Aid	495-034-5120-075

**CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs**

For The Fiscal Year Ended June 30, 2012

PART 2 - SCHEDULE OF FINANCIAL STATEMENT FINDINGS

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

No matters to be reported

**CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs**

For The Fiscal Year Ended June 30, 2012

PART 3 - SCHEDULE OF FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs as required by US OMB Circular A-133 and New Jersey Circular 04-04-OMB.

FEDERAL AWARDS

No matters to be reported

STATE FINANCIAL ASSISTANCE

No matters to be reported

**CITY OF NORTHFIELD SCHOOL DISTRICT
Summary Schedule of Prior-Year Findings and
Questioned Costs as Prepared by Management
For The Fiscal Year Ended June 30, 2012**

This section identifies the status of prior year findings related to the financial statements of Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, US OMB Circular A-133 State of New Jersey Circular 04-04-OMB.

STATUS OF PRIOR YEAR FINDINGS

There were no prior year audit findings