

Comprehensive Annual Financial Report

of the

Old Bridge Township Board of Education

Old Bridge, New Jersey

For the Fiscal Year Ended June 30, 2012

OUTLINE OF CAFR

	Page
INTRODUCTORY SECTION	
Letter of Transmittal.....	2
Organizational Chart.....	12
Roster of Officials.....	13
Consultants and Advisors.....	14
FINANCIAL SECTION	
Independent Auditor's Report.....	16
Required Supplementary Information - Part I	
Management's Discussion and Analysis.....	19
BASIC FINANCIAL STATEMENTS	
A. District-Wide Financial Statements:	
A-1 Statement of Net Assets.....	31
A-2 Statement of Activities.....	32
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet.....	35
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance.....	36
B-3 Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	37
Proprietary Funds:	
B-4 Statement of Net Assets.....	39
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Assets.....	40
B-6 Statement of Cash Flows.....	41
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Assets.....	43
B-8 Combining Statement of Changes in Fiduciary Net Assets.....	44
Notes to the Financial Statements.....	45

**OUTLINE OF CAFR
(Continued)**

	Page
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule - General Fund	71
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	N/A
C-1b Education Jobs Fund Program - Budget and Actual	81
C-2 Budgetary Comparison Schedule - Special Revenue Fund	82
 Notes to Required Supplementary Information	
C-3 Budget-to-GAAP Reconciliation	84
 Other Supplementary Information	
D. School Based Budget Schedules (If Applicable):	
D-1 Combining Balance Sheet.....	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual.....	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual.....	N/A
 E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	88
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
 F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	94
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance	93
F-2a Summary Schedule(s) of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis - Various Projects	96
 G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Assets	107
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets.....	108
G-3 Combining Statement of Cash Flows.....	109
 Internal Service Fund:	
G-4 Combining Statement of Net Assets	N/A
G-5 Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets.....	N/A
G-6 Combining Statement of Cash Flows.....	N/A

**OUTLINE OF CAFR
(Continued)**

	Page
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Assets	112
H-2 Combining Statement of Changes in Fiduciary Net Assets	113
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	114
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	115
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	117
I-2 Schedule of Obligations Under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	118
I-4 Schedule of Obligations Under Lease Purchase Agreement	119
I-5 Schedule of Obligations Under Interlocal Agreement	120

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

Financial Trends

J-1 Net Assets by Component	124
J-2 Changes in Net Assets	125
J-3 Fund Balances - Governmental Funds	126
J-4 Changes in Fund Balances - Governmental Funds	126
J-5 General Fund - Other Local Revenue by Source	127

Revenue Capacity

J-6 Assessed Value and Estimated Actual Value of Taxable Property	130
J-7 Direct and Overlapping Property Tax Rates	131
J-8 Schedule of Principal Property Taxpayers	132
J-9 Municipal Property Tax Levies and Collections	133

Debt Capacity

J-10 Ratios of Outstanding Debt by Type	135
J-11 Ratios of General Bonded Debt Outstanding	136
J-12 Direct and Overlapping Governmental Activities Debt	137
J-13 Legal Debt Margin Information	138

Demographic and Economic Information

J-14 Demographic and Economic Statistics	140
J-15 Principal Employers	141

**OUTLINE OF CAFR
(Continued)**

Page

Introduction to the Statistical Section (Continued)

Operating Information

J-16 Full-Time Equivalent District Employees by Function/Program	143
J-17 Operating Statistics	144
J-18 School Building Information	145
J-19 Schedule of Required Maintenance Expenditures by School Facility	147
J-20 Insurance Schedule	148

SINGLE AUDIT SECTION

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 <i>Government Auditing Standards</i>	150
K-2 Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Federal and State Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and State of New Jersey OMB Circular 04-04.....	152
K-3 Schedule of Expenditures of Federal Awards, Schedule A	154
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	155
K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	156
K-6 Schedule of Findings and Questioned Costs	158
K-7 Summary Schedule of Prior Audit Findings	160

INTRODUCTORY SECTION



Old Bridge Township Public Schools

Patrick A. Torre Administration Building

4207 Route 516

Matawan, New Jersey 07747

Fax (732) 583-4644

November 2012

Dr. Simon M. Bosco
Superintendent of Schools
(732) 290-3976
Fax (732) 583-4644

Nancy M. Mongon
School Business Administrator/
Board Secretary
(732) 290-3952
Fax (732) 583-4644

Dr. Francis M. Perrino
Assistant Superintendent for
Human Resources
(732) 290-3970
Fax (732) 441-3816

Ms. Donna M. Kibbler
Director of Elementary Education,
BSI
(732) 290-3967
Fax (732) 441-3816

Dr. Christine D. Piscitelli
Director of Secondary Education,
BSI
(732) 290-3968
Fax (732) 441-3816

Dr. Barbara Cuthbert
Director of Special Services
(732) 360-4461
Fax (732) 679-3623
Fax (732) 679-3623

Honorable President and
Members of the Board of Education
Old Bridge Township School District
Middlesex County, New Jersey 07747

Dear Board Members:

The comprehensive annual financial report of the Old Bridge Township School District for the fiscal year ended June 30, 2012, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the administration of the Board of Education. To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and the 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 the transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules and the auditor's report. 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 conformance with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations", and the state treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.



REPORTING ENTITY AND ITS SERVICES: The Old Bridge Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All fund account groups of the District are included in this report. The Old Bridge Township 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 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2011-2012 fiscal year with an average daily enrollment of 9,485 students, which is 125 students below the previous year's average enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment		
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2011-12	9,203	(2.3%)
2010-11	9,415	(.7%)
2009-10	9,485	(1.3%)
2008-09	9,610	(.4%)
2007-08	9,648	(1.1%)
2006-07	9,758	(.9%)
2005-06	9,850	(1.3%)
2004-05	9,983	.3%
2003-04	9,956	.2%
2002-03	9,931	.9 %

MAJOR INITIATIVES: Old Bridge Township School Districts' salient accomplishments for the 2011-12 school year included:

HIGH SCHOOL 2011-12

1. Old Bridge High School Boys Volleyball Team won the Greater Middlesex County Red Division championship.
2. Old Bridge High School was selected as a Confucius Classroom for its developing Mandarin Chinese Program.
3. Old Bridge High School Auto students won the New Jersey State Championship and competed at the National Tournament in Michigan.
4. Brett Pellegrino was selected as teacher of the year.
5. Old Bridge Marching Knights - various 1st + 2nd place accolades throughout season.

6. Old Bridge Indoor Percussion - various 1st + 2nd place accolades throughout season.
7. The Guidance Department implemented Naviance Succeed Systems. With Naviance Succeed, schools and districts are able to customize the career and college readiness experience by school, grade-level, groups and even individual students.
8. The Office of Student Activities sponsored a "pink out" and raised over \$3,000 for breast cancer research.
9. Future Business Leaders of America had students receive various awards and state accolades throughout the school year.
10. The Peer Leadership program/curriculum will be infused with more academic material and include greater emphasis on community service.
11. Old Bridge High School offered students an online credit recovery option called Plato.

MIDDLE SCHOOL 2011-12

1. We continued to work with the established School Professional Development Committee (SPDC). Selected faculty members who worked in conjunction with the school administration to evaluate school needs.
2. A mentoring program for at-risk students was established.
3. Established "Teacher of the Month" and a "support staff of the month" Program to recognize and reward outstanding accomplishments of the staff was continued.
4. Student of the Month program and Student of the Month breakfast with the principal every 2 months, student of the year dinner hosted at the Elks
5. STARS program, trip and breakfast
6. The Basic Skills teachers and our LAL teachers were trained in the implementation of an electronic "Individualized Student Improvement Plan".
7. "Honors" courses were offered in Science, Social Studies, Math, and LAL in the 8th grade as well as LAL and Math in 7th grade, and Math in 6th grade

8. New proactive efforts with anti-bullying for this school year were implemented.
9. "Mix it up" week that incorporated various team building activities with students in their classes and at lunch
10. Character Education and service learning projects have been implemented
11. Continued the expansion of the Community Service Program. Called "Salk Community of Caring" as well as 8th grade service learning projects
12. Assisted in facilitation of The G.L.O.B.E program, which is comprised of:
 - The introduction of Chinese and German to grades 6 and 7 at both the middle schools.
 - A cross-curricular, integrated approach blending language instruction and cultural awareness
 - Extensive foundation for appreciating eastern and western cultures.
 - Practice and reinforcement of cultural mores, specifically eastern philosophies.
 - Facilitating entrance into the growing diverse cultural marketplace.
 - Promoting in-depth exploration of rich traditions and diversity.
 - Exposure to developing cultures in immersion settings creating the first step.
 - Grade 6 and 7 will provide the opportunity for students to be exposed to the cultural and linguistic components of 5 languages stressing the connection of recognizing and accepting cultural differences
 - Grade 8 will provide the opportunity for students to select formal study of a language/culture with continuing emphasis on integration and acceptance
 - This model provides the opportunity for advanced studies in the 5 languages and potential advanced placement or level 5 attainments

- Introduced Math in Focus Program in Grade 6, provided teacher in-service.

ELEMENTARY SCHOOL 2011-12

Rigby Reads Diagnostic Assessment

- Online assessment for grades 3-4 and 5

Be a Duck – Kindergarten Character Education Program

- Program and materials provided for all kindergarten teachers

Kids to College Program

- Schedule of visitations

<i>SCHOOL TAKING TRIP</i>	<i>NAME OF UNIVERSITY</i>	<i>DATE OF TRIP</i>
Carpenter	Brookdale	10/28/11
Cheesequake	Princeton	5/29/12
Cooper	UMDNJ	3/28/12
Grissom	Middlesex	3/7/12
McDivitt	Kean	6/5/12
Madison Park	Rutgers	4/18/12
Memorial	Georgian Court	4/27/12
Miller	Kean	6/5/12
Schirra	Rutgers	12/2/11
Shepard	Princeton	5/29/12
Southwood	Seton Hall	3/29/12
Voorhees	Rutgers	4/18/12

Parent University

- October 27, 2011 and March 29, 2012

Healthy School Challenge Award

- Administrators attended a reception to the White House hosted by Michelle Obama.

Study Skills

- All elementary schools participate in reading initiatives and incentives, cultural diversity program; poster and essay contests offerings by various organizations.

Kindergarten

- In-house workshop – provided digital cameras for all classes

- Initiated committee to review district practices in our Kindergarten program in anticipation of new DOE Kindergarten Guidelines and the recommended APEEC Assessment system for Early Education Classrooms.

Pre-School

- Continued to move forward with a tuition pre-school program at Glenn School for a limited population

Professional Learning Communities

- Expanded practices of Professional Learning Communities to be in compliance with the State mandated School Based Professional Development Initiative focusing on school improvement, closing the student achievement gap and providing instruction with rigor and relevance.
- Continued to promote the State Initiative “Creating 21st Century New Jersey Schools” Phase 2 (2010) Critical Transformations the New Jersey Statewide Systemic Model for Continuous Learning and Growth.

Outreach Programs

- Recycling programs, assemblies, and activities were held in all schools in conjunction with township and county organizations.
- Robert Wood Johnson University Hospital Safety Ambassador Program initiated a partnership with the High School Health Occupations Class. A Training Program was provided and the students prepared lessons to be taught to first and second graders at Cooper School.

Kiwanis Key Club – established at McDivitt School

Character Education Programs

- Cooper and McDivitt Schools were the recipients of Honorable Mention Schools of Character

Kids to College

- Grissom School Kids to College trip to Middlesex County College was filmed for NJEA Classroom Closeup Program to air September 2012

Cooper School Community Service Project

- Hauser Hills Farming with Fifth Grade students – fall and spring plantings. Produce donated to the Old Bridge Food Bank.

Implemented K-2 Mathematics Curriculum

- Aligned to the new Common Core State Standards

Through the Title I Program

- iPads were introduced to the six Title I Schools - Cheesequake, Cooper, Madison Park, McDivitt, Memorial and Voorhees and teacher training was provided.
- Donation by the Old Bridge Elks and funding for the Federal Elementary Guidance Grant provided an assembly program for all elementary schools to promote character education and anti-bullying incidents.

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

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

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 and to determine that the District has complied with applicable laws and regulations.

BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. The final budget amount as amended for the fiscal year is presented in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2012.

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.

FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund. Revenues for the fiscal year ended June 30, 2012 and the amount and percentage of increases (decreases) in relation to prior year revenues.

Revenue	June 30, 2012	Percent of Total	June 30, 2011	Increase (Decrease) from 2011	Percent of Increase (Decrease)
Local Sources	\$ 89,872,152	60.030%	\$ 88,367,350	\$ 1,504,802	1.70%
State Sources	54,202,576	36.204%	51,288,220	2,914,356	5.68%
Federal Sources	5,600,111	3.741%	4,197,730	1,402,381	33.41%
Private Sources	37,906	0.025%	12,751	25,155	197.28%
	<u>\$ 149,712,745</u>	<u>100.00%</u>	<u>\$ 143,866,051</u>	<u>\$ 5,846,694</u>	<u>4.06%</u>

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended **June 30, 2012** and the amount and percentage of increases (decreases) in relation to prior year amounts:

Expenditures	June 30, 2012	Percent of Total	June 30, 2011	Increase (Decrease) from 2011	Percent of Increase (Decrease)
Current Expenditures					
Instruction	\$ 58,839,140	40.234%	\$ 57,144,173	\$ 1,694,967	2.97%
Undistributed	81,141,272	55.484%	79,164,077	1,977,195	2.50%
Capital Outlay	3,278,547	2.242%	1,619,478	1,659,069	102.44%
Special Schools	35,917	0.025%	77,590	(41,673)	(53.71%)
Debt Service	2,947,969	2.016%	2,947,219	750	0.03%
	<u>\$ 146,242,845</u>	<u>100.00%</u>	<u>\$ 140,952,537</u>	<u>\$ 5,290,308</u>	<u>3.75%</u>

DEBT ADMINISTRATION: At June 30, 2012, the District's outstanding debt issues included \$41,255,000.00 of general obligation bonds.

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

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

firm of Samuel Klein and Company was approved by the Board during the meeting of May 10, 2011. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGEMENTS: We would like to express our appreciation to the Old Bridge Township Board of Education for its concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing its 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 the central office staff.

Respectfully submitted,



Timothy C. Brennan, Ed.D.
Interim Superintendent
of Schools



Nancy M. Mongon
School Business Administrator/
Board Secretary

FINAL DRAFT April 17, 2012

Citizens of Old Bridge

BUSINESS FUNCTION Auditor Board Secretary/
Old Bridge Board of Education

EDUCATIONAL FUNCTION
Superintendent of Schools

UNDERLYING JOB FUNCTION BELIEFS

There are only two jobs listed on this line chart:

- 1 Teacher
 - 2 Person responsible for supporting and advancing the work of the teacher
- There are only two administrative jobs listed on this line chart:
- 1 Principal
 - 2 Person responsible for supporting and advancing the work of the principal

Business Administrator
Assistant Superintendent of Schools

Assistant Superintendent
Curriculum and Instruction Grant Writer

Assistant Business Administrator

Director of Transportation (C)

Principals*

Vice Principals

Guidance Counselors
Supervisor of Tech Services

Head of Buildings and Grounds (C)

Supervisor of Custodial Services

Supervisors:

(B) Director of Athletics
(B) Director of Arts and Cultures***
(B) Director of Technology

Coaches
Activity Advisors

Assessment and Guidance
Career Preparation****
Literacy
Mathematics*****
Science*****
Special Projects**
Special Education*****

Webmaster

* Principals head the Teaching and Learning Team at their schools. Additionally, each principal has a specific responsibility for some aspect of the district T+L team
 ** Also supervisor of health/physical education and nurses
 ***Also supervisor of ELL and World Languages
 **** also supervisor of the early childhood program at Glen School and administers the IDEA and Titles grants
 *****jointly lead the district's efforts in STEM, science, instructional technology, engineering and math programs
 *****Includes responsibility for special education transition to college or career

OLD BRIDGE TOWNSHIP BOARD OF EDUCATION
OLD BRIDGE, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Eugene Donofrio, President	2013
Annette T. Hopman, Vice President	2012
Donna Andriani	2014
Richard J. Dunn	2014
Andrew Gonzalez	2013
Mark Palehonki (Replaced E. McDermott - Deceased January 2012)	2012
Fred Colabella (1 Year Term) (Replaced F. Piccillo who Resigned November 2011)	2012
Matthew Sulikowski	2012
Frank R. Weber	2014

Other Officials

Timothy C. Brennan, Ed.D., Interim Superintendent of Schools

Nancy M. Mongon, School Business Administrator/Board Secretary

Himanshu Shah, Custodian of School Moneys

Christopher B. Parton, Esq., Board Attorney

OLD BRIDGE TOWNSHIP BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

JUNE 30, 2012

Engineer

French & Parrello Associates, P.A.
1800 Route 34, Suite 101
Wall, New Jersey 07719

Audit Firm

Samuel Klein and Company
Certified Public Accountants
550 Broad Street, 11th Floor
Newark, New Jersey 07102-4543

Attorney

Christopher B. Parton, Esq.
Kenney, Gross, Kovats & Parton
General Legal Counsel
The Courts of Red Bank
130 Maple Avenue, Building 8
Red Bank, New Jersey 07701

Official Depository

Amboy National Bank
3590 Highway #9, South
Old Bridge, New Jersey 08857

FINANCIAL SECTION

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Old Bridge Township School District
County of Middlesex
Matawan, New Jersey 07747

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 Old Bridge Township School District, in the County of Middlesex, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Old Bridge Township School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. An audit includes consideration of internal control over financial reporting as a basis for designing audit programs that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Old Bridge Township School District's internal control over financial reporting. Accordingly, we express no opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

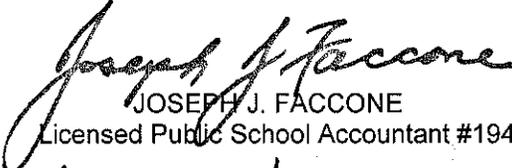
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Old Bridge Board of Education in the County of Middlesex, 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 our report dated November 16, 2012 on our consideration of the Old Bridge Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages 17 through 26 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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


JOSEPH J. FACCONI
Licensed Public School Accountant #194


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
November 16, 2012

REQUIRED SUPPLEMENTARY INFORMATION - PART I

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED

The discussion and analysis of the Old Bridge Township Public School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the notes to the basic financial statements and other financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

In total, net assets totaled \$103,132,541 which represents a 2.21% increase from 2011.

General revenues accounted for \$140,791,024 in revenue or 92.11% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$12,065,133 or 7.89% to total revenues of \$152,856,157.

Total assets of governmental activities decreased by \$355,064 as cash and cash equivalents and investments increased by \$3,785,884. Receivables decreased by \$104,625 and capital assets decreased by \$4,036,323.

The District had \$150,623,428 in expenses; only \$12,065,133 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$88,954,889 and aid of \$49,617,618 were adequate to provide for these programs.

Among major funds, the General Fund had \$142,414,133 in revenues and \$137,846,322 in expenditures, which does not include the operating transfer out for the Capital Projects Fund. The General Fund's fund balance increased \$2,867,811 from 2011. The General Fund's fund balance is \$11,886,533.

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Assets and Statement of Activities provide information about the activities of the District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. Governmental fund statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in one column. In the case of the Old Bridge Township Public School District, the General Fund is by far the most significant.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)

Reporting the District as a Whole

Statement of Net Assets and the Statement of Activities

This document contains all funds used by the District to provide programs and activities, viewing the District as a whole and reports the culmination of all financial transactions. The report answers the question "How We Did Financially during Fiscal Year 2012". The Statement of Net Assets and the Statement of Activities provides the summary. The statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into accounts all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net assets and changes in those assets. This change in net assets is important because they report on whether the District's financial position has improved or diminished.

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

Governmental Activities — all of the District's programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities — these services are provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and Community School Enterprise Funds are reported as business activities.

Reporting the District's Most Significant Funds

Fund Financial Statement

The Analysis of the District's major funds begins on page 35. Fund financial reports provide detailed information about the District's major funds. The District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

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

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities. The reporting of this fund did not change with the conversion to GASB 34.

The District as a Whole

The Statement of Net Assets provides the financial perspective of the District as a whole.

Table 1 provides a comparative summary of the District's net assets for 2012 and 2011.

Table 1 – Net Assets

	<u>2012</u>	<u>2011</u>
Assets		
Current and Other Assets	\$ 17,205,544	\$ 13,524,285
Capital Assets	<u>138,608,967</u>	<u>142,645,290</u>
Total Assets	<u>\$ 155,814,511</u>	<u>\$ 156,169,575</u>
Liabilities		
Long-Term Liabilities	\$ 47,582,533	\$ 49,596,914
Other Liabilities	<u>5,099,437</u>	<u>5,672,849</u>
Total Liabilities	<u>\$ 52,681,970</u>	<u>\$ 55,269,763</u>
Net Assets		
Invested in Capital Assets, Net of Debt	\$ 95,564,542	\$ 97,643,081
Restricted	14,962,241	10,842,595
Unrestricted	<u>(7,394,242)</u>	<u>(7,585,864)</u>
Total Net Assets	<u>\$ 103,132,541</u>	<u>\$ 100,899,812</u>

The District's combined net assets were \$103,132,541.00 on June 30, 2012. This is an increase of 2.21% from the previous year.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)

Table 2 shows the comparative changes in net assets from fiscal year 2012 and 2011.

Table 2 – Comparative Changes in Net Assets

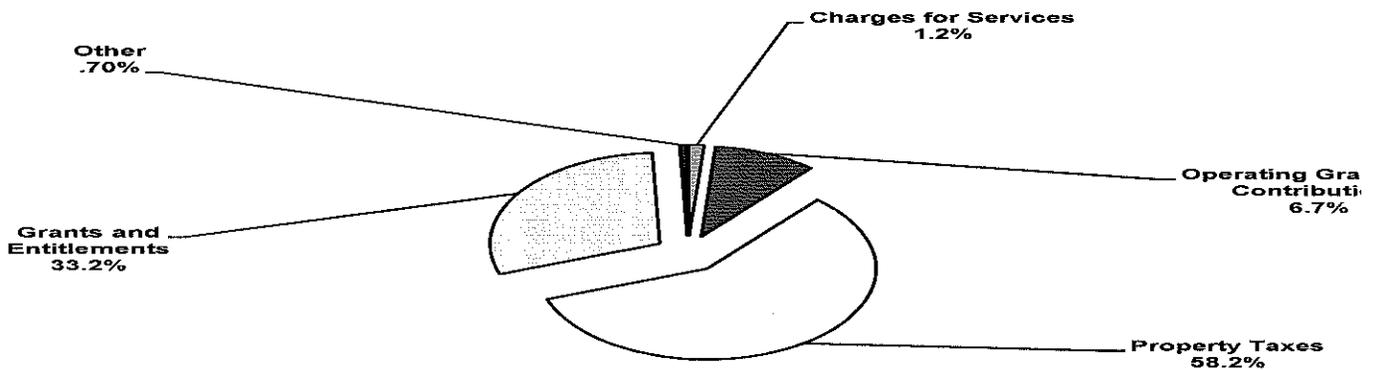
	<u>2012</u>	<u>2011</u>	<u>Total % Change</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ 1,880,064	\$ 2,021,891	-7.01%
Operating Grants and Contributions	10,185,069	8,486,690	20.01%
General Revenues:			
Property Taxes	88,954,889	87,267,729	1.93%
Grants and Entitlements	50,725,617	47,986,277	5.71%
Other	1,110,519	39,429,848	-97.18%
Total Revenues	<u>152,856,157</u>	<u>185,192,435</u>	<u>-17.46%</u>
Program Expenses:			
Instruction	81,519,071	80,567,110	1.18%
Support Services:			
Pupils and Instructional Staff	22,329,216	23,986,880	-6.91%
General Administration, School Administration, Business Operations and Maintenance of Facilities	30,008,470	29,828,801	0.60%
Pupil Transportation	11,733,580	11,755,762	-0.19%
Special Schools	49,762	109,393	-54.51%
Debt Service	1,809,388	1,860,838	-2.76%
Food Service and Community School	3,173,941	2,968,260	6.93%
Total Expenses	<u>150,623,428</u>	<u>151,077,044</u>	<u>-0.30%</u>
Increase in Net Assets	2,232,729	34,115,390	
Beginning Net Assets	<u>100,899,812</u>	<u>66,784,422</u>	
Ending Net Assets	<u>\$ 103,132,541</u>	<u>\$ 100,899,812</u>	

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

Government Activities

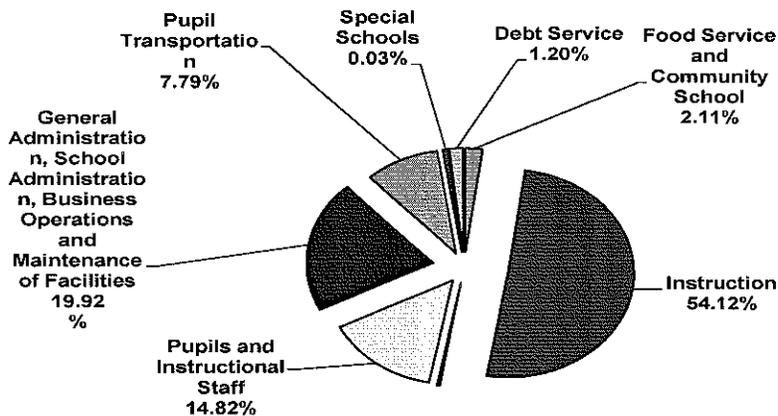
Property taxes as approved by the voters of the Old Bridge Township made up 58.2% of revenues for governmental activities for the fiscal year 2012. The District's total revenues were \$152,856,157.00 for the year ended June 30, 2012. Federal, state and local grants accounted for another 33.2%.

Revenue for Fiscal Year 2012



The total cost of all programs and services was \$150,623,428.00. Instruction comprises 54.12% of the District's expenses.

Expenses for Fiscal Year 2012



OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)

Business-Type Activities

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

Food service expenses exceeded revenues by \$30,529.00. Charges for services represent \$1,880,064.00 of revenue. This represents the amount paid by patrons for daily food service and catering.

Community school program was terminated for 2011.

Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$1,252,263.00.

Governmental Activities

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

Table 3 – Comparative Statement of Activities

	Total Cost of Services			Net Cost of Services		
	2011-2012	2010-2011	% Change	2011-2012	2010-2011	% Change
Instruction	\$ 81,519,071	\$ 80,567,110	1.18%	\$ 71,947,000	\$ 72,696,758	-1.03%
Support Services:						
Pupils and Instructional Staff	22,329,216	23,986,880	-6.91%	22,329,219	23,986,880	-6.91%
General Administration, School Administration, Business Operation and Maintenance of Facilities	30,008,470	29,828,801	0.60%	29,395,470	29,212,463	0.63%
Pupil Transportation	11,733,580	11,755,762	-0.19%	11,733,580	11,755,762	-0.19%
Special Schools	49,762	109,393	-54.51%	49,762	109,393	-54.51%
Debt Service	1,809,388	1,860,838	-2.76%	1,809,388	1,860,838	-2.76%
	<u>\$ 147,449,487</u>	<u>\$ 148,108,784</u>	<u>-0.45%</u>	<u>\$ 137,264,418</u>	<u>\$ 139,622,094</u>	<u>-1.69%</u>

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

Extracurricular activities includes expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)

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

General administration, school administration and business operation include expenses associated with administrative and financial supervision of the District.

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

Pupil transportation includes activities involved with the conveyance of students to and from school, to school co-curricular, athletic activities and co-curricular field trips as provided by state law.

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

The District's Funds

Information about the District's major funds starts on page 35. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$149,712,745 and expenditures of \$146,242,845.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal years ended June 30, 2012 and June 30, 2011, and the amount and percentage of increase and increases in relation to prior year revenues.

Comparative Summary of Revenues

<u>Revenue</u>	<u>June 30,</u> <u>2012</u>	<u>Percent</u> <u>of Total</u>	<u>June 30,</u> <u>2011</u>	<u>Increase</u> <u>(Decrease)</u> <u>from 2011</u>	<u>Percent of</u> <u>Increase</u> <u>(Decrease)</u>
Local Sources	\$ 89,872,152	60.03%	\$ 88,367,350	\$ 1,504,802	1.70%
State Sources	54,202,576	36.20%	51,288,220	2,914,356	5.68%
Federal Sources	5,600,111	3.74%	4,197,730	1,402,381	33.41%
Private Sources	37,906	0.03%	12,751	25,155	197.28%
	<u>\$ 149,712,745</u>	<u>100.00%</u>	<u>\$ 143,866,051</u>	<u>\$ 5,846,694</u>	<u>4.06%</u>

The increase in Local Sources is attributed to increases in the local tax levy and the Interlocal Agreement with the Township of Old Bridge.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2012 and the amount and percentage of increases (decreases) in relation to prior year amounts.

Comparative Summary of Expenditures

<u>Expenditures</u>	<u>June 30, 2012</u>	<u>Percent of Total</u>	<u>June 30, 2011</u>	<u>Increase/ (Decrease) from 2011</u>	<u>Percent of Increase (Decrease)</u>
Current Expenditures					
Instruction	\$ 58,839,140	40.23%	\$ 57,144,173	\$ 1,694,967	2.97%
Undistributed	81,141,272	55.48%	79,164,077	1,977,195	2.50%
Capital Outlay	3,278,547	2.24%	1,619,478	1,659,069	102.44%
Special Schools	35,917	0.02%	77,590	(41,673)	-53.71%
Debt Service	2,947,969	2.02%	2,947,219	750	0.03%
	<u>\$ 146,242,845</u>	<u>100.00%</u>	<u>\$ 140,952,537</u>	<u>\$ 5,290,308</u>	<u>3.75%</u>

The increase in Current Instruction is attributed to the costs of salaries of teachers and to serve increased enrollments.

The major decreases for Undistributed Expenditures are attributable to the following decreased costs:

- Pupil Transportation decreases.
- Operation and Maintenance of Plant Services decreases.

Capital outlay Increase of \$1,659,069 is attributable to the start of new District Projects.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

General Fund Budgeting 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.

During the course of the fiscal year 2012, the district amended its General Fund budget as needed. The District uses program based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management. Transfers from one program to another must be approved by the Board of Education. Transfers were necessitated by:

- Operation and Maintenance of Plant increased energy costs, maintenance and contracted services.
- Out of District tuition increased student placements for special and regular programs.
- Special Education increased related service costs for in district classified students.
- Special Education increased staffing needs for mandated programs.

At the end of the fiscal year 2012, the District had \$203,047,853.00 Invested in land, buildings, furniture and equipment and vehicles. Table 4 shows fiscal 2012 balances compared to 2011.

Table 4 - Capital Assets at June 30

	<u>2012</u>	<u>2011</u>
Land/Sites	\$ 31,525,455	\$ 30,427,543
Site Improvements	10,312,377	10,219,977
Buildings and Improvements	141,829,317	141,711,853
Machinery and Equipment	19,380,704	18,647,150
	_____	_____
Totals	\$ 203,047,853	\$ 201,006,523

Overall capital assets increased \$2,041,330.00 from fiscal year 2011 to fiscal year 2012. The increases in capital assets were due primarily to the purchase of assets during 2012.

OLD BRIDGE TOWNSHIP PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)

For the Future

The Old Bridget Township Public School District is financially sound and is able to meet all instructional programs and service requirements.

As a result of the defeated 2010-11 budget, and the township council's \$2,000,001 reduction to the tax levy, the 2011-12 budget required major reductions of just under \$4.7 million dollars to achieve a balance budget at the 2% tax levy cap, despite its \$1,359,247 increase in state aid and \$1,543,384 in Fed Jobs Ed Aid. The 2011-12 budget contained across the board reductions including but not limited to: 6 Administrative Staff, 10 Regular Education Teachers, 5.5 Basic Skills Teachers, 1 ESL Teacher, Contractual Concessions, and Operational Efficiencies. No schools were closed. No staff was privatized to achieve a balanced 2011-12 budget. The community voted on April 27, 2011 to approve the Operating Budget Tax Levy. This approval enabled the savings achieved in under spending the 2010-11 budget to be utilized for tax relief in the subsequent 2012-13 budget. The board of education voted in February 2012 to move the school election to November, with no vote on the budget unless an increase in the cap is sought.

Fund Balance at the end of the 2011-12 school year will again exceed the maximum, resulting in excess surplus. Savings achieved in Out of District Tuition, Gas/Electric Utilities, Transportation Services, Employee Benefits were the main contributors. The district completed a Local Government Energy Audit of all its facilities at no cost and the results will generate a feasibility plan to prioritize alternative energy and/or energy improvement plans and funding for their implementation.

The District utilized \$1.7 million of its \$2.2 million dollar capital reserve balance as of 6/30/11 to complete the next phase of the Lombardi Field renovation, the construction of a Concession Stand/ Comfort Station, exterior renovations of the Field House and Site Access Improvements. Because the funds used were from Capital Reserve, neither the 2011-12 local operating budget or tax levy were impacted by this capital improvement.

Maintenance Reserve Funds of \$300,000 dollars were utilized to upgrade the high schools security system to improve the safety of staff and students at the high school campus.

Additional site improvements have been initiated in the 2012-13 school year thanks to excess surplus from the 2010-11 school year and increased state aid of \$1.9 million dollars. The projects include 3 partial roof replacements at OBHS, Salk and Shepard Schools, new boys lavatory at Memorial School, Waterproofing Foundation at 2 OBHS Classrooms, Lombardi Field perimeter security system at Concession Stand and Field House, Sandburg Baseball Field, Resurfacing of Tennis Courts at Sandburg and Site/Curbing/Macadam improvements district wide.

Looking forward to the 2013-2014 budget process, the effects of Chapter 78 legislation, relative to mandated contributions to the cost of health insurance premiums, will enter phase 2 for the majority of all staff. New staff will commence at phase 4. Funds removed from Capital Reserve and Maintenance Reserve were returned via board resolution in June 2012. Projected state aid entitlement, if received in February 2013, will provide for a stable, cost effective 2013-14 budget for the school district.

The financial future of the Old Bridge Township Public School District is strong and positive.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, you may contact Nancy M Mongon, School Business Administrator / Board Secretary, Old Bridge Township Public Schools, Patrick A. Torre Administration Building, 4207 Route 516, Matawan, NJ 07747.

BASIC FINANCIAL STATEMENTS

A. DISTRICT-WIDE FINANCIAL STATEMENTS

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012**

A-1

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 9,138,051.21	\$ (43,865.66)	\$ 9,094,185.55
Receivables - Net	3,843,795.16	318,134.59	4,161,929.75
Inventory		49,141.35	49,141.35
Restricted Assets:			
Capital Reserve Account - Cash	2,430,249.13		2,430,249.13
Maintenance Reserve Account - Cash	1,470,038.66		1,470,038.66
Capital Assets, Net	<u>138,523,225.00</u>	<u>85,741.82</u>	<u>138,608,966.82</u>
Total Assets	<u>\$155,405,359.16</u>	<u>\$ 409,152.10</u>	<u>\$155,814,511.26</u>
 <u>LIABILITIES</u>			
Accounts Payable	\$ 2,705,062.14	\$ 236,091.62	\$ 2,941,153.76
Due to State of New Jersey	150,222.00		150,222.00
Accrued Interest Payable	817,721.10		817,721.10
Deferred Revenue	20,340.88		20,340.88
Noncurrent Liabilities:			
Due Within One Year	1,170,000.00		1,170,000.00
Due Beyond One Year	<u>47,582,532.50</u>		<u>47,582,532.50</u>
Total Liabilities	<u>52,445,878.62</u>	<u>236,091.62</u>	<u>52,681,970.24</u>
 <u>NET ASSETS</u>			
Invested in Capital Assets, Net of Related Debt	95,478,800.52	85,741.82	95,564,542.34
Restricted for:			
Capital Projects	4,510,484.46		4,510,484.46
Debt Service	39,740.82		39,740.82
Other Purposes	10,412,015.68		10,412,015.68
Unassigned	<u>(7,481,560.94)</u>	<u>87,318.66</u>	<u>(7,394,242.28)</u>
Total Net Assets	<u>\$102,959,480.54</u>	<u>\$ 173,060.48</u>	<u>\$103,132,541.02</u>

See accompanying notes to financial statements.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

A-2

Functions/Programs	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets		
				Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 58,345,603.62	\$	\$ 7,080,012.33	\$ (51,265,591.29)	\$	\$ (51,265,591.29)
Special Education	15,985,185.18		1,667,404.03	(14,317,781.16)		(14,317,781.16)
Other Special Instruction	5,536,212.46		824,955.24	(4,711,257.22)		(4,711,257.22)
Other Instruction	1,649,870.95			(1,649,870.95)		(1,649,870.95)
Community Service Programs	2,499.03			(2,499.03)		(2,499.03)
Support Services:						
Tuition	5,388,305.22			(5,388,305.22)		(5,388,305.22)
Student and Instruction Related Services	16,940,913.55			(16,940,913.55)		(16,940,913.55)
School Administrative Services	10,917,476.30		612,696.96	(10,304,779.32)		(10,304,779.32)
General Administrative Services	2,175,406.31			(2,175,406.31)		(2,175,406.31)
Plant Operations and Maintenance	16,915,284.79			(16,915,284.79)		(16,915,284.79)
Pupil Transportation	11,733,580.11			(11,733,580.11)		(11,733,580.11)
Charter Schools	49,761.63			(49,761.63)		(49,761.63)
Debt Service:						
Interest	1,809,387.53			(1,809,387.53)		(1,809,387.53)
Total Governmental Activities	147,449,486.69		10,185,068.58	(137,264,418.11)		(137,264,418.11)
Business-Type Activities:						
Food Service	3,120,636.25	1,880,064.22			(1,240,572.03)	(1,240,572.03)
Community School	53,304.87				(53,304.87)	(53,304.87)
Total Business-Type Activities	3,173,941.12	1,880,064.22			(1,293,876.90)	(1,293,876.90)
Total Primary Government	\$ 150,623,427.81	\$ 1,880,064.22	\$ 10,185,068.58	\$ (137,264,418.11)	\$ (1,293,876.90)	\$ (138,558,295.01)
General Revenues						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$ 86,006,920.00	\$	\$ 86,006,920.00
Property Taxes, Levied for Debt Service				2,947,969.00		2,947,969.00
Federal and State Aid Not Restricted				49,617,617.57	1,107,998.62	50,725,616.19
Miscellaneous Income				955,169.47	155,348.18	1,110,518.65
Total General Revenues, Special Items, Extraordinary Items and Transfers				139,527,676.04	1,263,347.80	140,791,023.84
Change in Net Assets				2,263,257.93	(30,526.10)	2,232,728.83
Net Assets - Beginning				100,696,222.61	203,589.58	100,899,812.19
Net Assets - Ending				\$ 102,959,480.54	\$ 173,060.48	\$ 103,132,541.02

B. FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

B-1

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 8,162,331.92		\$ 1,403,592.86	\$ 39,740.82	\$ 9,605,665.60
Due from Other Funds	4,402.55				4,402.55
Accounts Receivable - Other	143,168.82	3,060.00	1,122,162.00		1,268,390.82
Accounts Receivable - State	1,529,692.42	945.90			1,530,638.32
Accounts Receivable - Federal	31,840.39	1,008,523.08			1,040,363.47
Capital Reserve Account	2,430,249.13				2,430,249.13
Maintenance Reserve Account	1,470,038.66				1,470,038.66
	<u>\$ 13,771,723.89</u>	<u>\$ 1,012,528.98</u>	<u>\$ 2,525,754.86</u>	<u>\$ 39,740.82</u>	<u>\$ 17,349,748.55</u>
LIABILITIES					
Cash Overdraft	\$	\$ 467,614.39	\$	\$	\$ 467,614.39
Accounts Payable	1,885,190.90	374,351.71	445,519.53		2,705,062.14
Due to State of New Jersey		150,222.00			150,222.00
Deferred Revenue		20,340.88			20,340.88
Total Liabilities	<u>1,885,190.90</u>	<u>1,012,528.98</u>	<u>445,519.53</u>		<u>3,343,239.41</u>
FUND BALANCES					
Restricted for:					
Year Ended Encumbrances	320,914.05				320,914.05
Capital Reserve Account	2,430,249.13				2,430,249.13
Maintenance Reserve Account	1,470,038.66				1,470,038.66
Legally Restricted - Designated for Subsequent Year's Expenditures	1,359,427.08		2,080,235.33		3,439,662.41
Reserve for Excess Surplus - Designated for Subsequent Years' Expenditures	4,124,224.92				4,124,224.92
Reserve for Excess Surplus	3,137,410.97				3,137,410.97
Unassigned, Reported in:					
General Fund	(955,731.82)				(955,731.82)
Debt Service Fund				39,740.82	39,740.82
Total Fund Balances	<u>11,886,532.99</u>		<u>2,080,235.33</u>	<u>39,740.82</u>	<u>14,006,509.14</u>
Total Liabilities and Fund Balance	<u>\$ 13,771,723.89</u>	<u>\$ 1,012,528.98</u>	<u>\$ 2,525,754.86</u>	<u>\$ 39,740.82</u>	<u>\$ 17,349,748.55</u>

Total Fund Balances Above \$ 14,006,509.14

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The costs of the assets is \$203,047,858.00, and the accumulated depreciation is \$64,524,633.00 (See Note 5). 138,523,225.00

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 (See Note 6). (48,752,532.50)

Accrued interest is a current liability that will be paid from the debt service fund. Therefore, the liability reduces the restricted for debt service net asset balance. (817,721.10)

Net Assets of Governmental Activities (A-1) \$ 102,959,480.54

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

B-2

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 86,006,920.00	\$	\$	\$ 2,947,969.00	\$ 88,954,889.00
Tuition	201,917.87				201,917.87
Interest on Capital Reserve Account	12,915.86				12,915.86
Miscellaneous	702,429.27				702,429.27
Private Sources		37,906.47			37,906.47
Total Local Sources	<u>86,924,183.00</u>	<u>37,906.47</u>		<u>2,947,969.00</u>	<u>89,910,058.47</u>
State Sources	53,720,792.70	481,782.90			54,202,575.60
Federal Sources	1,769,156.80	3,830,953.75			5,600,110.55
Total Revenues	<u>142,414,132.50</u>	<u>4,350,643.12</u>		<u>2,947,969.00</u>	<u>149,712,744.62</u>
<u>Expenditures</u>					
Current:					
Regular Instruction	39,094,011.54	3,018,741.34			42,112,752.88
Special Education Instruction	11,537,804.25				11,537,804.25
Other Special Instruction	3,995,933.42				3,995,933.42
Other Instruction	1,190,845.64				1,190,845.64
Community Service Programs	1,803.75				1,803.75
Support Services and Undistributed Costs:					
Tuition	3,558,732.77	330,444.00			3,889,176.77
Student and Instruction Related Services	11,250,358.04	742,997.17			11,993,355.21
School Administrative Services	7,880,027.85				7,880,027.85
Other Administrative Services	1,570,167.12				1,570,167.12
Plant Operations and Maintenance	12,209,132.55				12,209,132.55
Pupil Transportation	8,469,076.14				8,469,076.14
Employee Benefits	34,881,876.17	248,460.61			35,130,336.78
Charter School	35,917.00				35,917.00
Debt Service:					
Principal				1,115,000.00	1,115,000.00
Interest				1,832,968.78	1,832,968.78
Capital Outlay	2,170,635.49	10,000.00	1,097,911.69		3,278,547.18
Total Expenditures	<u>137,846,321.73</u>	<u>4,350,643.12</u>	<u>1,097,911.69</u>	<u>2,947,968.78</u>	<u>146,242,845.32</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	<u>4,567,810.77</u>		<u>(1,097,911.69)</u>	<u>0.22</u>	<u>3,469,899.30</u>
Other Financing Sources (Uses):					
Transfers In:					
Operating Transfers In			1,700,000.00		1,700,000.00
Operating Transfers (Out)	(1,700,000.00)				(1,700,000.00)
Total Other Financing Sources and Uses	<u>(1,700,000.00)</u>		<u>1,700,000.00</u>		<u>-</u>
Net Change in Fund Balances	2,867,810.77		602,088.31	0.22	3,469,899.30
Fund Balance July 1	<u>9,018,722.22</u>		<u>1,478,147.02</u>	<u>39,740.60</u>	<u>10,536,609.84</u>
Fund Balance June 30	<u>\$ 11,886,532.99</u>	<u>\$ -</u>	<u>\$ 2,080,235.33</u>	<u>\$ 39,740.82</u>	<u>\$ 14,006,509.14</u>

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

B-3

	<u>Ref.</u>	
Total Net Change in Fund Balances - Governmental Funds	B-2	\$ 3,469,899.30
<p>Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense		\$ (6,073,723.00)
Capital Outlays, net of capital lease principal payments reported below of		<u>2,111,183.00</u>
		(3,962,540.00)
Repayment of Bond Principal 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.		1,115,000.00
Repayment of Capital Lease Principal 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.		842,784.19
Asset Retirement		(69,848.00)
Decrease in Compensated Absences		844,381.19
Decrease in Accrued Interest Payable		<u>23,581.25</u>
Change in Net Assets of Governmental Activities	A-2	<u>\$ 2,263,257.93</u>

PROPRIETARY FUNDS

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

B-4

	Business-Type Activities Enterprise Funds		
	<u>Food Service</u>	<u>Community School</u>	<u>Totals</u>
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ (43,865.66)	\$	\$ (43,865.66)
Accounts Receivable:			
State Sources	5,589.75		5,589.75
Federal Sources	161,248.08		161,248.08
Other Sources	151,296.76		151,296.76
Inventories:			
Regular	37,218.93		37,218.93
Food Distribution Program Commodities	11,922.42		11,922.42
Total Current Assets	323,410.28		323,410.28
Noncurrent Assets:			
Furniture, Machinery and Equipment	403,296.80		403,296.80
Less: Accumulated Depreciation	(317,554.98)		(317,554.98)
Total Noncurrent Assets	85,741.82	-	85,741.82
Total Assets	\$ 409,152.10	\$ -	\$ 409,152.10
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	\$ 236,091.62	\$ -	\$ 236,091.62
<u>NET ASSETS</u>			
Invested in Capital Assets, Net of Related Debt	\$ 85,741.82	\$	\$ 85,741.82
Unrestricted	87,318.66	-	87,318.66
Total Net Assets	\$ 173,060.48	\$ -	\$ 173,060.48

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

B-5

	Business-Type Activities Enterprise Funds		
	<u>Food Service</u>	<u>Community School</u>	<u>Total Enterprise</u>
Operating Revenues:			
Charges for Services:			
Daily Sales	\$ 1,663,048.78	\$	\$ 1,663,048.78
Other	217,015.44		217,015.44
Total Operating Revenues	<u>1,880,064.22</u>		<u>1,880,064.22</u>
Operating Expenses:			
Cost of Sales	1,150,042.95		1,150,042.95
Salaries	1,112,677.79		1,112,677.79
Payroll Taxes	252,924.13		252,924.13
Purchased Professional and Technical Services	271,837.58		271,837.58
Management Fee	160,333.96		160,333.96
Supplies and Materials	158,351.38		158,351.38
Miscellaneous		53,304.87	53,304.87
Depreciation	14,468.46		14,468.46
Total Operating Expenses	<u>3,120,636.25</u>	<u>53,304.87</u>	<u>3,173,941.12</u>
Operating Loss	<u>(1,240,572.03)</u>	<u>(53,304.87)</u>	<u>(1,293,876.90)</u>
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	30,696.91		30,696.91
Federal Sources:			
National School Lunch Program	856,524.63		856,524.63
Food Distribution Program	220,777.08		220,777.08
Food Company Contribution	144,264.77		144,264.77
Interest Revenue	551.16		551.16
Total Nonoperating Revenues	<u>1,252,814.55</u>		<u>1,252,814.55</u>
Profit (Loss) before Operating Transfers	12,242.52	(53,304.87)	(41,062.35)
Capital Contributions	<u>10,533.25</u>		<u>10,533.25</u>
Change in Net Assets	22,775.77	(53,304.87)	(30,529.10)
Total Net Assets - Beginning	<u>150,284.71</u>	<u>53,304.87</u>	<u>203,589.58</u>
Total Net Assets - Ending	<u>\$ 173,060.48</u>	<u>\$ -</u>	<u>\$ 173,060.48</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

B-6

	Business-Type Activities		
	Enterprise Funds		
	<u>Food Service</u>	<u>Community School</u>	<u>Total Enterprise</u>
<u>Cash Flows from Operating Activities</u>			
Receipts from Customers	\$ 1,656,816.52		\$ 1,656,816.52
Payments to Suppliers	<u>(3,207,050.27)</u>	<u>(53,304.87)</u>	<u>(3,260,355.14)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(1,550,233.75)</u>	<u>(53,304.87)</u>	<u>(1,603,538.62)</u>
<u>Cash Flows from Noncapital Financing Activities</u>			
State Sources	27,762.35		27,762.35
Federal Sources	759,908.45		759,908.45
Other Sources	<u>243,815.51</u>		<u>243,815.51</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,031,486.31</u>		<u>1,031,486.31</u>
<u>Cash Flows from Investing Activities</u>			
Interest	<u>551.16</u>		<u>551.16</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(518,196.28)	(53,304.87)	(571,501.15)
Balances - Beginning of Year	<u>474,330.62</u>	<u>53,304.87</u>	<u>527,635.49</u>
Balances - End of Year	<u>\$ (43,865.66)</u>	<u>\$ -</u>	<u>\$ (43,865.66)</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:			
Operating Loss	<u>\$ (1,240,572.03)</u>		<u>\$ (1,240,572.03)</u>
Adjustments to Reconcile Operating Loss to Cash Provided (Used) by Operating Activities:			
Depreciation	14,468.46		14,468.46
Federal Commodities	220,777.08		220,777.08
Change in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	(223,247.70)		(223,247.70)
(Increase)/Decrease in Inventory	(11,760.65)		(11,760.65)
Increase/(Decrease) in Accounts Payable	<u>(309,899.21)</u>		<u>(309,899.21)</u>
Total Adjustments	<u>(309,662.02)</u>		<u>(309,662.02)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,550,234.05)</u>	<u>\$ -</u>	<u>\$ (1,550,234.05)</u>

FIDUCIARY FUNDS

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2012

B-7

	Unemployment Compensation Trust	Agency Fund
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 88,627.01	\$ 1,089,040.05
 <u>LIABILITIES</u>		
Payable to Student Groups		\$ 509,545.23
Payroll Deductions and Withholdings		575,092.27
Interfunds Payable		4,402.55
Total Liabilities		\$ 1,089,040.05
 <u>NET ASSETS</u>		
Held in Trust for Unemployment Claims and Other Purposes	\$ 88,627.01	

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

B-8

	<u>Unemployment Compensation Trust Fund</u>
<u>Additions</u>	
Contributions:	
Plan Members	\$ 186,647.53
Board Contributions	94,800.00
Investment Earnings:	
Interest	<u>848.82</u>
Total Additions	<u>282,296.35</u>
<u>Deductions</u>	
Quarterly Contribution Reports	71,291.27
Unemployment Claims	<u>294,717.15</u>
Total Deductions	<u>366,008.42</u>
Change in Net Assets	(83,712.07)
Total Net Assets - Beginning	<u>172,339.08</u>
Total Net Assets - Ending	<u><u>\$ 88,627.01</u></u>

NOTES TO FINANCIAL STATEMENTS

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012**

1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Old Bridge Township School District (the "District") is a Type II District located in the County of Middlesex, State of New Jersey. As a Type II District, the District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K - 12. The District had an approximate enrollment at June 30, 2012 of 9,291 students.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service and student related activities of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- . the organization is legally separate (can sue or be sued in their own name)
- . the District holds the corporate powers of the organization
- . the District appoints a voting majority of the organization's board
- . the District is able to impose its will on the organization
- . the organization has the potential to impose a financial benefit/burden on the District
- . there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

1. Government-Wide Financial 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

1. Government-Wide Financial Statements (Continued)

The statement of net assets presents the financial condition of the governmental activities of the District at 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. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. 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. Revenues that 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 governmental function is self-financing or draws from the general revenues of the District.

2. Fund Financial Statements

During the 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 fund financial statements is on major funds. Each major fund is presented in a separate column.

B. Fund Accounting

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.

1. Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the 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. Accounting principles generally accepted in the United States of America (GAAP) 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

1. Governmental Funds (Continued)

General Fund (Continued)

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Permanent Fund - The Permanent Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. Resources are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting entity's programs - that is, for the benefit of the school district. The District presently has no resources that are considered permanent funds.

2. Proprietary Fund Type

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Fund of the District:

Enterprise Fund - The Enterprise Fund is 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 the Community School.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. **Fund Accounting (Continued)**

2. **Proprietary Fund Type (Continued)**

Enterprise Fund (Continued)

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 total assets) is segregated into contributed capital and unreserved retained earnings, 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 using the straight-line method. The estimated useful lives are as follows:

Food Service Fund:	
Machinery and Equipment	5 - 12 Years
Community School:	
Equipment	5 Years

Internal Service Funds - These funds may be used to report any activity that provides goods or services to other funds, departments or agencies of the primary entity and its component units, or to other governments, on a cost-reimbursement basis. In addition, internal service funds are used only if the reporting school district is the predominant participant in the activity. The District does not currently utilize any Internal Service Funds.

3. **Fiduciary Funds**

Fiduciary Fund reporting focuses on net assets and changes in net assets. They are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the District's own programs. There are four fiduciary fund types - pension (and other employee benefit) trust funds, investment trust funds, private-purpose trusts and agency funds. The overarching rule for these funds is that they should never be used to report resources that can be used for programs of the reporting district.

Unemployment Insurance Trust - The SUI Fund is an employee benefit trust fund which accounts for resources held and administered while acting in a fiduciary capacity for individuals or other government agencies. Assets are held in trust for members of the defined contribution plan.

Agency Funds - Agency Funds are used to account for the assets that the District holds on behalf of others as their agent. These funds are custodial in nature and do not involve measurement of results of operations. Agency Funds include payroll and student activities funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

4. Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt, not in the governmental funds. This includes serial bonds outstanding that are expected to be financed from governmental funds, the outstanding principal balance on capital leases, lease-purchase agreements, compensated absences, claims and judgments, early retirement incentive programs and rebatable arbitrage.

C. Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the Statement of Net Assets.

2. Fund Financial Statements

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Fiduciary funds are reported using the economic resources measurement focus.

D. Basis of Accounting

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitations of N.J.A.C. 6A-23A-2.3 (et. seq.).

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

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

The following presents a reconciliation of the General Fund Revenue and Special Revenue Fund Revenue from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

E. **Budgets/Budgetary Control (Continued)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 142,683,900.50	\$ 4,350,643.12
Difference - Budget-to-GAAP:		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements - current year	(4,207,458.00)	
State aid payment not recognized for budgetary purposes, recognized for GAAP statements - prior year	<u>3,937,690.00</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 142,414,132.50</u>	<u>\$ 4,350,643.12</u>
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	<u>\$ 137,846,321.73</u>	<u>\$ 4,350,643.12</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 137,846,321.73</u>	<u>\$ 4,350,643.12</u>

F. **Encumbrances**

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end. There were no open encumbrances recorded in the Special Revenue Fund as of June 30, 2012.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Cash, Cash Equivalents and Investments

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

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

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

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

H. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the Enterprise Fund are recorded as an expenditure during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

I. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

J. Tuition Payable

Tuition charges for the fiscal years 2010-11 and 2011-12 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

K. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Capital Assets

General capital assets 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of two thousand. Improvements are capitalized; the costs 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 for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20 - 40 Years
Furniture and Equipment	7 - 20 Years
Vehicles	8 Years

M. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the 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.

The entire sick leave and vacation leave liabilities are reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, 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 governmental funds. However, the noncurrent portion of capital leases, compensated absences and loans payable 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Net Assets

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

P. Deferred Revenue

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

Q. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

R. Fund Balance Reserves

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

S. Proprietary Funds Revenues and Expenses

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

T. Rebatable Arbitrage

Rebatable arbitrage results from investing the proceeds of borrowed funds either directly or indirectly into investments that are higher in yield than the bond yield incurred on the borrowed funds. In accordance with GASB 34, rebatable arbitrage is treated like a claim or judgment. All interest income is reported as revenue of the Capital Projects Fund. The liability, if any, is recorded in the "Statement of Net Assets".

U. Non-Monetary Transactions

Commodities received under the Federal Food Distribution Program are received by the District and are recorded as nonoperating revenue when received in the food service enterprise fund at market value. The use of the commodities is included in cost of sales.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Allocation of Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Employee benefits, including the employer's share of social security, worker's compensation and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is reported separately on the Statement of Activities. No expenses were allocated as "Indirect Expenses".

W. Extraordinary and Special Items

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

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months, but less than twelve months from the date of purchase, as investments. The District is in compliance with GASB Statement No. 3 as amended by GASB Statement No. 40.

Deposits

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

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

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

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

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

As of June 30, 2012, cash and cash equivalents (Deposits) of the District consisted of the following:

Checking and Money Market Accounts, Interest Bearing	<u>\$ 14,190,399.05</u>
--	-------------------------

Of the total amount, deposits of \$2,430,249.13 have been earmarked towards the Capital Reserve Account (See Note 4).

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the school district or local unit of which the school district is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.
- Local government investment pools.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Resolution on October 10, 2000 by inclusion of \$100.00 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 or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2011	\$ 2,117,333.27
Interest Earned	12,915.86
Deposit	2,000,000.00
Withdrawal	<u>1,700,000.00</u>
Ending Balance, June 30, 2012	<u>\$ 2,430,249.13</u>

5. CAPITAL ASSETS

Classification of Balances - June 30, 2012

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Reallocation</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>					
Nondepreciable:					
Sites	\$ 30,427,543.00	1,097,912.00			\$ 30,427,543.00
CIP	<u>30,427,543.00</u>	<u>1,097,912.00</u>			<u>31,525,455.00</u>
Depreciable:					
Site Improvements	10,219,977.00	92,400.00			10,312,377.00
Buildings and Improvements	141,711,853.00	117,464.00			141,829,317.00
Machinery and Equipment	18,647,150.00	803,407.00	(69,848.00)		19,380,709.00
	<u>170,578,980.00</u>	<u>1,013,271.00</u>	<u>(69,848.00)</u>		<u>171,522,403.00</u>
Total Assets	201,006,523.00	2,111,183.00	(69,848.00)		203,047,858.00
Less Accumulated Depreciation:					
Buildings and Improvements	<u>(58,450,910.00)</u>	<u>(6,143,571.00)</u>	69,848.00		<u>(64,524,633.00)</u>
Assets Net of Depreciation	<u>\$ 142,555,613.00</u>	<u>\$ (4,032,388.00)</u>	\$ -	\$ -	<u>\$ 138,523,225.00</u>
<u>Capital Outlay</u>					
General		\$ 2,170,635.49			
Special Revenue		10,000.00			
Capital Projects		1,097,911.69			
Less: Lease Payments		3,278,547.18			
		<u>(1,167,364.18)</u>			
Total Additions to Capital Assets		<u>\$ 2,111,183.00</u>			

Business Type Activities

The following is a summary of Proprietary Fund type fixed assets at June 30, 2012:

Machinery and Equipment	\$ 403,296.80
Less: Accumulated Depreciation	<u>(317,554.98)</u>
Net Fixed Assets	<u>\$ 85,741.82</u>

6. LONG-TERM DEBT

Long-Term Liability Conversion Schedule - June 30, 2012

	Balance July 1, 2011	Additions	Reductions	Balance June 30, 2012	Amounts Due One Year	Long-Term Portion
Compensated Absences	\$ 6,552,489.21	\$	\$ 844,381.19	\$ 5,708,108.02	\$	\$ 5,708,108.02
Lease Purchase Payable	2,632,208.67		842,784.19	1,789,424.48		1,789,424.48
Serial Bonds Payable	<u>42,370,000.00</u>		<u>1,115,000.00</u>	<u>41,255,000.00</u>	<u>1,170,000.00</u>	<u>40,085,000.00</u>
	<u>\$ 51,554,697.88</u>	<u>\$ -</u>	<u>\$ 2,802,165.38</u>	<u>\$ 48,752,532.50</u>	<u>\$ 1,170,000.00</u>	<u>\$ 47,582,532.50</u>

6. **LONG-TERM DEBT (Continued)**

A. Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. Interest rates on outstanding bonds range from 4.00% to 5.00%.

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

<u>Year</u>	<u>Refunding 2006 Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2012-13	\$ 1,170,000.00	\$ 1,784,118.76	\$ 2,954,118.76
2013-14	1,230,000.00	1,729,968.76	2,959,968.76
2014-15	1,295,000.00	1,666,843.76	2,961,843.76
2015-16	1,370,000.00	1,600,218.76	2,970,218.76
2016-17	1,445,000.00	1,529,843.76	2,974,843.76
2017-18	1,525,000.00	1,455,593.76	2,980,593.76
2018-19	1,600,000.00	1,381,468.76	2,981,468.76
2019-20	1,685,000.00	1,306,503.13	2,991,503.13
2020-21	1,760,000.00	1,232,337.50	2,992,337.50
2021-22	1,840,000.00	1,160,337.50	3,000,337.50
2022-23	1,915,000.00	1,085,237.50	3,000,237.50
2023-24	1,995,000.00	1,007,037.50	3,002,037.50
2024-25	2,085,000.00	924,134.38	3,009,134.38
2025-26	2,175,000.00	836,271.88	3,011,271.88
2026-27	2,270,000.00	741,925.00	3,011,925.00
2027-28	2,375,000.00	641,968.75	3,016,968.75
2028-29	2,480,000.00	537,250.00	3,017,250.00
2029-30	2,590,000.00	426,343.75	3,016,343.75
2030-31	2,705,000.00	310,515.63	3,015,515.63
2031-32	2,820,000.00	189,656.26	3,009,656.26
2032-33	2,925,000.00	63,984.38	2,988,984.38
	<u>\$ 41,255,000.00</u>	<u>\$ 21,611,559.48</u>	<u>\$ 62,866,559.48</u>

6. **LONG-TERM DEBT (Continued)**

B. Bonds Authorized but Not Issued

As of June 30, 2012, the Board had no authorized but not issued bonds.

C. Interlocal Agreement

The Board entered into an Interlocal Agreement that commenced on August 21, 2006 with the Township of Old Bridge. The Township is issuing the debt in the form of Bond Anticipation Notes. The proceeds from the Interlocal Agreement will be used to provide for the improvement of school facilities for use by the School District and the Township of Old Bridge as a community and school facilities.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2012-2013	<u>\$ 1,200,000.00</u>	*

*Interest is determined on a year-to-year basis.

D. Lease Purchase Agreement

The Board has entered into a lease purchase agreement with Sun Trust Equipment to purchase boilers not to exceed \$2,100,000.00. The details are as follows:

Date	June 2009
Period	7/01/09 to 6/30/14
Yield	3.47%
Principal	\$ 2,100,000.00
Interest	<u>148,845.92</u>
Total Payments	<u>\$ 2,248,845.92</u>

The following is a schedule of the future minimum lease payments under the Lease Purchase Agreement:

<u>Payment Date</u>	<u>Payment Amount</u>	<u>Interest Portion</u>	<u>Principal Portion</u>
Dec. 15, 2012	\$ 154,330.74	\$ 10,270.97	\$ 144,059.77
June 15, 2013	154,330.74	7,769.16	146,561.58
Dec. 15, 2013	154,330.74	5,223.90	149,106.84
June 15, 2014	<u>154,330.74</u>	<u>2,634.45</u>	<u>151,696.29</u>
Totals	<u>\$ 617,322.96</u>	<u>\$ 25,898.48</u>	<u>\$ 591,424.48</u>

Upon commencement of the agreement for the acquisition of the boilers, The Sun Trust Equipment Finance and Leasing Corp. will make funds available to an Escrow Agent. The District instructs the Escrow Agent to pay various expenditures for the equipment. These expenditures are then recorded in the District's Capital Projects Fund. Subsequently, the District has received two grants from the School's Development Authority, in the amount of \$824,800.00 to offset the costs associated with the Lease Purchase Agreement.

6. **LONG-TERM DEBT (Continued)**

E. 2002 Project School Bonds

On January 15, 2002, the Board issued \$47,823,000 in School Bonds.

Redemption - The Bonds of this issue maturing prior to July 15, 2012 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after July 15, 2012 are redeemable at the option of the Board in whole or in part on any date on or after July 15, 2011 upon notice as required herein at one hundred percent (100%) of the principal amount being redeemed (the "Redemption Price"), plus accrued interest to the date fixed for redemption.

Notice of redemption ("Notice of Redemption") shall be given by mailing such notice at least thirty (30) days but not more than sixty (60) days before the date fixed for redemption by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Board of a duly appointed Bond Registrar. So long as DTC (or any successor thereto) acts as Securities Depository for the Bonds, Notice of Redemption shall be sent to such Securities Depository and shall not be sent to the beneficial owners of the Bonds. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the board determines to redeem a portion of the Bonds prior to maturity, such Bonds shall be selected by the Board; the Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If Notice of Redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest to the date fixed for redemption. Interest shall cease to accrue on the Bonds after the date fixed for redemption.

Authorization and Purpose - The Bonds have been authorized and are issued pursuant to: (i) Title 18A, Chapter 24 of the New Jersey Statutes, as amended and supplemented; (ii) a proposal adopted by the Board on August 21, 2001 and approved by the affirmative vote of a majority of the legal voters present and voting at a special School District election held on September 25, 2001; and (iii) a resolution adopted by the Board on December 18, 2001, which resolution sets forth the terms of the offering and sale of the Bonds.

Proceeds of the Bonds are being issued to construct, renovate and equip additions to the Old Bridge High School East Campus, to convert Old Bridge High School West Campus to a Middle School, to construct additions to, renovate, upgrade and equip all elementary schools, to undertake HVAC upgrades at Salk Middle School and to provide technology systems upgrades to all schools (the "Project"). The \$47,823,000 aggregate cost of the Project will be funded through a combination of the issuance of the Bonds and an approved grant in the amount of \$18,892,084 to be received from the State of New Jersey pursuant to the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72.

Refunding Bond Sale - On September 19, 2006, the School District sold Refunding School Bonds in the sum of \$41,445,000.00. The School District will use the proceeds from the sale to retire previously issued debt resulting in a savings of overall debt service over the life of the Bonds.

7. PENSION PLANS

Description of Plans

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

Teachers' Pension and Annuity Fund (TPAF)

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

Public Employees' Retirement System (PERS)

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

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the system.

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

7. PENSION PLANS (Continued)

Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by 1/2 of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Contribution Requirements

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contribution employers. Plan member and employer contributions may be amended by State of New Jersey legislation. In accordance with the provisions of Chapter 78, P.L. 2011, employee pension contribution rates for TPAF and PERS is currently 6.5% of employees' annual compensation, as defined.

Employee contributions for TPAF and PERS employees will be increased from 6.5% to 7.5% to be phased in equally over a 7 year period beginning July 2012. The contribution rate will increase by 0.14% each year with the first payroll of July until the 7.5% contribution rate is reached in July 2018.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Three-Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Net Cost to District</u>	<u>Percentage of APC Contributed</u>
June 30, 2012	\$ 1,504,726.09	\$ 1,504,726.09	100%
June 30, 2011	1,478,802.91	1,478,802.91	100%
June 30, 2010	1,074,102.04 *	1,074,102.04	100%

*Offset either totally or partially by pension credits.

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

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Post-Retirement Medical Benefits</u>
June 30, 2012	\$ None	100%	\$ 5,723,107.00
June 30, 2011	None	100%	4,086,638.00
June 30, 2010	None	100%	3,904,872.00

7. PENSION PLANS (Continued)

Contribution Requirements (Continued)

During the fiscal year ended June 30, 2012, the State of New Jersey contributed \$5,723,107.00 for post-retirement medical benefits On-Behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$4,461,961.58 during the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements and the individual fund statements and schedules as a revenue and expenditure in accordance with GASB 27.

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

8. POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 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.

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

9. COMPENSATED ABSENCES

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Assets. The current portion of the compensated absences balance of the governmental funds is reported separately on the Statement of Net Assets.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2012, no liability existed for compensated absences in the Proprietary Fund types.

10. DEFERRED COMPENSATION

The District 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 entities listed below, 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. The plan administrators are as follows:

- Thomas Seely
- Variable Annuity Life Insurance Company
- Vision Financial Services
- VTA (American Skandia)
- The Equitable
- Lincoln Investment Planning, Inc.
- Fidelity Investments
- USAA Insurance Company
- Vanguard

11. RISK MANAGEMENT

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

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

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012	\$ 94,800.00	\$ 186,647.53	\$ 848.82	\$ 366,008.42	\$ 88,627.01
2011	400,000.00	232,052.99	2,938.41	658,300.31	172,339.08
2010	-	208,211.81	2,576.98	211,131.05	195,647.99

12. INTERFUND RECEIVABLES AND PAYABLES

The following are reflected as interfund receivables and payables on the various balance sheets at June 30, 2012:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General:		
Due from Agency Trust Fund	\$ 4,402.55	\$
Agency Trust Fund:		
Due to General		4,402.55
	<u>\$ 4,402.55</u>	<u>\$ 4,402.55</u>

13. INVENTORY

Inventory in the Enterprise Fund for regular food and supplies and Food Distribution Program Commodities at June 30, 2012 of \$37,218.93 and \$11,922.42, respectively, is stated at lower of cost or market.

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

14. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$11,886,532.99 General Fund fund balance at June 30, 2012, \$320,914.05 is reserved for encumbrances; \$3,137,410.97 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; \$2,430,249.13 has been reserved in the Capital Reserve Account; \$1,470,038.66 has been reserved in the Maintenance Reserve Account; \$1,750,686.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2012; and \$(955,731.82) is unreserved and undesignated.

Debt Service Fund - Of the \$39,740.82 Debt Service Fund balance at June 30, 2012, \$39,740.82 is unreserved and undesignated.

15. DEFICIT FUND BALANCES

The District has a deficit fund balance of \$955,731.82 in the General Fund as of June 30, 2012 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event that a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of \$955,731.82 [is equal to (or) is less than] the last state aid payment.

16. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18:7F-7, as amended by P.L. 2004, c. 73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance as of June 30, 2012 is \$3,137,410.97.

17. SECONDARY MARKET DISCLOSURE

Solely for purposes of complying with Rule 1602-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the requirements in accordance with Paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the municipality shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof various financial documents relating to the financial conditions of the Municipal Securities Rulemaking Board through the Electronic Municipal Access Data Port (the "MSRB").

18. CONTINGENT LIABILITIES

A. Litigation

The District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Board, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements and would be covered by the District's insurance policy.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. BUDGETARY COMPARISON SCHEDULES

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #1

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>Revenues</u>					
Local Sources:					
Tuition	\$ 25,000.00		\$ 25,000.00	\$ 201,917.87	\$ 176,917.87
Local Tax Levy	86,006,920.00		86,006,920.00	86,006,920.00	
Interest on Capital Reserve Account	3,647.00		3,647.00	12,915.86	9,268.86
Miscellaneous	540,000.00		540,000.00	702,429.27	162,429.27
Total - Local Sources	<u>86,575,567.00</u>		<u>86,575,567.00</u>	<u>86,924,183.00</u>	<u>348,616.00</u>
State Sources:					
Equalization Aid	35,932,018.00		35,932,018.00	36,575,362.00	643,344.00
Special Educational Aid	5,208,803.00		5,208,803.00	5,208,803.00	
Security Aid				716,083.00	716,083.00
Extraordinary Aid	640,743.00		640,743.00	1,199,364.00	558,621.00
Nonpublic Transportation Aid				105,880.12	105,880.12
Nonbudgeted:					
On-Behalf Contributions				5,723,107.00	5,723,107.00
Reimbursed TPAF Social Security Contributions				4,461,961.58	4,461,961.58
Total - State Sources	<u>41,781,564.00</u>		<u>41,781,564.00</u>	<u>53,990,560.70</u>	<u>12,208,996.70</u>
Federal Sources:					
Educational Jobs Aid	1,543,384.00	48,351.00	1,591,735.00	1,591,735.00	
Medicare Reimbursement	80,504.00		80,504.00	177,421.80	96,917.80
Total - Federal Sources	<u>1,623,888.00</u>	<u>48,351.00</u>	<u>1,672,239.00</u>	<u>1,769,156.80</u>	<u>96,917.80</u>
Total Revenues	<u>\$ 129,981,019.00</u>	<u>\$ 48,351.00</u>	<u>\$ 130,029,370.00</u>	<u>\$ 142,683,900.50</u>	<u>\$ 12,654,530.50</u>
<u>Expenditures</u>					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Preschool/Kindergarten	\$ 897,208.00	\$ (95,000.00)	\$ 802,208.00	\$ 798,311.00	\$ 3,897.00
Grades 1 - 5	13,221,786.00	(85,000.00)	13,136,786.00	13,132,994.35	3,791.65
Grades 6 - 8	10,220,123.00	(430,000.00)	9,790,123.00	9,788,934.84	1,188.16
Grades 9 - 12	13,915,877.00	(343,300.00)	13,572,577.00	13,569,201.53	3,375.47
Home Instruction:					
Salaries of Teachers	65,000.00	25,000.00	90,000.00	88,000.00	2,000.00
Purchased Professional - Educational Services	50,000.00		50,000.00	49,646.98	353.02

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #2

	Original Budget	Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	\$ 1,250.00		\$ 1,250.00	\$	\$ 1,250.00
Purchased Professional - Educational Services	24,500.00	(10,000.00)	14,500.00	11,506.60	2,993.40
Other Purchased Services - Travel	8,232.00		8,232.00	6,676.31	1,555.69
General Supplies	1,048,709.00	117,228.50	1,165,937.50	1,153,915.77	12,021.73
Textbooks	392,475.00	60,500.00	452,975.00	452,552.96	422.04
Other Objects - Miscellaneous	40,000.00	4,755.00	44,755.00	42,271.20	2,483.80
Total Regular Programs	39,885,160.00	(755,816.50)	39,129,343.50	39,094,011.54	35,331.96
Special Education:					
Cognitive - Mild:					
Salaries of Teachers	260,481.00		260,481.00	251,688.39	8,792.61
Other Salaries for Instruction	195,353.00		195,353.00	178,093.09	17,259.91
General Supplies	5,000.00		5,000.00	4,475.35	524.65
Total Cognitive - Mild	460,834.00		460,834.00	434,256.83	26,577.17
Learning/Language Disabilities:					
Salaries of Teachers	1,102,517.00	215,024.00	1,317,541.00	1,316,673.46	867.54
Other Salaries for Instruction	778,696.00	107,790.00	886,486.00	880,194.90	6,291.10
General Supplies	17,000.00	1,500.00	18,500.00	18,377.31	122.69
Textbooks	1,000.00		1,000.00	822.67	177.33
Total Learning/Language Disabilities	1,899,213.00	324,314.00	2,223,527.00	2,216,068.34	7,458.66
Visual Impairments:					
Other Salaries for Instruction	21,402.00	500.00	21,902.00	21,815.65	86.35
Behaviorally Disabled:					
Salaries of Teachers	60,023.00	(60,023.00)			
Other Salaries for Instruction	37,791.00	(37,791.00)			
General Supplies	2,500.00	(1,850.00)	650.00	457.52	192.48
Textbooks	500.00	(500.00)			
Total Behaviorally Disabled	100,814.00	(100,164.00)	650.00	457.52	192.48

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #3

	Original Budget	Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Special Education:					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 6,563,627.00	\$ (101,000.00)	\$ 6,462,627.00	\$ 6,462,514.21	\$ 112.79
Other Salaries for Instruction	1,059,771.00	(5,000.00)	1,054,771.00	1,041,507.96	13,263.04
General Supplies	46,400.00	(12,000.00)	34,400.00	25,967.77	8,432.23
Textbooks	4,000.00		4,000.00	3,940.28	59.72
Total Resource Room/Resource Center	<u>7,673,798.00</u>	<u>(118,000.00)</u>	<u>7,555,798.00</u>	<u>7,533,930.22</u>	<u>21,867.78</u>
Preschool Disabilities Part-Time:					
Salaries of Teachers	422,495.00		422,495.00	412,193.79	10,301.21
Other Salaries for Instruction	214,888.00	80,000.00	294,888.00	294,811.72	76.28
Purchased Professional Services - Nurses	6,000.00	(4,500.00)	1,500.00		1,500.00
General Supplies	6,000.00	21,350.00	27,350.00	27,124.81	225.19
Total Preschool Disabilities Part-Time	<u>649,383.00</u>	<u>96,850.00</u>	<u>746,233.00</u>	<u>734,130.32</u>	<u>12,102.68</u>
Preschool Disabilities Full-Time:					
Salaries of Teachers	222,437.00	15,000.00	237,437.00	236,820.36	616.64
Other Salaries for Instruction	187,875.00	800.00	188,675.00	188,671.74	3.26
Purchased Professional Educational Services	500.00		500.00		500.00
General Supplies	5,000.00	1,700.00	6,700.00	6,416.89	283.11
Total Preschool Disabilities Full-Time	<u>415,812.00</u>	<u>17,500.00</u>	<u>433,312.00</u>	<u>431,908.99</u>	<u>1,403.01</u>
Home Instruction:					
Salaries of Teachers	100,000.00	25,000.00	125,000.00	122,820.00	2,180.00
Purchased Professional - Educational Services	50,000.00	(5,700.00)	44,300.00	42,416.38	1,883.62
Total Home Instruction	<u>150,000.00</u>	<u>19,300.00</u>	<u>169,300.00</u>	<u>165,236.38</u>	<u>4,063.62</u>
Total Special Education	<u>11,371,256.00</u>	<u>240,300.00</u>	<u>11,611,556.00</u>	<u>11,537,804.25</u>	<u>73,751.75</u>
Basic Skills/Remedial:					
Salaries of Teachers	2,642,174.00	(230,000.00)	2,412,174.00	2,410,867.45	1,306.55
Other Salaries for Instruction	598,647.00	(67,605.00)	531,042.00	528,680.46	2,361.54
Other Purchased Services	1,860.00		1,860.00	732.49	1,127.51
General Supplies	37,200.00		37,200.00	32,179.96	5,020.04
Textbooks	18,600.00		18,600.00	720.38	17,879.62
Total Basic Skills/Remedial	<u>3,298,481.00</u>	<u>(297,605.00)</u>	<u>3,000,876.00</u>	<u>2,973,180.74</u>	<u>27,695.26</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #4

	Original Budget	Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Bilingual Education:					
Salaries of Teachers	\$ 939,453.00		\$ 939,453.00	\$ 934,008.07	\$ 5,444.93
Other Salaries for Instruction	71,670.00	11,000.00	82,670.00	82,194.49	475.51
Other Purchased Services	930.00		930.00		930.00
General Supplies	12,090.00	(6,000.00)	6,090.00	4,705.53	1,384.47
Textbooks	6,510.00	(3,000.00)	3,510.00	1,844.59	1,665.41
Total Bilingual Education	1,030,653.00	2,000.00	1,032,653.00	1,022,752.68	9,900.32
School Sponsored Cocurricular Activities:					
Salaries	197,517.00		197,517.00	194,564.27	2,952.73
Supplies and Materials	15,430.00	9,000.00	24,430.00	13,206.65	11,223.35
Total School Sponsored Cocurricular Activities	212,947.00	9,000.00	221,947.00	207,770.92	14,176.08
School Sponsored Athletics:					
Salaries	782,782.00	11,000.00	793,782.00	790,481.01	3,300.99
Purchased Services	9,500.00		9,500.00	9,000.00	500.00
Supplies and Materials	107,986.00	(15,640.07)	92,345.93	75,256.15	17,089.78
Transfers to Cover Deficit	78,584.00		78,584.00	78,580.00	4.00
Total School Sponsored Athletics	978,852.00	(4,640.07)	974,211.93	953,317.16	20,894.77
Instructional Alternative Education Program - Instruction					
Salaries of Teachers	205,781.00	(175,000.00)	30,781.00	25,257.56	5,523.44
Purchased Professional - Technical Services	32,219.00	(25,000.00)	7,219.00	4,500.00	2,719.00
General Supplies	12,000.00	(10,000.00)	2,000.00		2,000.00
Total Instructional Alternative Education Program - Instruction	250,000.00	(210,000.00)	40,000.00	29,757.56	10,242.44
Total - Instruction	57,027,349.00	(1,016,761.57)	56,010,587.43	55,818,594.85	191,992.58
Community Service Programs - Operations:					
Salaries	5,474.00		5,474.00	1,803.75	3,670.25
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's Within the State - Regular	96,036.00		96,036.00	72,330.18	23,705.82
Tuition to Other LEA's Within the State - Special	1,892,131.00	(135,000.00)	1,757,131.00	1,492,423.97	264,707.03
Tuition to County Vocational School Districts - Regular	84,491.00		84,491.00	60,800.00	23,691.00
Tuition to Day Training - Regular	38,000.00		38,000.00		38,000.00

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #5

	Original Budget	Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Undistributed Expenditures:					
Instruction:					
Tuition to Private Schools for the Handicapped	\$ 2,603,968.00	\$ (550,000.00)	\$ 2,053,968.00	\$ 1,835,407.62	\$ 218,560.38
Tuition - State Facilities	97,771.00		97,771.00	97,771.00	
Total Instruction	<u>4,812,397.00</u>	<u>(685,000.00)</u>	<u>4,127,397.00</u>	<u>3,558,732.77</u>	<u>568,664.23</u>
Attendance and Social Work Services:					
Salaries	189,416.00		189,416.00	175,086.46	14,329.54
Health Services:					
Salaries	1,255,695.00	116,000.00	1,371,695.00	1,371,537.58	157.42
Purchased Professional - Technical Services	46,863.00	25,000.00	71,863.00	66,451.03	5,411.97
Other Purchased Services	300.00		300.00	129.38	170.62
Supplies and Materials	34,000.00		34,000.00	22,802.00	11,198.00
Total Health Services	<u>1,336,858.00</u>	<u>141,000.00</u>	<u>1,477,858.00</u>	<u>1,460,919.99</u>	<u>16,938.01</u>
Other Support Services Students - Related Services:					
Salaries	981,545.00	47,000.00	1,028,545.00	1,028,326.95	218.05
Purchased Professional - Educational Services	746,000.00	315,000.00	1,061,000.00	1,044,058.25	16,941.75
Total Other Support Services Students - Related Services	<u>1,727,545.00</u>	<u>362,000.00</u>	<u>2,089,545.00</u>	<u>2,072,385.20</u>	<u>17,159.80</u>
Other Support Services Students - Extraordinary Services:					
Salaries	240,137.00	61,000.00	301,137.00	300,739.74	397.26
Other Support Services - Students - Guidance:					
Salaries of Other Professional Staff	2,270,526.00	(40,000.00)	2,230,526.00	2,131,856.62	98,669.38
Salaries of Secretarial and Clerical Assistants	499,083.00		499,083.00	452,784.44	46,298.56
Other Purchased Professional and Technical Services	200,000.00	36,000.00	236,000.00	234,826.14	1,173.86
Total Other Support Services - Students - Guidance	<u>2,969,609.00</u>	<u>(4,000.00)</u>	<u>2,965,609.00</u>	<u>2,819,467.20</u>	<u>146,141.80</u>
Other Support Services - Students - Child Study Teams:					
Salaries of Other Professional Staff	1,904,580.00	(161,000.00)	1,743,580.00	1,741,090.76	2,489.24
Salaries of Secretarial and Clerical Assistants	347,126.00	30,000.00	377,126.00	376,606.93	519.07
Miscellaneous Purchased Services	15,000.00		15,000.00	8,457.25	6,542.75
Supplies and Materials	50,000.00		50,000.00	46,419.46	3,580.54
Total Other Support Services - Students - Child Study Teams	<u>2,316,706.00</u>	<u>(131,000.00)</u>	<u>2,185,706.00</u>	<u>2,172,574.40</u>	<u>13,131.60</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #6

	Original Budget	Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>Expenditures</u>					
Current Expense:					
Undistributed Expenditures:					
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	\$ 1,202,670.00	\$	\$ 1,202,670.00	\$ 1,067,632.95	\$ 135,037.05
Salaries of Other Professional Staff	8,557.00		8,557.00	8,277.12	279.88
Other Purchased Services	4,000.00		4,000.00	1,650.00	2,350.00
Supplies and Materials	8,900.00		8,900.00	8,900.00	
Other Objects - Miscellaneous	2,200.00		2,200.00	835.00	1,365.00
Total Improvement of Instructional Services	<u>1,226,327.00</u>		<u>1,226,327.00</u>	<u>1,087,295.07</u>	<u>139,031.93</u>
Educational Media Services/School Library:					
Salaries	1,050,826.00		1,050,826.00	1,018,585.60	32,240.40
Supplies and Materials	49,213.00	3,300.00	52,513.00	49,478.00	3,035.00
Total Educational Media Services/School Library	<u>1,100,039.00</u>	<u>3,300.00</u>	<u>1,103,339.00</u>	<u>1,068,063.60</u>	<u>35,275.40</u>
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	65,000.00		65,000.00	54,441.83	10,558.17
Purchased Professional - Educational Services	35,500.00	5,000.00	40,500.00	39,384.55	1,115.45
Total Instructional Staff Training Services	<u>100,500.00</u>	<u>5,000.00</u>	<u>105,500.00</u>	<u>93,826.38</u>	<u>11,673.62</u>
Support Services General Administration:					
Salaries	879,362.00		883,612.00	870,345.61	13,266.39
Legal Services	225,000.00	4,250.00	225,000.00	209,103.76	15,896.24
Accountants/Audit Fees	32,000.00	(2,250.00)	29,750.00	29,750.00	
Architectural/Engineering Service	100,000.00	345,500.00	445,500.00	443,686.76	1,813.24
Other Purchased Professional Services	128,551.00	14,820.00	143,371.00	136,540.23	6,830.77
Communications/Telephone	343,260.00	93,176.00	436,436.00	385,226.44	51,209.56
BOE Other Purchased Services	5,000.00	24,000.00	29,000.00	28,140.30	859.70
Miscellaneous Purchased Services	329,191.00	(60,000.00)	269,191.00	265,711.14	3,479.86
General Supplies	125,000.00	24,000.00	149,000.00	128,016.74	20,983.26
Judgments	125,000.00	(79,100.00)	45,900.00	43,085.32	2,814.68
BOE Membership Fees and Dues	30,067.00		30,067.00	26,662.70	3,404.30
Total Support Services General Administration	<u>2,322,431.00</u>	<u>364,396.00</u>	<u>2,686,827.00</u>	<u>2,566,269.00</u>	<u>120,558.00</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #7

	Original Budget	Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Undistributed Expenditures:					
Support Services School Administration:					
Salaries of Principals/Assistant Principals	\$ 3,037,286.00	\$ 200,000.00	\$ 3,237,286.00	\$ 3,234,605.31	\$ 2,680.69
Salaries of Other Professional Staff	264,711.00	40,000.00	304,711.00	301,108.95	3,602.05
Salaries of Secretarial and Clerical Assistants	1,722,487.00		1,722,487.00	1,712,735.95	9,751.05
Other Purchased Services - Travel	42,929.00		42,929.00	42,502.86	426.14
Other Objects	26,360.00	45,000.00	71,360.00	22,805.78	48,554.22
Total Support Services School Administration	<u>5,093,773.00</u>	<u>285,000.00</u>	<u>5,378,773.00</u>	<u>5,313,758.85</u>	<u>65,014.15</u>
Central Services:					
Salaries	873,129.00	(40,000.00)	833,129.00	757,611.91	75,517.09
Miscellaneous Purchased Services - Travel	5,500.00	2,000.00	7,500.00	6,469.19	1,030.81
Supplies and Materials	65,000.00	(2,000.00)	63,000.00	32,803.92	30,196.08
Interest for Lease Purchase Agreements	40,351.00		40,351.00	40,277.29	73.71
Total Central Services	<u>983,980.00</u>	<u>(40,000.00)</u>	<u>943,980.00</u>	<u>837,162.31</u>	<u>106,817.69</u>
Administrative Information Technology:					
Salaries	117,292.00		117,292.00	103,058.62	14,233.38
Purchased Professional Services	271,200.00	4,000.00	275,200.00	263,981.22	11,218.78
Other Purchased Services	3,100.00	1,000.00	4,100.00	3,890.60	209.40
Supplies and Materials	160,919.00	205,000.00	365,919.00	362,074.37	3,844.63
Total Administrative Information Technology	<u>552,511.00</u>	<u>210,000.00</u>	<u>762,511.00</u>	<u>733,004.81</u>	<u>29,506.19</u>
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	4,978,784.00	94,000.00	5,072,784.00	4,876,652.19	196,131.81
Custodial Services:					
Salaries	1,656,244.00	15,000.00	1,671,244.00	1,585,636.79	85,607.21
Rental of Land and Buildings Other than Lease	600,000.00	(17,035.00)	582,965.00	574,829.30	8,135.70
Other Purchased Property Services	446,250.00	10,000.00	456,250.00	448,215.20	8,034.80
Insurance	265,000.00		265,000.00	240,797.00	24,203.00
Miscellaneous Purchased Services	5,625.00		5,625.00	1,299.48	4,325.52
General Supplies	248,000.00		248,000.00	228,721.75	19,278.25
Energy (Electricity)	2,750,000.00		2,750,000.00	2,009,094.38	740,905.62
Salaries of Noninstructional Aides	715,213.00		715,213.00	698,127.03	16,085.97
Energy (Natural Gas)	1,682,000.00	(262,500.00)	1,419,500.00	791,712.83	627,787.17
Total Custodial Services	<u>8,368,332.00</u>	<u>(254,535.00)</u>	<u>8,113,797.00</u>	<u>6,579,433.76</u>	<u>1,534,363.24</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #8

	Original Budget	Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures					
Current Expense:					
Undistributed Expenditures:					
Care and Upkeep of Grounds:					
Salaries	\$ 238,475.00	-	\$ 238,475.00	\$ 216,737.48	\$ 21,737.52
Cleaning, Repair, and Maintenance Services	300,000.00	90,000.00	390,000.00	388,221.83	1,778.17
Total Care and Upkeep of Grounds	<u>538,475.00</u>	<u>90,000.00</u>	<u>628,475.00</u>	<u>604,959.31</u>	<u>23,515.69</u>
Security:					
Salaries	140,592.00	7,500.00	148,092.00	148,087.29	4.71
Total Security	<u>140,592.00</u>	<u>7,500.00</u>	<u>148,092.00</u>	<u>148,087.29</u>	<u>4.71</u>
Total Operation and Maintenance of Plant Services	<u>14,026,183.00</u>	<u>(63,035.00)</u>	<u>13,963,148.00</u>	<u>12,209,132.55</u>	<u>1,754,015.45</u>
Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Noninstructional Aides	346,125.00		346,125.00	266,793.88	79,331.12
Salaries for Pupil Transportation (Between Home and School) - Regular	743,717.00		743,717.00	709,684.13	34,032.87
Salaries for Pupil Transportation (Between Home and School) - Special Education	715,045.00	(210,000.00)	505,045.00	464,835.98	40,209.02
Salaries for Pupil Transportation (Other Than Between Home and School)	651,771.00	50,000.00	701,771.00	688,993.57	11,777.43
Salaries Pupil Transportation (Nonpublic)	200,542.00		200,542.00	149,667.84	50,874.16
Purchased Professional and Technical Services	6,700.00		6,700.00	5,000.00	1,700.00
Cleaning, Repair and Maintenance Services	71,000.00		71,000.00	56,459.72	14,540.28
Contracted Services (Between Home and School) - Vendors	4,182,225.00	(340,000.00)	3,842,225.00	3,787,984.41	54,240.59
Contracted Services (Other Than Between Home and School) - Vendors	100,000.00		100,000.00	59,413.79	40,586.21
Contracted Services (Between Home and School) - Joint Agreements	17,000.00		17,000.00	1,768.00	15,232.00
Contracted Services - Special Education Students	1,512,776.00	290,000.00	1,802,776.00	1,682,370.60	120,405.40
Contracted Services - Special Education Students Joint Agreement	88,000.00		88,000.00	35,203.10	52,796.90
Contracted Services - Aid-in-Lieu - Nonpublic	218,525.00		218,525.00	150,499.55	68,025.45
Miscellaneous Purchased Services - Transportation	60,200.00		60,200.00	55,763.00	4,437.00
Transportation Supplies	296,200.00	60,000.00	356,200.00	353,638.57	2,561.43
Total Student Transportation Services	<u>9,209,826.00</u>	<u>(150,000.00)</u>	<u>9,059,826.00</u>	<u>8,469,076.14</u>	<u>590,749.86</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #9

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>Expenditures</u>					
Current Expense:					
Undistributed Expenditures:					
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 1,682,506.00		\$ 1,682,506.00	\$ 1,477,905.64	\$ 204,600.36
TPAF Contributions - ERIP	3,000.00	10,000.00	13,000.00	12,357.29	642.71
Other Retirement Contributions - Regular	1,585,042.00	(76,000.00)	1,509,042.00	1,504,726.09	4,315.91
Unemployment Benefits	304,800.00	(210,000.00)	94,800.00	94,800.00	
Workers' Compensation Benefits	988,092.00	76,000.00	1,064,092.00	1,043,969.47	20,122.53
Health Benefits	19,120,623.00	(451,649.00)	18,668,974.00	18,383,452.62	285,521.38
Employee Course Reimbursement	220,000.00		220,000.00	187,022.72	32,977.28
Other Employee Benefits	1,156,000.00	840,000.00	1,996,000.00	1,992,573.76	3,426.24
Total Unallocated Benefits - Employee Benefits	<u>25,060,063.00</u>	<u>188,351.00</u>	<u>25,248,414.00</u>	<u>24,696,807.59</u>	<u>551,606.41</u>
Nonbudgeted:					
On-Behalf Contributions				5,723,107.00	(5,723,107.00)
Reimbursed TPAF Social Security Contributions				4,461,961.58	(4,461,961.58)
				<u>10,185,068.58</u>	<u>(10,185,068.58)</u>
Total Undistributed Expenditures	<u>73,273,775.00</u>	<u>547,012.00</u>	<u>73,820,787.00</u>	<u>79,821,174.39</u>	<u>(6,000,387.39)</u>
Total Expenditures - Current Expense	<u>130,301,124.00</u>	<u>(469,749.57)</u>	<u>129,831,374.43</u>	<u>135,639,769.24</u>	<u>(5,808,394.81)</u>
Capital Outlay:					
Interest Deposit to Capital Reserve	<u>3,647.00</u>		<u>3,647.00</u>		<u>3,647.00</u>
Equipment:					
Undistributed Expenditures:					
Support Services - Related and Extraordinary	5,000.00		8,100.00	8,069.08	30.92
Equipment Grades 6-8	6,090.00		6,090.00	6,090.00	
Equipment Grades 9-12	23,069.00		23,069.00	22,920.20	148.80
General Administration	59,400.00		74,900.00	74,409.97	490.03
Administrative Information Technology	110,000.00		515,450.00	488,488.19	26,961.81
Custodial Services	5,000.00	(2,450.00)	2,550.00	2,550.00	
Student Transportation - Regular	86,000.00		86,000.00	85,799.36	200.64
Student Transportation - Special	110,000.00		110,000.00	59,190.50	50,809.50
Maintenance of Vehicles	33,500.00		33,500.00	32,539.00	961.00
Total Equipment	<u>179,400.00</u>	<u>680,259.00</u>	<u>859,659.00</u>	<u>780,056.30</u>	<u>79,602.70</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1
Sheet #10

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>Expenditures</u>					
Facilities Acquisition and Construction Services:					
Construction Services	\$ 160,000.00	\$ (2,706.00)	\$ 157,294.00	\$ 141,348.00	\$ 15,946.00
Land and Improvements	100,000.00	45,081.10	145,081.10	92,400.00	52,681.10
Lease Purchase Agreements - Principal	841,524.00	200,000.00	1,041,524.00	1,040,784.19	739.81
Other Objects	116,047.00		116,047.00	116,047.00	
Total Facilities Acquisition and Construction Services	<u>1,217,571.00</u>	<u>242,375.10</u>	<u>1,459,946.10</u>	<u>1,390,579.19</u>	<u>69,366.91</u>
Total Capital Outlay	1,400,618.00	922,634.10	2,323,252.10	2,170,635.49	152,616.61
Transfer of Funds to Charter Schools	29,963.00	11,559.00	41,522.00	35,917.00	5,605.00
Total Expenditures	<u>131,731,705.00</u>	<u>464,443.53</u>	<u>132,196,148.53</u>	<u>137,846,321.73</u>	<u>(5,650,173.20)</u>
Other Financing Sources (Uses):					
Operating Transfer Out - Capital Projects		(1,700,000.00)	(1,700,000.00)	(1,700,000.00)	
Total Other Financing Sources (Uses)		<u>(1,700,000.00)</u>	<u>(1,700,000.00)</u>	<u>(1,700,000.00)</u>	
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,750,686.00)	(2,116,092.53)	(3,866,778.53)	3,137,578.77	7,004,357.30
Fund Balances, July 1	12,956,412.22		12,956,412.22	12,956,412.22	
Fund Balances, June 30	<u>\$ 11,205,726.22</u>	<u>\$ (2,116,092.53)</u>	<u>\$ 9,089,633.69</u>	<u>\$ 16,093,990.99</u>	<u>\$ 7,004,357.30</u>
<u>Recapitulation of Fund Balance</u>					
Restricted Fund Balance:					
Legally Restricted - Designated for Subsequent Years' Expenditures				\$ 1,359,427.08	
Reserve Excess Surplus Designated for Subsequent Years' Expenditures				4,124,224.92	
Reserve for Excess Surplus				3,137,410.97	
Capital Reserve				2,430,249.13	
Maintenance Reserve				1,470,038.66	
Committed Fund Balance:					
Year Ended Encumbrances				320,914.05	
Unassigned Fund Balance				3,251,726.18	
				<u>16,093,990.99</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				4,207,458.00	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 11,886,532.99</u>	

BOARD OF EDUCATION
OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX
GENERAL FUND
EDUCATION JOBS FUND PROGRAM
BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-1b

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
Federal Sources:			
Education Jobs Fund Program	<u>\$ 1,591,735.00</u>	<u>\$ 1,591,735.00</u>	\$
Total Federal Sources	<u>1,591,735.00</u>	<u>1,591,735.00</u>	<u> </u>
Total Revenues	<u><u>\$ 1,591,735.00</u></u>	<u><u>\$ 1,591,735.00</u></u>	<u><u>\$ -</u></u>
EXPENDITURES:			
Unallocated Benefits - Employee Benefits:			
Health Benefits	<u>\$ 1,591,735.00</u>	<u>\$ 1,591,735.00</u>	\$
Total Unallocated Benefits	<u>1,591,735.00</u>	<u>1,591,735.00</u>	<u> </u>
Total Expenditures	<u><u>1,591,735.00</u></u>	<u><u>1,591,735.00</u></u>	<u><u>\$ -</u></u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<u>Revenues</u>					
State Sources	\$ 566,317.00	\$ 65,687.90	\$ 632,004.90	\$ 481,782.90	\$ 150,222.00
Federal Sources	2,969,580.00	1,781,015.77	4,750,595.77	3,830,953.75	919,642.02
Private Sources	3,535,897.00	58,247.35	58,247.35	37,906.47	20,340.88
		<u>1,904,951.02</u>	<u>5,440,848.02</u>	<u>4,350,643.12</u>	<u>1,090,204.90</u>
<u>Expenditures</u>					
<u>Instruction:</u>					
Salaries of Teachers	582,149.00	500,000.00	1,082,149.00	883,782.69	198,366.31
Purchased Professional - Educational Services	37,899.00	(12,000.00)	25,899.00	25,644.81	254.19
Tuition	2,262,947.00	180,451.02	2,443,398.02	1,891,696.90	551,701.12
General Supplies	29,076.00	250,000.00	279,076.00	149,029.34	130,046.66
Other Objects	61,932.00	5,000.00	5,000.00	4,710.00	290.00
Textbooks	61,932.00	2,500.00	64,432.00	63,877.60	554.40
Total Instruction	<u>2,974,003.00</u>	<u>925,951.02</u>	<u>3,899,954.02</u>	<u>3,018,741.34</u>	<u>881,212.68</u>
<u>Support Services:</u>					
Salaries of Other Professional Staff	147,935.00	300,000.00	447,935.00	394,152.27	53,782.73
Other Salaries	75,991.00		75,991.00	37,014.96	38,976.04
Personal Services - Employee Benefits	91,205.00	150,000.00	241,205.00	202,279.98	38,925.02
Purchased Professional and Technical Services	240,076.00	60,000.00	300,076.00	248,460.61	51,615.39
Other Purchased Services	6,687.00	25,000.00	31,687.00	26,600.21	5,086.79
Tuition		350,000.00	350,000.00	330,444.00	19,556.00
Travel		14,000.00	14,000.00	13,381.64	618.36
Supplies and Materials		70,000.00	70,000.00	69,568.11	431.89
Total Support Services	<u>561,894.00</u>	<u>969,000.00</u>	<u>1,530,894.00</u>	<u>1,321,901.78</u>	<u>208,992.22</u>
<u>Facilities Acquisition and Construction Services:</u>					
Instructional Equipment		10,000.00	10,000.00	10,000.00	
Total Expenditures	<u>3,535,897.00</u>	<u>1,904,951.02</u>	<u>5,440,848.02</u>	<u>4,350,643.12</u>	<u>1,090,204.90</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

C-3

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

		<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/Inflows of Resources:				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 142,683,900.50	[C-2]	\$ 4,350,643.12
Difference - Budget-to-GAAP:				
State aid payment recognized for budgetary purposes, not recognized for GAAP statements - current year.		(4,207,458.00)		
State aid payment not recognized for budgetary purposes, recognized for GAAP statements - prior year.		<u>3,937,690.00</u>		
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>\$ 142,414,132.50</u>	[B-2]	<u>\$ 4,350,643.12</u>
Uses/Outflows of Resources:				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 137,846,321.73	[C-2]	\$ 4,350,643.12
Difference - Budget-to-GAAP:				
Net transfers (outflows) to the enterprise fund				
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	[B-2]	<u>\$ 137,846,321.73</u>	[B-2]	<u>\$ 4,350,643.12</u>

OTHER SUPPLEMENTARY INFORMATION

D. SCHOOL BASED BUDGET SCHEDULES (IF APPLICABLE)

E. SPECIAL REVENUE FUND

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

E-1
Sheet #1

	Nonpublic Textbooks	Nonpublic Nursing	Home Instruction	Public Transportation	Nonpublic Chapter 192 Compensatory Education	Nonpublic ESL	Supplemental Instruction	Nonpublic Chapter 193 Exam and Classification	Annual Review	Corrective Speech
REVENUES:										
State Sources	\$ 61,932.00	\$ 88,461.00	\$ 945.90	\$ 33,543.00	\$ 125,109.00	\$ 25,689.00	\$ 31,568.00	\$ 47,306.00	\$ 11,940.00	\$ 55,289.00
Federal Sources										
Private Sources										
Total Revenues	\$ 61,932.00	\$ 88,461.00	\$ 945.90	\$ 33,543.00	\$ 125,109.00	\$ 25,689.00	\$ 31,568.00	\$ 47,306.00	\$ 11,940.00	\$ 55,289.00
EXPENDITURES:										
Instruction:										
Salaries										
Purchased Professional-Educational Services										
Tuition			945.90							
General Supplies										
Other Objects										
Textbooks	61,932.00									
	<u>61,932.00</u>		<u>945.90</u>							
Support Services:										
Salaries of Other Professional Staff		88,461.00								
Other Salaries										
Personal Services - Employee Benefits										
Purchased Professional and Technical Services										
Other Purchased Services				33,543.00	125,109.00	25,689.00	31,568.00	47,306.00	11,940.00	55,289.00
Tuition										
Travel										
Supplies and Materials										
		<u>88,461.00</u>		<u>33,543.00</u>	<u>125,109.00</u>	<u>25,689.00</u>	<u>31,568.00</u>	<u>47,306.00</u>	<u>11,940.00</u>	<u>55,289.00</u>
Facilities Acquisition and Construction Services:										
Instructional Equipment										
Total Expenditures	\$ 61,932.00	\$ 88,461.00	\$ 945.90	\$ 33,543.00	\$ 125,109.00	\$ 25,689.00	\$ 31,568.00	\$ 47,306.00	\$ 11,940.00	\$ 55,289.00

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

E-1
Sheet #2

	Title I (Chapter 1)		Title IIA		Perkins Grant
	2012 Part A	2011 Part A	FY 2012	Carryover FY 2011	
REVENUES:					
State Sources	\$ 684,069.11	\$ 155,211.52	\$ 230,217.91	\$ 223.60	\$ 57,983.78
Federal Sources					
Private Sources					
Total Revenues	<u>\$ 684,069.11</u>	<u>\$ 155,211.52</u>	<u>\$ 230,217.91</u>	<u>\$ 223.60</u>	<u>\$ 57,983.78</u>
EXPENDITURES:					
Instruction:					
Salaries	\$ 523,409.13	\$ 139,022.71	\$ 146,951.80	\$	\$ 9,456.00
Purchased Professional-Technical Services		16,188.81			
Tuition			10,353.73	223.60	44,624.78
General Supplies	20,955.98				3,710.00
Other Objects					
Textbooks	<u>544,365.11</u>	<u>155,211.52</u>	<u>157,305.53</u>	<u>223.60</u>	<u>57,790.78</u>
Support Services:					
Salaries of Other Professional Staff	42,215.00				
Other Salaries					
Personal Services - Employee Benefits	90,640.00		32,784.00		
Purchased Professional and Technical Services	6,849.00		40,118.38		
Other Purchased Services					193.00
Tuition					
Travel					
Supplies and Materials	<u>139,704.00</u>		<u>72,912.38</u>		<u>193.00</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment					
Total Expenditures	<u>\$ 684,069.11</u>	<u>\$ 155,211.52</u>	<u>\$ 230,217.91</u>	<u>\$ 223.60</u>	<u>\$ 57,983.78</u>

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

E-1
Sheet #3

	IDEA					Title III	
	Regular Program Part B	Preschool Handicapped	ARRA Part B	Carryover Part B	Carryover Preschool Handicapped	FY 2012	Carryover FY 2011
REVENUES:							
State Sources	\$ 2,098,847.81	\$ 62,675.00	\$ 670.85	\$ 35,112.53	\$ 4,071.00	\$ 65,549.48	\$ 4,052.58
Federal Sources							
Private Sources							
Total Revenues	<u>\$ 2,098,847.81</u>	<u>\$ 62,675.00</u>	<u>\$ 670.85</u>	<u>\$ 35,112.53</u>	<u>\$ 4,071.00</u>	<u>\$ 65,549.48</u>	<u>\$ 4,052.58</u>
EXPENDITURES:							
Instruction:							
Salaries	\$	\$	\$	\$	\$	\$ 48,500.00	\$ 219.97
Purchased Professional-Educational Services							
Tuition	1,828,895.00	61,856.00				7,349.48	3,632.61
General Supplies							
Other Objects							
Textbooks							
	<u>1,828,895.00</u>	<u>61,856.00</u>				<u>55,849.48</u>	<u>4,052.58</u>
Support Services:							
Salaries of Other Professional Staff	60,098.00						
Other Salaries	37,014.96						
Personal Services - Employee Benefits	12,020.00					9,700.00	
Purchased Professional and Technical Services		819.00	670.85	35,112.53	4,071.00		
Other Purchased Services	160,819.85						
Tuition							
Travel							
Supplies and Materials	<u>269,952.81</u>	<u>819.00</u>	<u>670.85</u>	<u>35,112.53</u>	<u>4,071.00</u>	<u>9,700.00</u>	
Facilities Acquisition and Construction Services:							
Instructional Equipment							
	<u>\$ 2,098,847.81</u>	<u>\$ 62,675.00</u>	<u>\$ 670.85</u>	<u>\$ 35,112.53</u>	<u>\$ 4,071.00</u>	<u>\$ 65,549.48</u>	<u>\$ 4,052.58</u>
Total Expenditures							

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

E-1
Sheet #4

	University Technology Auto Grant	Special Education PTA Tech Grant	Elementary Counseling Grant	J. Lavine Keats Grant	Italian American Grant	Confucius Chinese Grant
REVENUES:						
State Sources	\$	\$	\$	\$	\$	\$
Federal Sources	10,000.00	1,000.00	366,089.50	1,500.00	1,945.60	9,974.21
Private Sources	<u>\$10,000.00</u>	<u>\$ 1,000.00</u>	<u>\$ 366,089.50</u>	<u>\$ 1,500.00</u>	<u>\$ 1,945.60</u>	<u>\$9,974.21</u>
Total Revenues						
EXPENDITURES:						
Instruction:	\$	\$	\$	\$	\$	\$
Salaries				1,500.00		
Purchased Professional-Educational Services						7,643.19
Tuition						
General Supplies		1,000.00				
Other Objects						
Textbooks		<u>1,000.00</u>		<u>1,500.00</u>	<u>1,945.60</u>	<u>7,643.19</u>
Support Services:						
Salaries of Other Professional Staff			203,378.27			
Other Salaries			57,125.98			
Personal Services - Employee Benefits			26,143.21			264.00
Purchased Professional and Technical Services			11,314.62			2,067.02
Other Purchased Services			<u>68,127.42</u>			<u>2,331.02</u>
Tuition			<u>366,089.50</u>			
Travel						
Supplies and Materials						
Facilities Acquisition and Construction Services:						
Instructional Equipment	10,000.00					
Total Expenditures	<u>\$ 10,000.00</u>	<u>\$ 1,000.00</u>	<u>\$ 366,089.50</u>	<u>\$ 1,500.00</u>	<u>\$ 1,945.60</u>	<u>\$ 9,974.21</u>

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

	O.B. Elementary Character Grant	O.B. Educational Foundation Grant	US Tennis Grant	MSG Varsity Grant	Stem Initiatives Grant	Peer 2 Peer	Totals 2012
REVENUES:							
State Sources	\$ 1,000.00						\$ 481,782.90
Federal Sources		426.20	482.22	1,718.00	8,419.55	1,440.69	3,830,963.75
Private Sources							37,906.47
Total Revenues	<u>\$ 1,000.00</u>	<u>\$ 426.20</u>	<u>\$ 482.22</u>	<u>\$ 1,718.00</u>	<u>\$ 8,419.55</u>	<u>\$ 1,440.69</u>	<u>\$ 4,350,643.12</u>
EXPENDITURES:							
Instruction:							
Salaries	\$	\$	\$		\$	\$	\$ 883,782.69
Purchased Professional-Educational Services							25,644.81
Tuition		426.20	482.22	1,718.00	8,419.55		1,891,696.90
General Supplies	1,000.00						149,029.34
Other Objects							4,710.00
Textbooks	<u>1,000.00</u>	<u>426.20</u>	<u>482.22</u>	<u>1,718.00</u>	<u>8,419.55</u>		<u>63,877.60</u>
Total Instruction							<u>3,018,741.34</u>
Support Services:							
Salaries of Other Professional Staff							394,152.27
Other Salaries							37,014.96
Personal Services - Employee Benefits							202,279.98
Purchased Professional and Technical Services							248,460.61
Other Purchased Services							26,600.21
Tuition							330,444.00
Travel						1,440.69	13,381.64
Supplies and Materials						1,440.69	69,568.11
Total Support Services							<u>1,321,901.78</u>
Facilities Acquisition and Construction Services:							
Instructional Equipment	<u>1,000.00</u>	<u>426.20</u>	<u>482.22</u>	<u>1,718.00</u>	<u>8,419.55</u>	<u>1,440.69</u>	<u>10,000.00</u>
Total Expenditures	<u>\$ 1,000.00</u>	<u>\$ 426.20</u>	<u>\$ 482.22</u>	<u>\$ 1,718.00</u>	<u>\$ 8,419.55</u>	<u>\$ 1,440.69</u>	<u>\$ 4,340,643.12</u>

F. CAPITAL PROJECTS FUND

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

E-1

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	Expenditures to Date		Unexpended Appropriation June 30, 2012
			Prior Years	Current Year	
Interlocal Agreement - Old Bridge Township	July 17, 2006	\$ 4,000,000.00	\$ 2,861,981.07	\$	\$ 1,138,018.93
Lease Purchase Agreement	May 26, 2009	2,062,000.00	1,890,259.54		171,740.46
Clock System Project	September 30, 2009	73,094.11	68,036.89		5,057.22
Old Bridge High School Floor Replacement	September 30, 2009	136,050.00	1,174.90		134,875.10
Intercom and Telecommunication System Project	September 30, 2009	209,024.56	180,569.25		28,455.31
Construction of Concession Stand	December 30, 2011	1,700,000.00		1,097,911.69	602,088.31
			\$ 5,002,021.65	\$ 1,097,911.69	\$ 2,080,235.33

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

F-2

Expenditures and Other Financing Uses:

Expenditures:	
Construction Services	<u>\$ 1,097,911.69</u>
Total Expenditures	<u>1,097,911.69</u>
Other Financing Sources:	
Transfer In	<u>1,700,000.00</u>
Total Other Financing Sources	<u>1,700,000.00</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	602,088.31
Fund Balance - Beginning	<u>1,478,147.02</u>
Fund Balance - Ending	<u><u>\$ 2,080,235.33</u></u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 CONSTRUCTION OF CONCESSION STAND
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2a

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Capital Reserve Fund		\$ 1,700,000.00	\$1,700,000.00	\$1,700,000.00
Total Revenues		<u>1,700,000.00</u>	<u>1,700,000.00</u>	<u>1,700,000.00</u>
Expenditures and Other Financing Uses:				
Construction Services		1,097,911.69	1,097,911.69	1,700,000.00
Total Expenditures		<u>1,097,911.69</u>	<u>1,097,911.69</u>	<u>1,700,000.00</u>
Excess of Revenues Over Expenditures		<u>\$ 602,088.31</u>	<u>\$ 602,088.31</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Date	December 28, 2011
Bond Authorization Date	NA
Bonds Authorized	NA
Bonds Issued	NA
Original Authorized Cost	\$ 1,700,000.00
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 1,700,000.00
Percentage Increase/(Decrease) Over Original Authorized Cost	
Original Target Completion Date	September 2012
Revised Target Completion Date	N/A

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 INTERLOCAL SERVICE AGREEMENT - ELEMENTARY SCHOOLS SECURITY UPGRADE
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2b

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Interlocal Agreement - Old Bridge Township	\$ 691,630.64	\$	\$ 691,630.64	\$ 691,630.64
Total Revenues	<u>691,630.64</u>		<u>691,630.64</u>	<u>691,630.64</u>
Expenditures and Other Financing Uses:				
Undistributed Salaries	215,000.00		215,000.00	215,000.00
Purchased Professional and Technical Services	251,217.93		251,217.93	251,217.93
Construction Services	101,550.00		101,550.00	118,672.71
Supplies and Materials	55,027.00		55,027.00	55,027.00
Equipment Purchases	51,713.00		51,713.00	51,713.00
Total Expenditures	<u>674,507.93</u>		<u>674,507.93</u>	<u>691,630.64</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 17,122.71</u>	<u>\$ -</u>	<u>\$ 17,122.71</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	335			
Date	July 17, 2006			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 467,837.00			
Additional Authorized Cost	\$ 223,793.64			
Revised Authorized Cost	\$ 691,630.64			
Percentage Increase/(Decrease) Over Original Authorized Cost	47.84%			
Original Target Completion Date	N/A			
Revised Target Completion Date	N/A			

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 INTERLOCAL SERVICE AGREEMENT - VARIOUS IMPROVEMENTS TO OLD BRIDGE HIGH SCHOOL
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2c

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Interlocal Agreement - Old Bridge Township	\$ 867,934.81	\$	\$ 867,934.81	\$ 867,934.81
Total Revenues	<u>867,934.81</u>		<u>867,934.81</u>	<u>867,934.81</u>
Expenditures and Other Financing Uses:				
Construction Services	<u>804,202.81</u>		<u>804,202.81</u>	<u>867,934.81</u>
Total Expenditures	<u>804,202.81</u>		<u>804,202.81</u>	<u>867,934.81</u>
Excess of Revenues Over Expenditures	<u>\$ 63,732.00</u>	<u>\$ -</u>	<u>\$ 63,732.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	335
Date	July 17, 2006
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$1,050,000.00
Additional Authorized Cost	\$ (182,065.19)
Revised Authorized Cost	\$ 867,934.81
Percentage Increase/(Decrease) Over Original Authorized Cost	-17.34%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 INTERLOCAL SERVICE AGREEMENT - IMPROVEMENTS TO SALK MIDDLE SCHOOL
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2d

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Interlocal Agreement - Old Bridge Township	<u>\$1,626,780.73</u>	\$	<u>\$ 1,626,780.73</u>	<u>\$ 1,626,780.73</u>
Total Revenues	<u>1,626,780.73</u>		<u>1,626,780.73</u>	<u>1,626,780.73</u>
Expenditures and Other Financing Uses:				
Construction Services	84,900.00		84,900.00	84,900.00
Equipment Purchases	<u>537,716.51</u>		<u>537,716.51</u>	<u>1,541,880.73</u>
Total Expenditures	<u>622,616.51</u>		<u>622,616.51</u>	<u>1,626,780.73</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>\$1,004,164.22</u>	<u>\$ -</u>	<u>\$ 1,004,164.22</u>	<u>\$ -</u>

Additional Project Information:

Project Number	335
Date	July 17, 2006
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$1,437,163.00
Additional Authorized Cost	\$ 189,617.73
Revised Authorized Cost	\$1,626,780.73
Percentage Increase/(Decrease) Over Original Authorized Cost	13.19%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 INTERLOCAL SERVICE AGREEMENT - HANDICAPPED ACCESSIBILITY IMPROVEMENTS
 IN THE BATHROOMS AT SCHIRRA SCHOOL
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2e

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Interlocal Agreement - Old Bridge Township	\$ 110,315.00	\$	\$110,315.00	\$110,315.00
Total Revenues	110,315.00		110,315.00	110,315.00
Expenditures and Other Financing Uses:				
Construction Services	57,315.00		57,315.00	110,315.00
Total Expenditures	57,315.00		57,315.00	110,315.00
Excess of Revenues Over Expenditures	\$ 53,000.00	\$ -	\$ 53,000.00	\$ -
 Additional Project Information:				
Project Number	335			
Date	July 17, 2006			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 60,000.00			
Additional Authorized Cost	\$ 50,315.00			
Revised Authorized Cost	\$ 110,315.00			
Percentage Increase/(Decrease) Over Original Authorized Cost	83.86%			
Original Target Completion Date	N/A			
Revised Target Completion Date	N/A			

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 LEASE PURCHASE AGREEMENT - BOILER UPGRADES
 AT CHEESEQUAKE AND MEMORIAL ELEMENTARY SCHOOLS
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2f

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Lease Purchase Agreement	\$ 2,062,000.00	\$	\$ 2,062,000.00	\$ 2,062,000.00
Total Revenues	<u>2,062,000.00</u>		<u>2,062,000.00</u>	<u>2,062,000.00</u>
Expenditures and Other Financing Uses:				
Undistributed Salaries	27,338.54		27,338.54	29,994.46
Construction Services	<u>1,862,921.00</u>		<u>1,862,921.00</u>	<u>2,032,005.54</u>
Total Expenditures	<u>1,890,259.54</u>		<u>1,890,259.54</u>	<u>2,062,000.00</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	<u>\$ 171,740.46</u>	<u>\$ -</u>	<u>\$ 171,740.46</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Date	May 26, 2009			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 2,062,000.00			
Additional Authorized Cost	\$			
Revised Authorized Cost	\$ 2,062,000.00			
Percentage Increase/(Decrease) Over				
Original Authorized Cost	N/A			
Original Target Completion Date	N/A			
Revised Target Completion Date	N/A			

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 OBHS CLOCK SYSTEM REPLACEMENT
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2g

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
SDA Grants	\$ 29,238.00	\$	\$ 29,238.00	\$ 29,238.00
Total Revenues	<u>29,238.00</u>		<u>29,238.00</u>	<u>29,238.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	15,416.89		15,416.89	18,385.00
Construction Services	<u>52,620.00</u>		<u>52,620.00</u>	<u>54,709.11</u>
Total Expenditures	<u>68,036.89</u>		<u>68,036.89</u>	<u>73,094.11</u>
Other Financing Sources:				
Transfer In	<u>43,856.11</u>		<u>43,856.11</u>	<u>43,856.11</u>
Total Other Financing Sources	<u>43,856.11</u>		<u>43,856.11</u>	<u>43,856.11</u>
Excess of Revenues Over Expenditures	<u>\$ 5,057.22</u>	<u>\$ -</u>	<u>\$ 5,057.22</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	G5-3534			
Date	September 30, 2009			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 73,094.11			
Additional Authorized Cost	\$			
Revised Authorized Cost	\$ 73,094.11			
Percentage Increase/(Decrease) Over Original Authorized Cost	N/A			
Original Target Completion Date	N/A			
Revised Target Completion Date	N/A			

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 OBHS - FLOOR REPLACEMENT PROJECT
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2h

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
SDA Grants	\$ 54,420.00	\$	\$ 54,420.00	\$ 54,420.00
Total Revenues	<u>54,420.00</u>		<u>54,420.00</u>	<u>54,420.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	1,174.90		1,174.90	5,000.00
Construction Services				131,050.00
Total Expenditures	<u>1,174.90</u>		<u>1,174.90</u>	<u>136,050.00</u>
Other Financing Sources:				
Transfer In	<u>81,630.00</u>		<u>81,630.00</u>	<u>81,630.00</u>
Total Other Financing Sources	<u>81,630.00</u>		<u>81,630.00</u>	<u>81,630.00</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	<u>\$ 134,875.10</u>	<u>\$ -</u>	<u>\$134,875.10</u>	<u>\$ -</u>

Additional Project Information:

Project Number	G5-3535
Date	September 30, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 136,050.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 136,050.00
Percentage Increase/(Decrease) Over	
Original Authorized Cost	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGETARY BASIS
 SANDBURG INTERCOM SYSTEM PROJECT
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

F-2i

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
SDA Grants	\$ 82,800.00	\$	\$ 82,800.00	\$ 82,800.00
Total Revenues	<u>82,800.00</u>		<u>82,800.00</u>	<u>82,800.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	4,298.67		4,298.67	4,298.67
Construction Services	<u>176,270.58</u>		<u>176,270.58</u>	<u>204,725.89</u>
Total Expenditures	<u>180,569.25</u>		<u>180,569.25</u>	<u>209,024.56</u>
Other Financing Sources:				
Transfer In	<u>126,224.56</u>		<u>126,224.56</u>	<u>126,224.56</u>
Total Other Financing Sources	<u>126,224.56</u>		<u>126,224.56</u>	<u>126,224.56</u>
Excess of Revenues Over Expenditures	<u>\$ 28,455.31</u>	<u>\$ -</u>	<u>\$ 28,455.31</u>	<u>\$ -</u>

Additional Project Information:

Project Number	G5-3558
Date	September 30, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$209,024.56
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$209,024.56
Percentage Increase/(Decrease) Over	
Original Authorized Cost	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

G. PROPRIETARY FUNDS

ENTERPRISE FUND

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2012

G-1

	Business-Type Activities Enterprise Funds		<u>Totals</u>
	<u>Food Service</u>	<u>Community School</u>	
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ (43,865.66)	\$	\$ (43,865.66)
Accounts Receivable:			
State Sources	5,589.75		5,589.75
Federal Sources	161,248.08		161,248.08
Other Sources	151,296.76		151,296.76
Inventories:			
Regular	37,218.93		37,218.93
Food Distribution Program Commodities	11,922.42		11,922.42
Total Current Assets	323,410.28		323,410.28
Noncurrent Assets:			
Furniture, Machinery and Equipment	403,296.80		403,296.80
Less: Accumulated Depreciation	(317,554.98)		(317,554.98)
Total Noncurrent Assets	85,741.82		85,741.82
Total Assets	\$ 409,152.10	\$ -	\$ 409,152.10
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	\$ 236,091.62	\$ -	\$ 236,091.62
<u>NET ASSETS</u>			
Invested in Capital Assets, Net of Related Debt	\$ 85,741.82	\$	\$ 85,741.82
Unrestricted	87,318.66		87,318.66
Total Net Assets	\$ 173,060.48	\$ -	\$ 173,060.48

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

G-2

	Business-Type Activities Enterprise Funds		
	Food Service	Community School	Total Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales	\$ 1,663,048.78	\$	\$ 1,663,048.78
Special Functions	217,015.44		217,015.44
Total Operating Revenues	1,880,064.22		1,880,064.22
Operating Expenses:			
Cost of Sales	1,150,042.95		1,150,042.95
Salaries	1,112,677.79		1,112,677.79
Payroll Taxes	252,924.13		252,924.13
Purchased Professional and Technical Services	271,837.58		271,837.58
Management Fee	160,333.96		160,333.96
Supplies and Materials	158,351.38		158,351.38
Miscellaneous		53,304.87	53,304.87
Depreciation	14,468.46		14,468.46
Total Operating Expenses	3,120,636.25	53,304.87	3,173,941.12
Operating Loss	(1,240,572.03)	(53,304.87)	(1,293,876.90)
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	30,696.91		30,696.91
Federal Sources:			
National School Lunch Program	856,524.63		856,524.63
Food Distribution Program	220,777.08		220,777.08
Food Service Company Contribution	144,264.77		144,264.77
Interest Revenue	551.16		551.16
Total Nonoperating Revenues	1,252,814.55		1,252,814.55
Income (Loss) before Operating Transfers	12,242.52	(53,304.87)	(41,062.35)
Capital Contributions	10,533.25		10,533.25
Change in Net Assets	22,775.77	(53,304.87)	(30,529.10)
Total Net Assets - Beginning	150,284.71	53,304.87	203,589.58
Total Net Assets - Ending	\$ 173,060.48	\$ -	\$ 173,060.48

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

G-3

	Business-Type Activities Enterprise Funds		
	<u>Food Service</u>	<u>Community School</u>	<u>Total Enterprise</u>
<u>Cash Flows from Operating Activities</u>			
Receipts from Customers	\$ 1,656,816.52	\$	\$ 1,656,816.52
Payments to Suppliers	<u>(3,207,050.27)</u>	<u>(53,304.87)</u>	<u>(3,260,355.14)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(1,550,233.75)</u>	<u>(53,304.87)</u>	<u>(1,603,538.62)</u>
<u>Cash Flows from Noncapital Financing Activities</u>			
State Sources	27,762.35		27,762.35
Federal Sources	759,908.45		759,908.45
Other Sources	<u>243,815.51</u>		<u>243,815.51</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,031,486.31</u>		<u>1,031,486.31</u>
<u>Cash Flows from Investing Activities</u>			
Interest	<u>551.16</u>		<u>551.16</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(518,196.28)	(53,304.87)	(571,501.15)
Balances - Beginning of Year	<u>474,330.62</u>	<u>53,304.87</u>	<u>527,635.49</u>
Balances - End of Year	<u>\$ (43,865.66)</u>	<u>\$ -</u>	<u>\$ (43,865.66)</u>
Reconciliation of Operating Loss to Net Cash (Used) by Operating Activities:			
Operating Loss	<u>\$ (1,240,572.03)</u>	<u>\$ (53,304.87)</u>	<u>\$ (1,293,876.90)</u>
Adjustments to Reconcile Operating Loss to Cash Provided (Used) by Operating Activities:			
Depreciation	14,468.46		14,468.46
Federal Commodities	220,777.08		220,777.08
Change in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	(223,247.70)		(223,247.70)
(Increase)/Decrease in Inventory	(11,760.35)		(11,760.35)
Increase/(Decrease) in Accounts Payable	<u>(309,899.21)</u>		<u>(309,899.21)</u>
Total Adjustments	<u>(309,661.72)</u>		<u>(309,661.72)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,550,233.75)</u>	<u>\$ (53,304.87)</u>	<u>\$ (1,603,538.62)</u>

INTERNAL SERVICE FUND

H. FIDUCIARY FUNDS

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2012

H-1

	Unemployment Compensation Trust	Agency Fund
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 88,627.01	\$ 1,089,040.05
<u>LIABILITIES</u>		
Payable to Student Groups		\$ 509,545.23
Payroll Deductions and Withholdings		575,092.27
Interfunds Payable		4,402.55
Total Liabilities		\$ 1,089,040.05
<u>NET ASSETS</u>		
Held in Trust for Unemployment Claims and Other Purposes	\$ 88,627.01	

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

H-2

	<u>Unemployment Compensation Trust Fund</u>
<u>Additions</u>	
P/R Deductions	\$ 186,647.53
Board Contribution	94,800.00
Investment Earnings:	
Interest	<u>848.82</u>
Total Additions	<u>282,296.35</u>
 <u>Deductions</u>	
Quarterly Contribution Reports	71,291.27
Unemployment Claims	<u>294,717.15</u>
Total Deductions	<u>366,008.42</u>
Change in Net Assets	(83,712.07)
Total Net Assets - Beginning	<u>172,339.08</u>
Total Net Assets - Ending	<u><u>\$ 88,627.01</u></u>

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

H-3

	<u>Balance</u> <u>July 1, 2011</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2012</u>
Elementary Schools:				
Cheesequake	\$ 2,908.92	\$ 539.34	\$ 550.00	\$ 2,898.26
Cooper	238.28	211.13		449.41
Glenn	90.29			90.29
Grissom	14.63			14.63
Madison Park	132.54			132.54
McDivitt	13.93			13.93
Memorial	9,082.09	609.60	600.00	9,091.69
Schirra	440.56			440.56
Shepard	448.70	1,016.55		1,465.25
Southwood	142.58			142.58
General	144.30	83.11		227.41
Interest	26,240.08	11.81		26,251.89
Elementary Enrichment	296.87			296.87
Project Graduation	6,848.18	24,146.72	25,790.99	5,203.91
Total Elementary Schools	<u>47,041.95</u>	<u>26,618.26</u>	<u>26,940.99</u>	<u>46,719.22</u>
Junior High Schools:				
Jonas Salk	57,952.83	145,500.06	166,883.52	36,569.37
Jonas Salk Athletic Fund	1,809.74	3,296.00	3,852.00	1,253.74
Carl Sandburg	69,822.85	129,593.87	141,688.60	57,728.12
Carl Sandburg Athletic Fund	3,192.50	3,290.00	3,829.00	2,653.50
Total Junior High Schools	<u>132,777.92</u>	<u>281,679.93</u>	<u>316,253.12</u>	<u>98,204.73</u>
Senior High Schools:				
Athletic Fund	31,610.26	105,436.40	129,678.52	7,368.14
Old Bridge - West	231,663.47	1,063,444.64	1,048,674.34	246,433.77
Old Bridge - East	150,488.06	9,677.35	49,346.04	110,819.37
Total Senior High Schools	<u>413,761.79</u>	<u>1,178,558.39</u>	<u>1,227,698.90</u>	<u>364,621.28</u>
Total All Schools	<u>\$593,581.66</u>	<u>\$1,486,856.58</u>	<u>\$1,570,893.01</u>	<u>\$ 509,545.23</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 PAYROLL AGENCY FUND
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

H-4

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	<u>\$ 505,066.87</u>	<u>\$ 87,973,262.64</u>	<u>\$ 87,898,834.69</u>	<u>\$ 579,494.82</u>
<u>LIABILITIES</u>				
Liabilities:				
Payroll Deductions and Withholdings	\$ 496,892.47	\$ 87,971,926.26	\$ 87,893,726.46	\$ 575,092.27
Due to General Fund	<u>8,174.40</u>	<u>1,336.38</u>	<u>5,108.23</u>	<u>4,402.55</u>
Total Liabilities	<u>\$ 505,066.87</u>	<u>\$ 87,973,262.64</u>	<u>\$ 87,898,834.69</u>	<u>\$ 579,494.82</u>

I. LONG-TERM DEBT

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF SERIAL BONDS
 LONG-TERM DEBT
 JUNE 30, 2012

1-1

Date of Issue	Amount of Issue	Annual Maturities	Interest Rate	Balance June 30, 2011	Retired/ Refunded	Balance June 30, 2012		
Issue	\$	Date	Amount	\$	\$	\$		
Construct, Renovate and Equip Additions to the Old Bridge High School East Campus, to Convert Old Bridge High School West Campus to a Middle School, to Construct Additions to, Renovate, Upgrade and Equip All Elementary Schools, to Undertake HVAC Upgrades at Salk Middle School and to Provide Technology Systems Upgrades to All Schools	47,823,000.00	1/15/2002	\$	1,050,000.00	\$ 1,050,000.00	\$		
Refunding 2006 Bonds	41,445,000.00	1/15/2007	\$	1,170,000.00 1,230,000.00 1,295,000.00 1,370,000.00 1,445,000.00 1,525,000.00 1,600,000.00 1,685,000.00 1,760,000.00 1,840,000.00 1,915,000.00 1,995,000.00 2,085,000.00 2,175,000.00 2,270,000.00 2,375,000.00 2,480,000.00 2,590,000.00 2,705,000.00 2,820,000.00 2,925,000.00	4.00% 5.00% 5.00% 5.00% 5.00% 5.00% 4.50% 4.625% 4.00% 4.00% 4.00% 4.00% 4.125% 4.125% 4.25% 4.375% 4.375% 4.375% 4.375% 4.375% 4.375%	41,320,000.00	65,000.00	41,255,000.00
				<u>41,320,000.00</u>	<u>65,000.00</u>	<u>41,255,000.00</u>		
				<u>\$42,370,000.00</u>	<u>\$ 1,115,000.00</u>	<u>\$ 41,255,000.00</u>		

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

I-3

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 2,947,969.00	\$	\$ 2,947,969.00	\$ 2,947,969.00	\$
Total Revenues	<u>2,947,969.00</u>		<u>2,947,969.00</u>	<u>2,947,969.00</u>	
<u>Expenditures</u>					
Regular Debt Service:					
Redemption of Principal	1,115,000.00		1,115,000.00	1,115,000.00	
Interest Payment	1,832,969.00		1,832,969.00	1,832,968.78	<u>0.22</u>
	<u>2,947,969.00</u>		<u>2,947,969.00</u>	<u>2,947,968.78</u>	<u>0.22</u>
Excess(Deficiency) of Revenues and Other Financial Sources Over/(Under) Expenditures				0.22	0.22
Fund Balance, July 1	<u>39,740.60</u>		<u>39,740.60</u>	<u>39,740.60</u>	<u>39,740.60</u>
Fund Balance, June 30	<u>\$ 39,740.60</u>	<u>\$ -</u>	<u>\$ 39,740.60</u>	<u>\$ 39,740.82</u>	<u>\$ 39,740.82</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT
 LONG-TERM DEBT
 JUNE 30, 2012

I-4

<u>Purpose</u>	<u>Interest Rate</u>	<u>Balance June 30, 2011</u>	<u>Retired</u>	<u>Balance June 30, 2012</u>
Lease Purchase Agreement - Boiler Upgrades at Cheesequake and Memorial Elementary Schools	3.47%	<u>\$ 872,208.67</u>	<u>\$ 280,784.19</u>	<u>\$ 591,424.48</u>

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF OBLIGATIONS UNDER INTERLOCAL AGREEMENT
 LONG-TERM DEBT
 JUNE 30, 2012

I-5

<u>Purpose</u>	<u>Interest Rate</u>	<u>Balance June 30, 2011</u>	<u>Decreased</u>	<u>Balance June 30, 2012</u>
Interlocal Agreement Between the Old Bridge Board of Education and the Township of Old Bridge for Various Shared Services and Interlocal Agreements.	*	<u>\$ 1,760,000.00</u>	<u>\$ 560,000.00</u>	<u>\$ 1,200,000.00</u>

*Interest is determined on a year to year basis.

STATISTICAL SECTION (UNAUDITED)

INTRODUCTION TO THE STATISTICAL SECTION

FINANCIAL TRENDS

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
Unaudited

J-1

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities:										
Invested in Capital Assets, Net of										
Related Debt	\$ 42,157,333	\$ 37,754,392	\$ 53,458,218	\$ 59,790,130	\$ 58,062,805	\$ 60,466,826	\$ 61,294,520	\$ 59,015,122	\$ 97,553,404	\$ 95,478,801
Restricted	2,319,191	10,411,835	3,855,106	2,326,294	5,369,510	8,179,398	10,427,417	8,406,534	10,842,595	14,962,241
Unrestricted	(8,209,359)	(8,316,222)	(9,590,037)	(10,614,781)	(7,887,039)	(7,972,236)	(9,480,469)	(783,437)	(7,699,776)	(7,481,561)
Total Governmental Activities Net Assets	\$ 36,267,165	\$ 39,850,005	\$ 47,723,287	\$ 51,501,643	\$ 55,545,276	\$ 60,673,987	\$ 62,241,469	\$ 66,638,219	\$ 100,696,223	\$ 102,959,481
Business-Type Activities:										
Invested in Capital Assets, Net of										
Related Debt	\$ 56,549	\$ 54,809	\$ 52,692	\$ 47,211	\$ 42,792	\$ 36,764	\$ 37,185	\$ 88,147	\$ 89,677	\$ 85,742
Unrestricted	75,963	75,726	78,958	72,911	68,575	71,867	60,209	58,056	113,913	87,319
Total Business-Type Activities Net Assets	\$ 132,512	\$ 130,535	\$ 131,650	\$ 120,122	\$ 111,367	\$ 108,631	\$ 97,394	\$ 146,203	\$ 203,590	\$ 173,060
District-Wide:										
Invested in Capital Assets, Net of										
Related Debt	\$ 42,157,333	\$ 37,754,392	\$ 53,458,218	\$ 59,790,130	\$ 58,105,597	\$ 60,503,590	\$ 61,331,705	\$ 59,103,269	\$ 97,643,081	\$ 95,564,542
Restricted	2,319,191	10,411,835	3,855,106	2,326,294	5,369,510	8,179,397	13,427,417	8,406,534	10,842,595	14,962,241
Unrestricted	(8,076,847)	(8,185,687)	(9,458,387)	(10,494,659)	(7,818,464)	(7,900,369)	(9,420,260)	(725,381)	(7,585,864)	(7,394,242)
Total District-Wide Net Assets	\$ 36,399,677	\$ 39,980,540	\$ 47,854,937	\$ 51,621,765	\$ 55,656,643	\$ 60,782,618	\$ 65,338,863	\$ 66,784,422	\$ 100,899,812	\$ 103,132,541

Source: School District Financial Reports.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
Unaudited

J-2

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental Activities:										
Instruction:										
Regular	\$ 45,107,838	\$ 47,049,500	\$ 49,502,681	\$ 51,036,285	\$ 54,230,248	\$ 54,293,155	\$ 54,208,236	\$ 56,791,690	\$ 57,347,509	\$ 58,345,604
Special Education	7,506,194	8,766,431	9,562,970	10,169,119	11,788,278	12,059,955	12,925,309	13,827,108	15,449,963	15,985,185
Other Special Education	3,572,300	3,741,293	3,745,248	3,837,619	4,645,995	4,507,116	5,163,054	5,797,947	6,035,749	5,536,212
Other Instruction	1,395,093	1,486,241	1,584,848	1,610,288	1,744,590	1,745,260	1,750,968	1,807,658	1,726,948	1,649,871
Community Service Programs			3,979	4,419	4,188	4,244	6,439	6,702	6,940	2,499
Support Services:										
Tuition	8,300,438	5,324,749	5,646,151	6,619,545	7,786,651	6,742,207	8,554,588	5,209,497	6,760,682	5,388,305
Student and Instruction Related Services	12,993,501	13,977,803	12,837,181	13,481,421	15,685,627	15,206,386	15,333,654	18,869,548	17,226,198	16,940,914
School Administrative Services	3,698,069	5,847,467	9,016,536	6,312,862	6,580,170	9,535,782	9,649,603	9,802,092	10,618,290	10,917,476
General Administration	5,164,360	4,341,145	2,348,361	4,490,561	4,453,688	2,054,197	2,114,911	2,061,388	2,101,256	2,175,406
Plant Operations and Maintenance	12,353,237	13,851,991	14,885,644	17,358,986	18,879,250	18,829,016	19,159,345	17,464,338	17,109,257	16,915,265
Pupil Transportation	11,409,779	12,239,548	11,977,813	12,484,897	11,688,024	11,232,488	11,235,216	11,480,509	11,735,762	11,733,560
Special Schools	857,662	888,988	910,551	984,504	952,110	983,914	979,623	950,126	109,393	49,762
Interest on Long-Term Debt	2,292,015	2,357,113	2,220,334	2,459,198	1,829,961	2,086,998	2,006,330	1,917,686	1,860,838	1,809,388
	<u>112,551,514</u>	<u>119,492,247</u>	<u>124,242,396</u>	<u>130,849,713</u>	<u>140,226,778</u>	<u>139,240,697</u>	<u>141,096,995</u>	<u>143,986,289</u>	<u>148,108,784</u>	<u>147,448,467</u>
Business-Type Activities:										
Food Service	2,482,105	2,584,279	2,780,132	2,750,327	2,722,955	2,786,932	2,878,371	2,958,361	2,963,509	3,120,636
Community School	50,027	51,835	38,880	30,638	28,894	42,265	25,235	25,235	4,751	53,305
	<u>2,532,132</u>	<u>2,636,114</u>	<u>2,789,192</u>	<u>2,780,963</u>	<u>2,751,849</u>	<u>2,829,197</u>	<u>2,903,607</u>	<u>2,970,417</u>	<u>2,968,260</u>	<u>3,173,941</u>
Total District Expenses	\$ 115,183,646	\$ 122,128,361	\$ 127,041,588	\$ 133,630,676	\$ 142,980,627	\$ 142,089,893	\$ 143,990,601	\$ 146,956,706	\$ 151,077,044	\$ 150,623,426
Program Revenues										
Governmental Activities:										
Charge for Services - Instruction	\$ 86,300	\$ 112,373	\$ 133,041	\$ 13,789,431	\$ 13,545,707	\$ 13,813,335	\$ 8,096,619	\$ 8,379,189	\$ 8,488,690	\$ 10,185,069
Operating Grants and Contributions	4,094,394	4,083,469	12,642,589	13,789,431	13,545,707	13,813,335	8,096,619	8,379,189	8,488,690	10,185,069
Total Governmental Activities Program Revenue	<u>4,180,694</u>	<u>4,195,842</u>	<u>12,775,630</u>	<u>13,789,431</u>	<u>13,545,707</u>	<u>13,813,335</u>	<u>8,096,619</u>	<u>8,379,189</u>	<u>8,488,690</u>	<u>10,185,069</u>
Business-Type Activities:										
Charges for Food Service	1,808,190	1,981,339	2,018,983	2,048,015	1,989,750	2,025,536	1,970,930	1,827,421	2,021,891	1,880,064
Charges for Community School	56,011	48,022	39,896	24,259	24,568	45,657	13,677	9,803		
Operating Grants and Contributions	661,519	873,791	592,832	633,222	658,564	889,880	778,862	892,195	987,017	1,107,999
Total Business-Type Activities Program Revenue	<u>2,525,720</u>	<u>2,903,152</u>	<u>2,649,810</u>	<u>2,706,498</u>	<u>2,672,872</u>	<u>2,770,984</u>	<u>2,781,369</u>	<u>2,629,520</u>	<u>3,008,907</u>	<u>2,988,063</u>
Total District Program Revenues	\$ 6,706,384	\$ 6,789,014	\$ 15,425,420	\$ 16,475,927	\$ 16,218,579	\$ 16,584,319	\$ 10,847,988	\$ 11,208,719	\$ 11,495,597	\$ 13,173,131
Net (Expense)/Revenue										
Governmental Activities	\$ (108,470,850)	\$ (115,296,385)	\$ (111,466,786)	\$ (117,080,282)	\$ (126,683,071)	\$ (125,427,361)	\$ (133,000,376)	\$ (135,607,090)	\$ (139,622,094)	\$ (137,264,418)
Business-Type Activities	(6,412)	(32,952)	(149,352)	(74,467)	(79,978)	(68,213)	(142,238)	(140,897)	40,547	(185,878)
Total District-Wide Net Expense	\$ (108,477,262)	\$ (115,329,347)	\$ (111,616,168)	\$ (117,154,749)	\$ (126,762,048)	\$ (125,485,574)	\$ (133,142,614)	\$ (135,747,987)	\$ (139,581,447)	\$ (137,450,296)
General Revenue and Other Changes in Net Assets										
Governmental Activities:										
General Purpose Property Taxes	\$ 63,878,460	\$ 88,223,529	\$ 70,922,282	\$ 75,239,507	\$ 81,116,084	\$ 83,269,211	\$ 83,083,098	\$ 83,644,545	\$ 84,320,510	\$ 86,006,920
Taxes Levied for Debt Service	2,292,015	2,811,153	2,592,389	3,000,638	3,045,696	2,503,564	2,911,113	2,938,594	2,947,219	2,947,969
Unrestricted Grants and Contributions	40,071,569	44,078,004	45,368,487	41,263,337	41,700,995	43,768,717	49,166,393	52,430,474	48,989,280	49,617,618
Restricted Grants and Contributions	3,024,151	3,870,985								
Miscellaneous	1,516,542	325,966	292,846	1,371,180	4,868,146	1,014,581	801,247	1,051,754	1,112,371	955,169
Loss on Temporary Note Pay-Off							(1,387,641)			
Asset Revaluation Adjustment									38,300,737	
Transfers	(15,617)	(30,443)	(25,956)	(16,035)	(4,227)	(6,350)	(81,526)	(81,526)		
	<u>110,767,120</u>	<u>118,879,224</u>	<u>119,340,088</u>	<u>120,858,636</u>	<u>130,726,704</u>	<u>130,556,073</u>	<u>134,687,857</u>	<u>140,003,840</u>	<u>173,880,088</u>	<u>139,527,876</u>
Business-Type Activities:										
Miscellaneous		541	124,542	46,903	65,985	55,477	124,651	128,180	18,739	155,349
Transfers	15,817	30,443	25,956	16,035	4,227	6,350	81,526	81,526		
	<u>15,817</u>	<u>30,884</u>	<u>150,498</u>	<u>62,938</u>	<u>70,212</u>	<u>61,827</u>	<u>131,001</u>	<u>189,706</u>	<u>18,739</u>	<u>155,349</u>
Total District-Wide	\$ 110,782,737	\$ 118,910,208	\$ 119,490,586	\$ 120,921,575	\$ 130,796,926	\$ 130,617,850	\$ 134,699,858	\$ 140,193,546	\$ 173,898,827	\$ 139,683,225
Change in Net Assets										
Governmental Activities										
Governmental Activities	\$ 2,296,270	\$ 3,582,839	\$ 7,873,282	\$ 3,778,354	\$ 4,043,633	\$ 5,128,712	\$ 1,567,482	\$ 4,398,760	\$ 34,058,004	\$ 2,263,256
Business-Type Activities	9,205	(1,978)	1,116	(11,528)	(8,766)	(2,736)	(11,237)	48,810	57,386	(30,529)
Total District	\$ 2,305,475	\$ 3,580,861	\$ 7,874,398	\$ 3,766,826	\$ 4,034,877	\$ 5,125,976	\$ 1,556,245	\$ 4,447,570	\$ 34,115,390	\$ 2,232,727

This schedule does not contain ten years of information as GASB #34 was implemented during the fiscal year ending June 30, 2003.

Source: CAFR Schedule A-2

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

	For Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund:										
Restricted	\$ 186,156.73	\$ 418,639.40	\$ 1,373,437.89	\$ 785,994.57	\$ 1,546,677.96	\$ 6,989,514.05	\$ 7,425,617.77	\$ 6,888,190.57	\$ 9,370,675.04	\$ 12,842,264.81
Unassigned	962,623.43	1,016,324.94	(499,488.06)	(1,585,507.75)	955,016.18	828,293.43	(1,008,776.22)	(783,437.18)	(351,952.81)	(955,731.82)
Total General Fund	\$ 1,148,780.16	\$ 1,434,964.34	\$ 873,949.83	\$ (799,513.18)	\$ 2,501,694.14	\$ 7,817,807.48	\$ 6,416,841.55	\$ 6,104,753.39	\$ 9,018,722.23	\$ 11,886,532.99
All Other Governmental Funds:										
Restricted	\$36,127,805.78	\$ 9,855,017.27	\$ 2,501,994.05	\$ 1,410,435.85	\$ 1,270,451.11	\$ 30,264.00	\$ 1,491,535.60	\$	\$	\$
Unassigned, Reported in:										
Special Revenue	(28,316.27)	(16,881.64)	(20,325.78)	(20,641.05)	(20,646.60)	(20,639.00)	0.63	0.86	39,740.60	39,740.82
Debt Service Fund	291,241.13	155,060.09	0.08	150,504.42	30,264.29	0.29	1,510,263.44	1,518,342.43	1,478,147.02	2,080,235.33
Capital Projects Fund	61,716.64				2,522,116.36	1,180,258.44				
Total All Other Governmental Funds	\$36,452,447.28	\$ 9,993,195.72	\$ 2,481,668.36	\$ 1,540,299.22	\$ 3,802,185.16	\$ 1,189,883.73	\$ 3,001,799.67	\$ 1,518,343.29	\$ 1,517,887.62	\$ 2,119,976.15
Total Fund Balances	\$37,601,227.44	\$11,428,160.06	\$3,355,618.19	\$ 740,786.04	\$ 6,303,879.30	\$ 9,007,691.21	\$ 9,418,641.22	\$ 7,623,096.68	\$ 10,536,609.85	\$ 14,006,509.14

Source: School District Financial Reports.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited**

J-4

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Tax Levy	\$ 66,170,475	\$ 70,834,682	\$ 73,514,681	\$ 78,240,145	\$ 84,161,790	\$ 85,772,775	\$ 85,994,209	\$ 86,583,139	\$ 87,267,729	\$ 88,954,889
Tuition	86,300	112,373	133,041	161,030	174,014	187,624	123,965	71,965	139,310	201,918
Miscellaneous	1,528,696	459,392	730,976	873,412	4,694,132	826,958	2,739,282	979,789	973,061	753,252
State Sources	44,328,945	48,687,573	54,856,733	51,539,854	51,899,333	54,297,430	53,839,280	48,330,400	51,288,220	54,202,576
Federal Sources	2,859,226	3,141,918	3,338,270	3,829,662	3,347,369	3,284,622	3,413,731	12,479,273	4,197,730	5,600,111
Total Revenue	114,973,642	123,235,938	132,573,701	134,644,103	144,276,639	144,369,409	146,110,467	148,444,566	143,866,051	149,712,745
Expenditures										
Instruction:										
Regular	35,605,260	37,468,572	38,815,566	39,384,366	38,940,440	40,280,263	41,279,234	43,377,753	40,675,109	42,112,753
Special Education	5,924,912	6,769,262	7,498,424	7,847,442	8,464,663	8,947,319	9,842,542	10,509,996	10,958,260	11,537,804
Other Special Instruction	2,819,747	2,888,952	2,936,688	2,961,465	3,336,092	3,343,844	3,931,633	4,407,024	4,281,001	3,995,933
Other Instruction	1,099,008	1,152,195	1,242,772	1,242,649	1,252,716	1,294,814	1,333,123	1,374,002	1,224,881	1,190,846
Community Service Programs	2,190	3,173	3,120	3,410	3,008	3,149	4,903	5,094	4,923	1,804
Support Services and Undistributed Costs:										
Tuition	4,973,163	4,111,665	4,427,205	5,108,260	5,576,902	5,002,064	4,991,278	3,959,743	4,795,178	3,889,177
Student and Instruction Related Services	10,256,243	9,656,258	10,065,767	10,403,524	11,248,822	11,281,666	11,676,482	12,612,212	12,218,098	11,993,355
School Administrative Services	4,076,441	4,360,861	7,069,959	4,871,594	4,724,941	7,074,612	7,348,113	7,450,578	7,531,279	7,880,028
Other Administrative Services	2,919,810	3,352,146	1,841,374	3,465,337	3,198,003	1,524,015	1,610,491	1,566,863	1,490,366	1,570,167
Plant Operation and Maintenance	9,750,860	10,541,794	11,671,988	13,395,823	13,556,388	13,969,307	14,589,722	13,274,657	12,135,155	12,209,133
Pupil Transportation	9,006,154	9,451,134	9,391,928	9,634,513	8,392,674	8,333,417	8,555,547	8,726,344	8,338,059	8,469,076
Employee Benefits	21,438,873	24,750,888	24,899,088	27,800,209	32,330,419	33,309,245	30,490,818	31,447,520	32,655,944	35,130,337
Special Schools	676,984	694,163	713,973	759,735	683,670	715,131	745,977	722,191	77,590	35,917
Debt Service:										
Principal		705,000	740,000	780,000	820,000	860,000	905,000	1,010,000	1,065,000	1,115,000
Interest	2,292,015	2,276,153	2,243,640	2,475,698	1,895,432	2,094,068	2,036,377	1,928,594	1,892,219	1,832,969
Capital Outlay	11,949,342	31,208,165	18,106,795	7,108,875	4,285,148	3,632,684	6,368,278	7,867,539	1,619,478	3,278,547
Total Expenditures	122,791,002	149,390,381	141,668,287	137,242,900	138,709,318	141,665,597	145,699,517	150,240,110	140,952,537	146,242,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,817,360)	(26,154,443)	(9,094,586)	(2,598,797)	5,567,321	2,703,812	410,950	(1,795,545)	2,913,513	3,469,899
Other Financing Sources (Uses)										
Capital Leases (Nonbudgeted)										
Transfers In			1,048,000							
Transfers Out	(15,617)	(18,626)	(25,956)	(16,036)	(4,227)			251,711	39,740	1,700,000
Total Other Financing Sources (Uses)	(15,617)	(18,626)	1,022,044	(16,036)	(4,227)			(251,711)	(39,740)	(1,700,000)
Net Change in Fund Balances	(7,832,977)	(26,173,069)	(8,072,542)	(2,614,833)	5,563,093	2,703,812	410,950	(1,795,545)	2,913,513	3,469,899
Debt Service as a Percentage of Noncapital Expenditures	2.07%	2.52%	2.41%	2.50%	2.02%	2.14%	2.11%	2.06%	2.12%	2.06%

Source: School District Financial Reports.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
Unaudited

J-5

	Fiscal Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Interest Earned	\$ 88,331.79	\$ 150,604.31	\$ 185,140.11	\$ 325,896.83	\$ 500,909.69	\$ 454,317.93	\$ 178,663.17	\$ 379,691.08	\$ 91,214.59	\$ 703,278.62
Insurance Reimbursement	263,349.13				90,757.48					
ASFDF			59,685.92	25,872.59		905.00		945.77	22,595.09	71,982.57
Refund of Prior Year Expenditures								116,250.00		
Sale of Land		600,000.00								
Sale of Browntown School	4,425.00	3,750.00								
Registrations Fees	57,193.44	7,135.75	16,453.09	19,348.88	42,301.44	79,001.61	56,901.11	37,705.00	6,195.90	14,800.18
Rentals								5,300.00		
Text Sales										
E-Rate	80,143.65	61,058.72		95,444.07	105,577.56	35,910.00	141,504.54	349.73		
Tuition Refunds	30,459.95			29,748.00				607.25	575.00	290.00
Building Application Fee	800.00	12,279.00	695.00	1,040.00	3,515.00	840.00	192.00			34.00
Planetarium							9,343.11			
Refund of Jointure Agreements							224,239.38	55,170.16	73,828.60	162,207.65
Vandalism			1,050.00	95.00	2,729.77	11,183.32	3,459.11	3,795.73	885.00	857.79
Retiree Drug Program		50,062.14								
Daycare Tuition	23,270.00									
Community School Close Out	53,304.87									
Advertising	2,259.08	9,000.02	7,868.70	15,600.00						
Transportation Ventures	63,445.55	20,169.04	71,232.11							
Easement					29,000.00					
Other	35,446.81	38,145.67	96,101.11	40,493.22	18,788.21	86,506.33	4,027.16	4,190.88	5,252.93	1,850.00
Total	\$ 702,429.27	\$ 952,204.65	\$ 438,206.04	\$ 553,538.59	\$ 793,579.15	\$ 668,664.19	\$ 618,329.58	\$ 604,005.60	\$ 200,547.11	\$ 955,300.81

REVENUE CAPACITY

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 Unaudited**

J-6

Fiscal Year Ended June 30.	Vacant Land	Residential	Farm Regular	Commercial	Industrial	Apartments	Total Assessed Value	Tax-Exempt Property	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized Value)
2003	\$ 87,735,200	\$ 2,470,971,300	\$ 9,780,100	\$ 341,820,700	\$ 51,207,800	\$ 193,591,700	\$ 3,155,106,800	\$ 367,537,600	\$ 3,162,773,038	\$ 2.17	\$ 4,760,989,079
2004	78,600,000	2,518,134,800	9,676,200	355,165,500	50,907,100	177,678,600	3,190,162,200	372,600,000	3,196,717,300	2.26	5,538,476,042
2005	125,358,600	2,556,402,600	9,633,100	331,672,100	50,634,500	185,974,100	3,259,675,000	379,331,200	3,265,492,900	2.32	6,323,328,867
2006	132,800,400	2,566,000,800	9,473,800	332,647,700	50,683,200	182,838,100	3,304,444,000	380,193,500	3,309,359,004	2.45	7,267,305,910
2007	97,428,300	2,670,475,100	9,137,200	329,575,900	50,693,700	177,960,400	3,335,270,600	381,738,000	3,339,763,515	2.54	7,832,951,151
2008	58,594,300	2,766,934,800	10,569,700	334,046,800	50,502,200	168,378,200	3,389,026,000	371,253,500	3,375,373,060	2.54	7,917,186,942
2009	60,767,300	2,762,914,100	10,202,400	340,455,300	50,246,400	164,023,700	3,388,609,200	372,158,400	3,339,763,515	2.54	8,001,438,489
2010	55,630,100	2,773,163,700	9,998,200	339,460,400	48,610,000	163,823,700	3,390,686,100	374,155,200	3,395,973,211	2.56	7,832,492,723
2011	54,894,600	2,772,812,500	9,825,300	353,469,800	46,073,000	163,588,400	3,400,663,600	374,845,700	3,404,867,872	2.59	7,562,460,359
2012	53,300,500	2,776,133,200	9,106,500	351,393,400	45,733,200	162,538,700	3,398,205,500	380,012,400	3,402,578,488	2.60	7,334,724,052

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of assessed value)
*Unaudited***

J-7

Fiscal Year Ended June 30.	Board of Education Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Old Bridge Township	Middlesex County	
2003	\$ 2.09	\$ 0.08	\$ 2.17	\$ 0.75	\$ 0.51	\$ 3.43
2004	2.18	0.08	2.26	0.78	0.55	3.59
2005	2.24	0.08	2.32	0.78	0.57	3.67
2006	2.36	0.09	2.45	0.78	0.59	3.82
2007	2.46	0.08	2.54	0.81	0.64	3.99
2008	2.46	0.08	2.54	0.82	0.68	4.04
2009	2.46	0.08	2.54	0.87	0.70	4.11
2010	2.47	0.09	2.56	0.94	0.70	4.20
2011	2.50	0.09	2.59	0.98	0.75	4.32
2012	2.51	0.09	2.60	1.00	0.77	4.37

Source: Municipal Tax Collector and Business Administrator

N.J.S.A. 10A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

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

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO**

Unaudited

J-8

	2012			2003		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Middlesex Builders, Inc.	\$ 20,000,000	1	0.59%	\$ 33,100,000	1	1.09%
Madison Realty Company	17,500,000	3	0.52%	20,800,000	4	0.69%
Heritage Old Bridge, LLC	17,600,000	2	0.52%			
Division of Pensions/Lamar Asset Management	16,500,000	4	0.49%	24,800,000	3	0.89%
Wilf, Harry, Joe, Leonard and Zygmunt	15,227,200	5	0.45%	25,346,000	2	0.84%
Route Nine Plaza LLC	14,425,600	6	0.43%	14,882,700	9	0.49%
Aldercree, Inc, Section 2	14,425,600	7	0.43%	15,315,900	6	0.50%
Aldercree, Inc, Section 3	14,131,200	11	0.42%	14,901,400	8	0.49%
Aldercree, Inc, Section 1	9,500,000	8	0.28%	13,750,000	10	0.50%
Old Bridge Partners I, LLC	11,400,000	9	0.34%	15,100,000	7	0.50%
Nieuw Amsterdam C/O Smith & Kriegman	10,200,000	12	0.30%			
Stratford Village & Cammeby's Management	9,200,000	10	0.27%			
Claridge Court Associates	10,000,000		0.29%	17,200,000	5	0.57%
Parkwood Gardens Association						
	<u>\$ 180,109,600</u>		<u>5.33%</u>	<u>\$ 195,196,000</u>		<u>6.40%</u>

Source: Municipal Tax Assessor

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
SCHOOL DISTRICT COLLECTION ONLY
*Unaudited***

J-9

<u>Year Ended June 30.</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy ^a</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2003	\$ 66,170,475	\$ 66,170,475	100.00%	\$
2004	70,834,682	70,834,682	100.00%	
2005	73,514,681	73,514,681	100.00%	
2006	78,240,145	78,240,145	100.00%	
2007	84,161,790	84,161,790	100.00%	
2008	85,772,775	85,772,775	100.00%	
2009	85,994,209	85,994,209	100.00%	
2010	86,583,139	86,583,139	100.00%	
2011	87,267,729	87,267,729	100.00%	
2012	88,954,889	88,954,889	100.00%	

Source: Township records including the Certificate and Report of School Taxes (A4F Form)

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

DEBT CAPACITY

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
*Unaudited***

J-10

Fiscal Year Ended June 30,	Governmental Activities		Bond Anticipation Notes (BANS)	Business- Type Capital Leases	Total District	Percentage of Personal Income (a)	Per Capita (a)
	Serial Bonds	Capital Leases					
2003	\$ 47,823,000	\$ 3,411,260	\$ N/A	\$ N/A	\$ 51,234,260	2.09%	\$ 816.01
2004	47,118,000	2,703,634	N/A	N/A	49,821,634	1.97%	788.01
2005	46,378,000	2,834,345	8,900,000	N/A	58,112,345	2.20%	909.92
2006	45,598,000	1,925,872	3,817,000	N/A	51,340,872	1.77%	793.90
2007	46,210,000	1,205,057	2,373,000	N/A	49,788,057	1.61%	763.42
2008	45,350,000	702,900	1,771,947	N/A	47,824,847	1.49%	730.40
2009	44,445,000	361,614	N/A	N/A	44,806,614	1.43%	679.49
2010	43,435,000	1,191,041	N/A	N/A	44,626,041	1.41%	681.82
2011	42,370,000	2,632,209	N/A	N/A	45,002,209	*	684.62
2012	41,255,000	1,789,424	N/A	N/A	43,044,424	*	*

*Data was not provided by School District.

Source: School District Financial Records

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
*Unaudited***

J-11

<u>Fiscal Year Ended June 30.</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Estimated Actual County Equalized Value</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Population</u>	<u>Per Capita</u>
2003	\$ 47,823,000		\$ 47,823,000	\$ 4,760,988,079	1.00%	62,786 R	762 R
2004	47,118,000		47,118,000	5,538,476,042	0.85%	63,225 R	745 R
2005	46,378,000		46,378,000	6,323,326,867	0.73%	63,865 R	726 R
2006	45,598,000		45,598,000	7,267,305,916	0.63%	64,669 R	705 R
2007	46,210,000		46,210,000	7,832,951,151	0.59%	65,217 R	709 R
2008	45,350,000		45,350,000	7,917,186,942	0.57%	65,478 R	693 R
2009	44,445,000		44,445,000	8,001,438,489	0.56%	65,942 R	674 R
2010	43,435,000		43,435,000	7,832,492,723	0.55%	65,447	664
2011	42,370,000		42,370,000	7,562,460,359	0.56%	65,733	645
2012	41,255,000		41,255,000	7,334,724,052	0.56%	*	*

*Data was not provided by School District.

Source: School District Financial Reports

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

R: Revised

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012
Unaudited**

J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Township of Old Bridge	\$ 59,904,157	100.00%	\$ 59,904,157
Middlesex County General Obligation Debt	639,968,209	7.09%	<u>45,373,746</u>
Sub-Total Overlapping Debt			105,277,903
Old Bridge School District Direct Debt			<u>41,255,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 146,532,903</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Middlesex County Board of Taxation; debt outstanding data provided by each governmental unit.

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

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

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS)
UNAUDITED

J-13

		Legal Debt Margin Calculation									
		Equalized Valuation Basis									
		Transitional Year									
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt Limit		\$ 134,385,486	\$ 147,593,566	\$ 166,514,110	\$ 191,437,864	\$ 221,637,213	\$ 255,054,784	\$ 240,297,786	\$ 314,944,412	\$ 310,769,308	\$ 302,374,796
Total Net Debt Applicable to Limit		47,823,000	47,823,000	47,118,000	46,378,000	45,588,000	46,210,000	45,350,000	43,435,000	42,370,000	41,255,000
Legal Debt Margin		\$ 86,562,486	\$ 99,770,566	\$ 119,396,110	\$ 145,059,864	\$ 176,039,213	\$ 208,844,784	\$ 194,947,786	\$ 271,509,412	\$ 268,399,308	\$ 261,119,796
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit		35.59%	32.40%	28.30%	24.23%	20.57%	18.12%	18.87%	13.79%	13.63%	13.64%

		Equalized Valuation Basis									
		2009	2010	2011	(A)	[A/3]					
Average Equalized Valuation of Taxable Property		\$ 7,827,695,080	7,519,818,363	7,330,696,249	\$ 22,678,209,692	\$ 7,769,232,698					
Debt Limit (4.0% of Average Equalization Value)	[B]	\$ 310,769,308	(a)								
Net Bonded School Debt	[C]	42,370,000									
Legal Debt Margin	[B-C]	\$ 268,399,308									

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.

(a) Limit set by N.J.S. 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts.

DEMOGRAPHIC AND ECONOMIC INFORMATION

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

J-14

<u>Year</u>	<u>Population</u>		<u>Personal Income</u>		<u>Per Capita Personal Income</u>		<u>Unemployment Rate</u>
2002	62,260	R	2,391,157,560	R	38,406	R	4.80%
2003	62,786	R	2,432,643,570	R	38,745	R	4.80%
2004	63,225	R	2,507,440,275	R	39,659	R	4.00%
2005	63,865	R	2,607,352,490	R	40,826	R	3.10%
2006	64,669	R	2,858,628,476	R	44,204	R	3.20%
2007	65,217	R	3,064,612,047	R	46,991	R	2.80%
2008	65,478	R	3,238,803,792		49,464	R	3.50%
2009	65,942	R	3,093,471,104		46,912	R	8.40%
2010	65,447	R	3,158,210,432		48,256	R	8.70%
2011	65,733	R	*		*		8.40%

* Data not available

Source:

a = Population information provided by the N.J. Department of Labor and Workforce Development.

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

c = Per capita personal income by municipality estimated based upon the 2000 Census published by the U.S. Bureau of Economic Analysis.

d = Unemployment Data provided by the N.J. Department of Labor and Workforce Development.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
UNAUDITED**

J-15

<u>Employer</u>	<u>2012</u>		<u>2003</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>
Blonder - Tongue Labs		*	*	*
Madison Industries		*	*	*
Madison Chemicals		*	*	*
Old Bridge Chemicals		*	*	*
CPS Chemical		*	*	*
Old Bridge Board of Education	<u>1,158.5</u>	*	<u>1,234.0</u>	*
	<u><u>1,158.5</u></u>		<u><u>1,234.0</u></u>	<u><u>*</u></u>

* Data was not provided by School District.

Districts may obtain principal employer information from various sources such as their local Chamber of Commerce, Local Economic Development Agency, or other creditable source for their municipality.

Old Bridge Employees include Full-Time and Part-Time (Noon Hour Supervisors).

OPERATING INFORMATION

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED**

J-16

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction:										
Regular	686.6	684.3	554.5	554.4	553.4	557.8	568.6	562.0	535.9	529.8
Special Education			146.6	147.4	150.0	157.6	164.1	164.2	172.5	169.6
Other Special Education	77.0	75.5	89.5	95.0	100.5	121.5	131.5	144.5	147.0	155.0
Support Services:										
Student and Instruction Related Services	116.0	124.5	133.3	135.0	134.0	135.0	136.0	140.0	136.2	133.2
School Administrative Services	61.0	62.0	62.0	62.0	63.0	63.0	64.0	64.0	60.0	60.2
General and Business Administration	24.0	25.0	24.0	24.5	24.5	24.5	25.5	26.5	26.5	26.9
Plant Operations and Maintenance	50.0	48.0	50.2	51.6	51.2	49.2	48.7	49.2	33.2	30.8
Pupil Transportation	62.0	61.0	64.0	63.0	64.0	65.0	59.0	62.0	58.0	53.0
Special Schools	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0
Total - Full-Time Only	<u>1,080.6</u>	<u>1,084.3</u>	<u>1,128.1</u>	<u>1,136.9</u>	<u>1,143.6</u>	<u>1,176.6</u>	<u>1,200.4</u>	<u>1,215.4</u>	<u>1,169.3</u>	<u>1,158.5</u>

Part-Time Noon Hour Supervisors Not Included

Source: District Business Office

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

J-17

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures (a)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio (b)</u>	<u>Average Daily Enrollment (ADE) (c)</u>	<u>Average Daily Attendance (ADA) (c)</u>	<u>Percentage Change in (ADE)</u>	<u>Student Attendance Percentage</u>
2003	9,932.5	\$ *	\$ *	*	*	*	9,931.2	9,437.6	0.93%	95.00%
2004	9,950.0	*	*	*	*	*	9,956.2	9,472.6	0.37%	95.10%
2005	10,007.5	120,603,809	12,051	NA	701.1	14.3	9,982.7	9,473.1	0.37%	94.90%
2006	9,841.0	124,382,571	12,639	4.88%	701.8	14.0	9,849.6	9,379.6	-0.99%	95.20%
2007	9,758.0	131,708,738	13,460	6.50%	703.4	13.9	9,758.0	9,293.2	-0.92%	95.20%
2008	9,661.0	135,078,845	13,982	3.88%	715.4	13.5	9,648.3	9,195.4	-1.05%	95.30%
2009	9,633.0	136,399,862	14,116	0.96%	732.7	13.2	9,610.4	9,151.0	-0.96%	95.20%
2010	9,521.0	139,433,977	14,645	3.75%	726.2	13.1	9,484.7	9,019.7	-0.94%	95.10%
2011	9,403.0	136,385,841	14,505	-0.96%	708.4	13.3	9,415.4	8,921.9	-0.94%	94.80%
2012	9,291.0	140,016,329	15,070	2.90%	699.4	13.3	9,203.3	8,746.2	-2.25%	95.00%

*Data Not Provided by the School District.

Source: School District Financial Records

Note: Enrollment Based on Annual October District Count.

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

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

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

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited

J-18
Sheet #1

District/Building	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Old Bridge High School - Main Building:										
Square Feet	*	*	209,715	209,715	209,715	209,715	209,715	209,715	209,715	209,715
Capacity (Students)	*	*	2,183	2,183	2,183	2,183	2,183	2,183	2,183	2,183
Enrollment	*	*	2,293	2,291	2,291	2,291	2,291	2,291	2,341	2,290
Old Bridge High School - Grade Nine Center:										
Square Feet	*	*	119,500	119,500	119,500	119,500	119,500	119,500	119,500	119,500
Capacity (Students)	*	*	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122
Enrollment	*	*	808	748	748	748	748	748	711	742
Jonas Saik Middle School:										
Square Feet	*	*	119,500	119,500	119,500	119,500	119,500	119,500	119,500	119,500
Capacity (Students)	*	*	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181
Enrollment	*	*	1,249	1,272	1,272	1,272	1,272	1,272	1,272	1,036
Carl Sandburg Middle School:										
Square Feet	*	*	181,400	181,400	181,400	181,400	181,400	181,400	181,400	181,400
Capacity (Students)	*	*	1,284	1,284	1,284	1,284	1,284	1,284	1,284	1,284
Enrollment	*	*	1,228	1,201	1,201	1,201	1,201	1,201	1,249	1,188
M. Scott Carpenter Elementary School:										
Square Feet	*	*	32,950	32,950	32,950	32,950	32,950	32,950	32,950	32,950
Capacity (Students)	*	*	303	303	303	303	303	303	303	303
Enrollment	*	*	299	302	302	302	302	302	285	279
Chesapeake Elementary School:										
Square Feet	*	*	30,100	30,100	30,100	30,100	30,100	30,100	30,100	30,100
Capacity (Students)	*	*	329	329	329	329	329	329	329	329
Enrollment	*	*	340	324	324	324	324	324	316	302
Leroy Gordon Cooper Elementary School:										
Square Feet	*	*	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050
Capacity (Students)	*	*	245	245	245	245	245	245	245	245
Enrollment	*	*	232	186	186	186	186	186	272	261
Virgil I. Grissom Elementary School:										
Square Feet	*	*	24,700	24,700	24,700	24,700	24,700	24,700	24,700	24,700
Capacity (Students)	*	*	269	269	269	269	269	269	269	269
Enrollment	*	*	252	229	229	229	229	229	229	235
Madison Park Elementary School:										
Square Feet	*	*	33,750	33,750	33,750	33,750	33,750	33,750	33,750	33,750
Capacity (Students)	*	*	383	383	383	383	383	383	383	383
Enrollment	*	*	388	338	338	338	338	338	316	298
James McDivitt Elementary School:										
Square Feet	*	*	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Capacity (Students)	*	*	564	564	564	564	564	564	564	564
Enrollment	*	*	543	555	555	555	555	555	532	550

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
*Unaudited***

J-18
Sheet #2

<u>District/Building</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2011</u>	<u>2012</u>
Memorial Elementary School:										
Square Feet	*	*	32,200	32,200	32,200	32,200	32,200	32,200	32,200	32,200
Capacity (Students)	*	*	377	377	377	377	377	377	377	377
Enrollment	*	*	370	436	436	436	436	436	432	420
William A. Miller Elementary School:										
Square Feet	*	*	28,900	28,900	28,900	28,900	28,900	28,900	28,900	28,900
Capacity (Students)	*	*	269	269	269	269	269	269	269	269
Enrollment	*	*	244	353	353	353	353	353	337	313
Walter M. Schirra Elementary School:										
Square Feet	*	*	36,570	36,570	36,570	36,570	36,570	36,570	36,570	36,570
Capacity (Students)	*	*	499	499	499	499	499	499	499	499
Enrollment	*	*	524	420	420	420	420	420	374	334
Alan B. Shepard Elementary School:										
Square Feet	*	*	27,302	27,302	27,302	27,302	27,302	27,302	27,302	27,302
Capacity (Students)	*	*	353	353	353	353	353	353	353	353
Enrollment	*	*	313	343	343	343	343	343	290	282
Southwood Elementary School:										
Square Feet	*	*	408,000	408,000	408,000	408,000	408,000	408,000	408,000	408,000
Capacity (Students)	*	*	383	383	383	383	383	383	383	383
Enrollment	*	*	376	380	380	380	380	380	316	292
Raymond E. Voorhees Elementary School:										
Square Feet	*	*	39,410	39,410	39,410	39,410	39,410	39,410	39,410	39,410
Capacity (Students)	*	*	557	557	557	557	557	557	557	557
Enrollment	*	*	549	464	464	464	464	464	413	390

Data relating to years prior to 2005 was not provided by the School District.

Source: School District Facilities Office and ASSA County of Students 10-15-11.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITY
 LAST TEN FISCAL YEARS

NONDISTRIBUTED EXPENDITURES - 11-000-261-XXX
 REQUIRED MAINTENANCE FOR SCHOOL FACILITIES

School Number	Fiscal Years Ending June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
40	\$1,215,370.00	\$1,013,462.00	\$1,063,375.00	\$1,376,635.00	\$1,044,803.00	\$1,202,364.66	\$ 924,285.00	\$ 838,452.02	\$ 639,728.98	\$ 722,304.64
82	114,786.00	152,701.00	140,682.00	123,724.00	130,032.00	127,250.34	119,262.00	120,358.21	98,341.94	94,034.10
103	512,008.00	367,862.00	356,828.00	323,346.00	298,436.00	388,209.31	1,074,441.00	293,755.08	391,933.73	411,584.31
105	266,897.00	155,901.00	169,559.00	197,106.00	162,152.00	166,248.83	186,536.00	155,794.08	103,930.87	103,671.03
108	171,991.00	176,477.00	191,842.00	261,688.00	209,978.00	162,533.70	175,885.00	140,396.94	192,898.74	206,653.21
110	469,101.00	384,823.00	427,131.00	423,349.00	349,164.00	285,758.52	336,987.00	314,881.86	370,475.02	411,584.31
113	126,285.00	109,553.00	110,892.00	121,385.00	176,160.00	163,673.90	169,610.00	177,478.68	93,545.19	86,277.72
120	156,983.00	184,674.00	210,981.00	212,747.00	155,079.00	202,975.94	219,900.00	242,783.56	162,361.32	116,242.43
130	146,528.00	127,926.00	157,793.00	254,270.00	163,186.00	115,898.92	128,145.00	95,080.77	113,289.87	110,903.89
133	314,834.00	147,114.00	152,129.00	174,918.00	181,320.00	180,254.56	173,019.00	164,627.42	113,680.09	113,487.06
140	176,283.00	179,379.00	200,300.00	207,857.00	241,934.00	213,452.09	172,866.00	168,639.71	164,420.69	135,736.72
150	145,513.00	137,319.00	164,951.00	166,549.00	181,976.00	202,060.25	145,680.00	164,143.29	193,666.93	140,524.18
163	133,842.00	134,808.00	143,743.00	165,344.00	136,004.00	121,267.90	111,639.00	103,291.47	99,983.44	85,072.24
165	145,672.00	187,487.00	161,048.00	193,269.00	202,176.00	164,835.04	193,563.00	159,497.76	164,367.76	125,955.13
170	78,960.00	98,154.00	110,993.00	123,874.00	114,616.00	133,303.50	138,749.00	132,605.42	133,251.22	99,537.96
999	701,619.00	1,053,248.00	977,150.00	1,177,134.00	1,084,881.00	952,111.78	1,133,651.00	1,064,034.24	859,515.99	801,769.69
Total School Facilities	\$ 4,876,652.00	\$ 4,610,888.00	\$ 4,739,397.00	\$ 5,503,175.00	\$ 4,836,895.00	\$ 4,782,199.24	\$ 5,404,238.00	\$ 4,335,830.51	\$ 3,895,381.78	\$ 3,765,338.62

School Facilities*:

- Old Bridge High School Main Building (Effective July 1, 2005)
- Alan B. Shepard Elementary School
- OBHS-GNC (Formerly Carl Sandburg Middle School)
- Cheesequake Elementary School
- James A. McD Witt Elementary School
- Jonas Saik Middle School
- Leroy Gordon Cooper Elementary School
- Madison Park Elementary School
- Memorial Elementary School
- M. Scott Carpenter Elementary School
- Raymond E. Voorhees Elementary School
- Southwood Elementary School
- Virgil Grissom Elementary School
- Walter Schirra Elementary School
- William A. Miller Elementary School
- Other Facilities

Total School Facilities

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

This schedule does not provide ten years of information as the State Department of Education required this information beginning with the fiscal year ending June 30, 2001.

Source: School District records.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2012
Unaudited**

J-20

<u>Type of Coverage</u>	<u>Limits</u>	<u>Company</u>	<u>Policy Number</u>
General Liability Aggr. Products/Comp Op Aggr. Each Occurrence Pers. and Advert. Injury Fire Damage Legal Medical Expenses	\$ 2,000,000 2,000,000 1,000,000 1,000,000 1,000,000 10,000	Zurich Insurance Co.	CP03701850-06
Property Blanket Building/Contents Deductible - \$2,500 Earthquake Aggr. Deductible - 5% Flood-Various Limits/Deductible	246,692,853 5,000,000	Zurich Insurance Co.	CP03701850-06
Boiler and Machinery Deductible 24 Hours/\$2,500 Var. Sublimits	75,000,000	Zurich Insurance Co.	CP03701850-06
Crime Employee Dishonesty Forgery and Alteration M & S on Premises M & S Messenger Deductible \$5,000/\$1,000	500,000 100,000 50,000 50,000	Zurich Insurance Co.	CP03701850-06
Auto CSL Uninsured/Underinsured Comp. and Coll. Deductible	1,000,000 1,000,000 1,000	Zurich Insurance Co.	BAP3701849-06
School Board Legal Aggr. Deductible \$10,000 Each Claim	1,000,000	Zurich Insurance Co.	ELL9063137-02
Umbrella Aggr. Retention \$10,000	10,000,000	Zurich Insurance Co.	UMB3701851-06
Excess Workers' Comp. Part I Statutory Part II Each Occurrence Policy Limit SIR \$350,000	1,000,000 1,000,000	Star Insurance Co.	WCE069939711
Surety Bonds: Himanshu Shah Nancy M. Mongon	500,000 100,000	Zurich Insurance Co. Zurich Insurance Co.	POB835788209 POB758340206
Volunteer Accident: Accidental Death Accidental Dismemberment Accidental Medical Expense Max Dental Limit	5,000 5,000 25,000 250	Hartford Insurance Co.	13-SR-603654
Security/Privacy Liability: Aggregate Limit Retention \$25,000,000	1,000,000	National Union	21407544 148

SINGLE AUDIT SECTION

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

The Honorable President and Members
of the Board of Education
Old Bridge Township Board of Education
County of Middlesex
Matawan, New Jersey 07747

We have audited the financial statements of the Board of Education of the Old Bridge Township School District, in the County of Middlesex, State of New Jersey, as of and for the fiscal year ended June 30, 2012 and have issued our report thereon dated November 16, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Old Bridge Township Board of Education'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 Office of School Finance, Department of Education, State of New Jersey.

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


JOSEPH J. FACCONE
Licensed Public School Accountant #194


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
November 16, 2012

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

The Honorable President and Members
of the Board of Education
Old Bridge Township Board of Education
County of Middlesex
Matawan, New Jersey 07747

Compliance

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit 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 could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Old Bridge Township Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Old Bridge Township Board of Education's compliance with those requirements.

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

Internal Control Over Compliance

The management of the Board of Education of the Old Bridge Township School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Old Bridge Township Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB's Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Old Bridge Township Board of Education'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 internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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


JOSEPH J. FACCONI
Licensed Public School Accountant #194


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
November 16, 2012

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

Federal Grant/ Pass-Through Grant/ Program Title	Federal CFDA Number	Grant Period	Award Amount	June 30, 2011		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balance	June 30, 2012	
				(Accounts Receivable)	Deferred Revenue						(Accounts Receivable)	Deferred Revenue
Due to Grantor												
U.S. Department of Education:												
General Fund												
Medical Assistance Program	93.778	9/1/10 - 8/31/11	\$ 138,307.45	\$ (21,668.73)	\$	\$	\$ 21,568.73	\$ (177,421.80)	\$	\$	\$ (31,840.98)	\$
Medical Assistance Program	93.778	9/1/11 - 8/31/12	146,551.41				145,551.41	(177,421.80)				
Education Jobs Fund	84.410A	9/1/11 - 8/31/12	1,591,735.00				1,591,735.00	(1,591,735.00)				
Total General Fund				(21,668.73)			1,758,845.14	(1,769,156.80)			(31,840.98)	
Passed-Through State Department of Education:												
Special Revenue Fund:												
Title I, Part A	84.010A	9/1/11 - 8/31/12	667,371.11				401,654.78	(697,371.11)			\$ (265,716.33)	
Title I, Part A Carryover	84.010A	9/1/10 - 8/31/11	816,774.00	(238,055.96)			993,267.46	(221,359.60)			(65,178.09)	
Title I, Part A Carryover	84.010A	9/1/09 - 8/31/10	464,343.00	(34,373.40)			34,373.40					
Title I, School Improvements	84.010A	9/1/11 - 8/31/12	16,695.00		16,695.00			(16,695.00)				
Title I, School Improvements	84.010A	9/1/10 - 8/31/11	16,695.00		(16,695.00)							
Title II, Part A	84.281A	9/1/10 - 8/31/11	230,217.91				156,275.00	(230,217.91)			(71,842.91)	
Title II, Part A - Carryover	84.281A	9/1/10 - 8/31/11	283,241.00	(63,625.48)			53,625.49				(23,000)	
Title II, Part A - Carryover	84.281A	9/1/09 - 8/31/10	2,307.90	(2,307.90)			2,307.90					
Title II, Part D	84.281D	9/1/10 - 8/31/11	1,735.00	(1,000)			81.00					
Title II, Part D - Carryover	84.281D	9/1/09 - 8/31/10	2,572.00	(86.99)			2,485.01					
Title III	84.284	9/1/11 - 8/31/12	2,487.46				2,487.46					
Title III - Carryover	84.284	9/1/10 - 8/31/11	2,487.46	(2,487.46)								
Title III - Carryover	84.284	9/1/09 - 8/31/10	54,315.00	(2,447.67)			2,447.67				(4,052.58)	
Title IV, Drug Free Schools Act, Carryover	84.186A	9/1/11 - 8/31/12	36,775.00	(625.43)			625.43					
IDEA Part B, Basic Regular	84.027	9/1/11 - 8/31/12	2,098,847.81	(228,170.47)			1,875,368.00	(2,098,847.81)			(523,479.61)	
IDEA Part B, Basic Regular	84.027	9/1/10 - 8/31/11	2,078,641.00	(67,166.24)			281,263.00	(35,112.53)				
IDEA Part B, Basic Regular, Carryover	84.027	9/1/09 - 8/31/10	2,032,256.00				67,166.24					
IDEA Part B, Preschool Handicapped	84.027	9/1/11 - 8/31/12	83,942.00	(1,559.23)			37,810.00	(62,675.00)			(24,865.00)	
IDEA Part B, Preschool Handicapped	84.027	9/1/10 - 8/31/11	89,866.00	(13,922.01)			13,922.01	(4,071.00)				
IDEA ARRA Part B	84.391	9/1/10 - 8/31/11	247,812.00	(30,462.14)			31,132.89	(670.85)				
IDEA ARRA Preschool	84.392	9/1/11 - 8/31/12	63,396.00	(11,116.93)			11,116.93					
Perkins Grant	84.173	9/1/11 - 8/31/12	57,262.00	(21,950.49)			32,535.00	(57,863.78)			(25,448.78)	
Perkins Grant	84.173	9/1/10 - 8/31/11	396,069.50				21,540.98				(419.51)	
Elementary Counseling Grant	84.215	9/1/11 - 8/31/12	317,853.00	(67,684.48)			67,684.48	(386,069.50)				
Elementary Counseling Grant	84.215	9/1/10 - 8/31/11										
Total Special Revenue Fund				(795,951.25)			3,801,693.92	(3,830,953.75)			(1,008,523.08)	
U.S. Department of Agriculture:												
Passed-Through State Department of Education:												
Enterprise Fund:												
Food Distribution Program	10.550	9/1/11 - 8/30/12	220,777.08				220,777.08	(208,854.96)			11,922.42	A
Food Distribution Program	10.550	9/1/10 - 8/30/11	182,289.21		7,286.45			(7,286.45)				
Food Distribution Program	10.550	9/1/10 - 8/30/11	182,289.21		(7,286.45)							
National School Lunch Program	10.555	9/1/11 - 8/30/12	790,114.06				842,654.07	(790,114.06)			(147,449.89)	
National School Lunch Program	10.555	9/1/10 - 8/30/11	704,310.32	(80,016.30)			60,016.30					
National School Breakfast Program	10.553	9/1/11 - 8/30/12	66,410.69				52,612.48	(66,410.69)			(13,798.10)	
National School Breakfast Program	10.553	9/1/10 - 8/30/11	30,786.63	(4,813.60)			4,813.60					
Total Enterprise Fund					7,286.45		990,695.53	(1,072,653.74)			(167,248.09)	
Total Federal Awards				(882,151.80)			6,341,254.89	(6,072,750.29)			\$ (1,201,611.65)	
A = Inventory Value at June 30, 2012												

See accompanying Notes to the Schedules of Awards and Financial Assistance.

OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2012

1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal awards and state financial assistance programs of the Board of Education, Old Bridge Township School District. The Board of Education is defined in Note 1(A) to the Board'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 Schedule of Federal Awards and State Financial Assistance.

2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in these schedules are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in these schedules may differ from amounts presented in or used in the preparation of the basic financial statements.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting revenue is not recognized until the subsequent year or when 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 state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c. 97 (A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund and capital projects fund are 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.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(269,768.00) for the general fund and \$ - 0 - for the special revenue fund. See Note 2 (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. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 1,769,156.80	\$ 53,720,792.70	\$ 55,489,949.50
Special Revenue Fund	3,830,953.75	481,782.90	4,312,736.65
Food Service Fund	<u>1,077,301.71</u>	<u>30,696.91</u>	<u>1,107,998.62</u>
Total Awards and Financial Assistance	<u>\$ 6,677,412.26</u>	<u>\$ 54,233,272.51</u>	<u>\$ 60,910,684.77</u>

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. FEDERAL AND STATE LOANS OUTSTANDING

The District had no loans payable outstanding to federal or state entities at June 30, 2012.

6. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively.

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.

On-Behalf TPAF Post-Retirement Medical Benefit Contributions represents the amount paid directly by the State of New Jersey for post-retirement medical benefits for TPAF members retired from the District for the year ended June 30, 2012.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Section I - Summary of Auditor's Results

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unqualified

Internal control over financial reporting:

- | | | | | |
|---|-------|-----|---|---------------|
| 1) Material weakness(es) identified? | _____ | Yes | _____ <input checked="" type="checkbox"/> | No |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | _____ | Yes | _____ <input checked="" type="checkbox"/> | None Reported |

Noncompliance material to general-purpose financial statements noted?

_____ Yes No

Federal Awards

Internal control over major programs:

- | | | | | |
|---|-------|-----|---|---------------|
| 1) Material weakness(es) identified? | _____ | Yes | _____ <input checked="" type="checkbox"/> | No |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | _____ | Yes | _____ <input checked="" type="checkbox"/> | None Reported |

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

Unqualified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?

_____ Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
84.010	Title I, Part A
84.027	IDEA, Part B - Basic
10.555	National School Lunch
84.215	Elementary Counseling Grant
84.410A	Education Jobs Fund

Dollar threshold used to distinguish between Type A and Type B Programs:

\$300,000.00

Auditee qualified as low-risk auditee? Yes No

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

State Financial Assistance

Internal control over major programs:

- | | | | | |
|---|-------|-----|---|---------------|
| 1) Material weakness(es) identified | _____ | Yes | _____ <input checked="" type="checkbox"/> | No |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | _____ | Yes | _____ <input checked="" type="checkbox"/> | None Reported |

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

Unqualified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04?

_____ Yes No

Identification of major programs:

GMIS Number(s)

Name of State Program

12-495-034-5120-078
12-495-034-5095-002
12-495-034-5120-083

Equalization Aid
Reimbursed TPAF Social Security Contributions
Special Education Aid

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

\$1,463,398.04

Auditee qualified as low-risk auditee?

_____ Yes _____ No

Section II - Financial Statement Findings:

No financial statement findings that are required to be reported under *Government Auditing Standards*.

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs:

a) Federal Award Findings and Questioned Costs:

There were no findings or questioned costs for federal awards.

b) State Award Findings and Questioned Costs:

There were no findings or questioned costs for state financial assistance.

**OLD BRIDGE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FISCAL YEAR ENDED JUNE 30, 2012**

There were no prior years' findings.

