

PLUMSTED SCHOOL DISTRICT
PLUMSTED, NEW JERSEY

FISCAL YEAR ENDED JUNE 30, 2012

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION



Plumsted Township School District

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www.newegypt.us

November 19, 2012

Honorable President and
Members of the Board of Education
Plumsted School District

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of principal officials and a list of consultants and advisors. The financial section includes the district-wide and fund financial statements and schedules, as well as the auditor's report and the Management's Discussion and Analysis. The statistical section includes selected financial statements and schedules as well as information generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the State Treasury OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

Respectfully submitted,

Dr. Karen Jones, Superintendent

Sean Gately, Business Administrator

PLUMSTED BOARD OF EDUCATION
PLUMSTED, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Harry Miller, President	2015
Jon Hauge, Vice-President	2013
Barbara Wig	2013
Christopher Probasco	2013
Garrett Midgett	2014
Leslie Septor	2013
Sandra Soles	2015

Other Officials

Dr. Karen Jones, Superintendent

Sean Gately, Business Administrator/Board Secretary

Frank J. Frazee, Treasurer

PLUMSTED BOARD OF EDUCATION
PLUMSTED, NEW JERSEY

CONSULTANTS AND ADVISORS

JUNE 30, 2012

Architect

Spiezle Group
Larry K. Uher, AIA, LEEDap
120 Sanhican Drive
Trenton, NJ 08618

Auditor/Audit Firm

Robert W. Allison, CPA, RMA
Hutchins, Farrell, Meyer & Allison, P.A.
912 Highway 33, Suite 2
Freehold, NJ 07728

Attorney

Arthur Stein
1041 West Lacey Road
PO Box 1070
Forked River, NJ 08731

Official Depository

TD Bank
1701 Route 70 East
Cherry Hill, NJ 080034-5400

Bond Counsel

McManimon & Scotland, LLC
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

FINANCIAL SECTION

Hutchins, Farrell, Meyer & Allison, P.A.

Certified Public Accountants • Business & Financial Advisors

Robert H. Hutchins, CPA, CVA, CFF
Eugene M. Farrell, CPA, RMA, CFP
Robert W. Allison, CPA, RMA
Alan E. Meyer, CPA/ABV, CFF
Joann DiLieto, CPA

Patrice R. Antonucci, CPA
Glenn G. VanPell, CPA
Karen D. Davis, CPA, CVA
Crystal L. Fitzpatrick, CPA
Hélène T. Morizzo, CPA

Monmouth County Office

912 Highway 33 • Suite 2
Freehold, NJ 07728
(732) 409-0800
Fax: (732) 866-9312

Ocean County Office

512 Main Street • PO Box 1778
Toms River, NJ 08754
(732) 240-5600
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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Board of Education of the Plumsted School District, in the County of Ocean, State of New Jersey as of and for the fiscal year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Plumsted Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

Honorable President and Members
of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey
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In accordance with Government Auditing Standards, we have also issued our report dated October 23, 2012 on our consideration of the Plumsted Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison information on pages 8 through 14 and 52 through 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted to inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plumsted Board of Education's financial statements as a whole. The Introductory Section, Combining and Individual Fund Financial Statements, and Statistical Section are presented for purposes of additional analysis and are not a required part of the financial statements. 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 ("OMB") Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid, respectively, and are also not a required part of the financial statements. The Combining and Individual Fund Financial Statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to

Honorable President and Members
of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey
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prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Robert W. Allison
Licensed Public School Accountant
No. 897
Hutchins, Farrell, Meyer & Allison, P.A.

October 23, 2012

REQUIRED SUPPLEMENTARY INFORMATION – PART I

PLUMSTED TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis

For the year ended June 30, 2012

The Management's Discussion and Analysis ("MD&A") of the Plumsted Township Board of Education provides an overview of the School District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

FINANCIAL HIGHLIGHTS

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

In total, net assets increased \$2,080,034 which represents a 11.25% increase from 2011. This was due to a reduction in interest on long-term debt.

Total assets of governmental activities increased by \$726,315 as cash and cash equivalents increased by \$794,027; receivables increased by \$149,631; other assets decreased by \$(31,156); and capital assets decreased by \$(186,187) primarily due to depreciation.

Total liabilities of governmental activities decreased by \$(1,355,252), as payables and other current liabilities decreased by \$(299,874), deferred revenue decreased by \$(74,304) and non-current liabilities (sick leave reimbursement and bonds payable) decreased by \$(981,075).

General revenues account for \$26,913,926 or 95.42% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions and capital grants and contributions accounted for \$1,292,279 or 4.58% of the total revenues of \$28,206,205 for the year.

Total spending for all programs was \$26,919,538. Total revenues were adequate to provide for the balance of these programs.

USING THE ANNUAL REPORT

The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. For the School Board's governmental activities, these statements tell how the School Board financed its services in the short-term as well as what remains for future spending. Fund statements may also give the reader some insights into the School Board's overall financial health. Fund financial statements report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, such as the School Board's General Fund, Special Revenue Fund and Capital Project Fund. The remaining statement, Statement of Fiduciary Net Assets, presents financial information about activities for which the School Board acts solely as an agent for the benefit of employees and students.

The School Board's auditor has provided assurance in its independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

The School Board prepared the Introductory Section and the Statistical Section without association by the independent auditors. Accordingly, the School Board assumes full responsibility for the accuracy of these sections.

THE SCHOOL DISTRICT AS A WHOLE

Table I provides a summary of the School Board's net assets as of June 30, 2012 and 2011.

Table I
Statement of Net Assets
As of June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>	<u>Percentage Of Change 2012-2011</u>
ASSETS			
Cash and cash equivalents	\$ 3,055,587	\$ 2,277,136	34.19%
Receivables	981,757	837,354	17.25
Other assets	246,852	272,395	(9.38)
Capital assets	<u>36,483,269</u>	<u>36,669,456</u>	(0.51)
Total assets	<u>40,767,465</u>	<u>40,056,341</u>	1.78
LIABILITIES			
Accounts payable	547,011	836,255	(34.59)
Deferred revenue	97,664	190,000	(48.60)
Other current liabilities		6,256	(100.00)
Non-current liabilities:			
Due within one year	2,008,968	1,779,705	12.88
Due beyond one year	17,545,335	18,755,672	(6.45)
Total liabilities	<u>20,198,979</u>	<u>21,567,888</u>	(6.35)
NET ASSETS	<u>\$ 20,568,487</u>	<u>\$ 18,488,453</u>	<u>11.25%</u>

Total assets increased by \$711,124. The increase resulted from depreciation of capital assets in the amount of \$(186,187), an increase in cash and cash equivalents of \$778,451, an increase in receivables in the amount of \$144,403 and a decrease in other assets in the amount of \$(25,543). The total liabilities decreased by \$(1,368,909) due to a decrease in accounts payable of \$(289,244), a decrease in deferred revenue of \$(92,336), an increase of non-current liabilities due within one year of \$229,263 and a decrease of non-current liabilities due beyond one year of \$1,210,337.

Table II shows the changes in net assets for fiscal year 2012 as compared to fiscal year 2011. This table categorizes total revenue generated by the School Board between program and general revenue, and total expenditures between instruction, support services and special extraordinary items.

Table II
Changes in Net Assets
For the Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>	<u>Percentage of Change 2012-2011</u>
REVENUE			
Program revenue:			
Charges for services	\$ 841,757	\$ 831,767	1.20%
Operating grants	1,030,590	1,099,453	(6.26)
Capital grants	198,225	72,397	173.80
General revenue:			
Local tax levy	11,022,988	11,075,773	(0.48)
Federal and State aid	15,714,600	13,937,702	12.75
Other general revenue	<u>191,412</u>	<u>141,788</u>	35.00
Total revenues	<u>28,999,572</u>	<u>27,158,880</u>	6.78
FUNCTION/PROGRAM EXPENSES			
Instruction:			
Regular instruction	9,370,442	8,982,620	4.32
Special instruction	4,441,889	4,239,183	4.78
Other instruction	847,081	833,931	1.58
Support services:			
Instruction	148,796	484,980	(69.32)
Health services	335,111	324,656	3.22
Other support services	2,902,088	2,748,089	5.60
Educational media services	99,078	57,251	73.06
Instruction staff training	79,444	286,161	(72.24)
General administration	964,878	827,947	16.54
School administration	746,324	1,114,592	(33.04)
Central services	538,356	519,170	3.70
Technology	45,968	17,442	163.55
Operations and maintenance	3,514,375	3,428,404	2.51
Student transportation services	1,151,310	961,054	19.80
Charter School	26,225		100
Non-budgeted expenditures		286,647	(100)
Business type activities	794,900	769,226	3.34
Interest on long-term debt	<u>191,412</u>	<u>790,849</u>	15.48
Total expenses	<u>26,919,538</u>	<u>26,672,202</u>	0.93
Increase (decrease) in net assets	<u>\$ 2,080,034</u>	<u>\$ 486,678</u>	<u>327.39%</u>

Charges for services are fees and other charges to users or recipients of the services the School Board provides. Charges for services include cafeteria sales and registration fees for the community education program. The increase in charges for services of \$9,990 was due largely to the addition of a parent-paid half-day Kindergarten program.

Federal and state aid-unrestricted increased by \$1,776,899 primarily due to the increase in Impact Aid received.

Unallocated employee benefits increased \$298,988, or 5.30%, from the previous year.

Student transportation increased \$90,165, or 10.68%, from 2011 due to increased costs for students transported out-of-district.

THE SCHOOL BOARD'S FUNDS

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allow the School Board to demonstrate its stewardship over and accountability for resources received from the Township of Plumsted, the State of New Jersey and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2012, it reported total net assets of \$20,568,487. The combined fund balance is \$3,575,036, which is an increase of \$1,297,806. The Reconciliation of the Statement of Revenue Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities, Exhibit B-3, presents the reader with a detailed explanation of the increase in fund balance for the fiscal year.

GENERAL FUND BUDGETING HIGHLIGHTS

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

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in Section C of the CAFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

The final budgetary basis revenue estimate was \$21,373,987 and original estimate were \$21,021,898.

The district received \$1,874,506 in reimbursed T.P.A.F. Social Security Aid, T.P.A.F. Post-Retirement Medical, T.P.A.F. Normal Pension Contributions and T.P.A.F. NCGI Premium Contributions. These reimbursements are reflected as revenue and expenditures in the General Fund Budgetary Comparison Schedule and have no corresponding budget amounts.

The final budgetary basis expenditure appropriation estimate was \$22,754,146 compared to the original estimate of \$22,790,875.

The General Fund finished the fiscal year approximately \$3,617,492 better than had been budgeted in terms of revenues and \$856,272 worse in terms of expenditures. Both the revenues and appropriations were adjusted for non-budget T.P.A.F. reimbursements.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Government Funds. As of the end of fiscal year 2012, the District's governmental funds reported combining ending fund balances of \$3,575,036, an increase of \$1,297,806. The general fund balance is \$2,913,681 on a GAAP basis and is adjusted by \$1,088,341 for payment of June's state aid to reflect a budgetary balance of \$4,002,022.

Proprietary Funds. As of the end of fiscal year 2012, the District's proprietary funds had \$97,699 in unrestricted net assets.

CAPITAL ASSETS

At June 30, 2012, the School Board had approximately \$33.19 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirement of assets during the year, and depreciation of depreciable assets for the year. Table III below shows the book value of capital assets in government funds at the end of the 2012 and 2011 fiscal years..

Table III
Capital Assets (net of accumulated depreciation)
As of June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>	Percentage of Change <u>2012-2011</u>
Land, buildings and building improvements	\$32,553,912	\$33,745,589	(3.53)%
Furniture, vehicles and equipment	<u>632,945</u>	<u>657,756</u>	(3.77)
	<u>\$33,186,857</u>	<u>\$34,403,345</u>	<u>(3.54)%</u>

During the current fiscal year, \$112,246 of fixed assets were capitalized as additions. Increases in capital assets were offset by depreciation expense for the year.

The School Board anticipates that capital additions for the 2012-2013 fiscal year will be comparable to the current year, exclusive of any land, site improvements and construction in progress included in the above additions.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

For the 2011-2012 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Federal and state aid (restricted and not restricted) represents 58.43% of the School Board's revenue, local tax levy is 38.01% and 3.56% is from all other sources.

The \$847,746 in unrestricted net assets represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills as of June 30, 2012, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would have a balance of \$847,746.

The 2011-12 budget was adopted, June 2011, based in part on the state education aid the School Board anticipated receiving. Due to the economic uncertainties in the State of New Jersey, future state aid may not meet current levels.

The School Board anticipates a stable enrollment level for the 2012-2013 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy and/or (c) seek alternative sources of funding.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

The School Board's financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Sean Gately, School Business Administrator/Board Secretary, at the Plumsted Township Schools Board of Education, 117 Evergreen Road, New Egypt, New Jersey 08533.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities display information about the District. These Statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These Statements distinguish between the governmental and business-type activities of the District.

PLUMSTED SCHOOL DISTRICT

STATEMENT OF NET ASSETS

June 30, 2012

	Governmental Activities	Business -Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 2,892,119.69	\$ 163,467.18	\$ 3,055,586.87
Receivables - Other	495,924.29	7,668.99	503,593.28
Receivables - State		135.27	135.27
Receivables - Other Governments	473,932.99	4,095.01	478,028.00
Inventory		7,804.55	7,804.55
Other Assets	239,047.94		239,047.94
Capital Assets, Net (Note 8)	<u>36,483,269.32</u>		<u>36,483,269.32</u>
Total Assets	<u>40,584,294.23</u>	<u>183,171.00</u>	<u>40,767,465.23</u>
Liabilities:			
Accounts Payable	498,376.40	48,634.87	547,011.27
Due To Grantor			
Deferred Revenue	60,827.46	36,836.60	97,664.06
Noncurrent Liabilities (Note 9):			
Due Within One Year	2,008,968.00		2,008,968.00
Due Beyond One Year	<u>17,545,335.21</u>		<u>17,545,335.21</u>
Total Liabilities	<u>20,113,507.07</u>	<u>85,471.47</u>	<u>20,198,978.54</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	17,021,145.06		17,021,145.06
Restricted for:			
Debt Service	67,794.33		67,794.33
Capital Projects	619,715.12		619,715.12
Other Purposes	2,012,086.48		2,012,086.48
Unrestricted	<u>750,046.17</u>	<u>97,699.53</u>	<u>847,745.70</u>
Total Net Assets	<u>\$ 20,470,787.16</u>	<u>\$ 97,699.53</u>	<u>\$ 20,568,486.69</u>

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

PLUMSTED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES

For the fiscal year ended June 30, 2012

Functions/Programs	Expenses	Indirect Expenses Allocation	Total	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
				Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES							
Instruction:							
Regular Instruction	\$ 6,986,238.52	\$ 2,384,203.98	\$ 9,370,442.50	\$ 203,754.32			\$ (9,166,688.18)
Special Schools Instruction	2,577,070.28	1,540,562.57	4,117,632.85				(4,117,632.85)
Other Special Instruction	324,256.21		324,256.21				(324,256.21)
Other Instruction	624,555.12	222,525.70	847,080.82				(847,080.82)
Support Services and Undistributed Costs:							
Instruction	148,795.80		148,795.80				(148,795.80)
Attendance and Social Work Services	43,693.85		43,693.85				(43,693.85)
Health Services	291,417.25		291,417.25				(291,417.25)
Other Support Services	2,103,334.60	798,753.31	2,902,087.91				(2,902,087.91)
Educational Media Services	99,078.63		99,078.63				(99,078.63)
Instructional Staff Training	79,444.13		79,444.13				(79,444.13)
General Administrative Services	910,293.12	54,584.51	964,877.63				(964,877.63)
School Administrative Services	513,429.94	232,893.90	746,323.84				(746,323.84)
Central Services	429,186.77	109,169.02	538,355.79				(538,355.79)
Technology	44,148.16	1,819.48	45,967.64				(45,967.64)
Allowed Maintenance for School Facilities	173,725.41		173,725.41				(173,725.41)
Other Operation & Maintenance of Plant	1,629,823.94	1,710,825.79	3,340,649.73		\$ 198,224.56		(3,142,425.17)
Student Transportation Services	932,971.66	218,338.04	1,151,309.70		\$ 5,568.00		(1,145,741.70)
Charter School	26,225.00		26,225.00				(26,225.00)
Interest on Long-Term Debt	768,289.12	144,983.86	913,272.98		884,732.00		(28,540.98)
Total Government Activities	18,705,977.51	7,418,660.16	26,124,637.67	203,754.32	890,300.00	198,224.56	(24,832,358.79)
BUSINESS-TYPE ACTIVITIES							
Food Service	496,010.56		496,010.56	357,519.90	140,289.91		1,799.25
Community Education	39,799.19		39,799.19	46,095.64			6,296.45
N.E.E.D.	178,874.46		178,874.46	148,517.11			(30,357.35)
Parking	1,894.00		1,894.00	2,400.00			506.00
Warrior Day Camp	78,322.18		78,322.18	83,469.91			5,147.73
Total Business-Type Activities	794,900.39		794,900.39	638,002.56	140,289.91		(16,607.92)
Total Primary Government	\$ 19,500,877.90	\$ 7,418,660.16	\$ 26,919,538.06	\$ 841,756.88	\$ 1,030,589.91	\$ 198,224.56	\$ (24,832,358.79)
GENERAL REVENUES							
Property Taxes Levied for:							
General Purposes							
Debt Service							
Federal and State Aid Not Restricted							
Miscellaneous Income							
Investment Earnings							
Total General Revenues							\$ 15,074.45
Change in Net Assets							(1,533.47)
Net Assets - Beginning							18,389,219.71
Net Assets - Ending							\$ 20,470,787.16
							\$ 97,699.53
							\$ 20,568,486.69

FUND FINANCIAL STATEMENTS

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

PLUMSTED SCHOOL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 2,914,830.47	\$ 18,812.88	\$ 289,466.91		\$ 3,223,110.26
Receivables, Net Due From Other Funds	10,967.12		5,475.00		16,442.12
Receivables - Other	56,437.32	7,486.97		\$ 432,000.00	495,924.29
Receivables From Other Governments:					
State	53,397.00		270,621.54		324,018.54
Federal	57,971.04	91,943.41			149,914.45
Total Assets	<u>3,093,602.95</u>	<u>118,243.26</u>	<u>565,563.45</u>	<u>432,000.00</u>	<u>4,209,409.66</u>
Liabilities and Fund Balances:					
Liabilities:					
Cash Deficit				330,990.57	330,990.57
Accounts Payable	174,447.35	46,448.68	5,217.33		226,113.36
Due To Other Funds	5,475.00	10,967.12			16,442.12
Deferred Revenue		60,827.46			60,827.46
Total Liabilities	<u>179,922.35</u>	<u>118,243.26</u>	<u>5,217.33</u>	<u>330,990.57</u>	<u>634,373.51</u>
Fund Balances:					
Restricted:					
Capital Reserve	59,369.00				59,369.00
Maintenance Reserve	97,000.00				97,000.00
Debt Service				14,902.43	14,902.43
Capital Projects			163,630.08		163,630.08
Committed:					
Year-end Encumbrances			396,716.04		396,716.04
Assigned:					
Designated for Subsequent Year's Expenditures	1,759,153.00			86,107.00	1,845,260.00
Other Purposes - Year-End Encumbrances	155,933.48				155,933.48
Unassigned	842,225.12				842,225.12
Total Fund Balances	<u>2,913,680.60</u>		<u>560,346.12</u>	<u>101,009.43</u>	<u>3,575,036.15</u>
Total Liabilities and Fund Balances	<u>\$ 3,093,602.95</u>	<u>\$ 118,243.26</u>	<u>\$ 565,563.45</u>	<u>\$ 432,000.00</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$54,180,510.55 and the accumulated depreciation is \$17,697,241.23 (See Note 8). 36,483,269.32

Bond issuance costs are being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$572,475.00. 239,047.94

Accrued interest on long-term liabilities is not reported in the Fund financial statements. (272,263.04)

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 9). (19,554,303.21)

Net Assets of Governmental Activities \$ 20,470,787.16

PLUMSTED SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the fiscal year ended June 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues:					
Local Sources:					
Local Tax Levy	\$ 9,613,840.00			\$ 1,409,148.00	\$ 11,022,988.00
Tuition	203,754.32				203,754.32
Interest on Investments	397.59				397.59
Miscellaneous	134,470.28	\$ 41,469.53			175,939.81
Total - Local Sources	9,952,462.19	41,469.53		1,409,148.00	11,403,079.72
State Sources	12,965,136.64		\$ 198,224.56	884,732.00	14,048,093.20
Federal Sources	2,033,336.16	721,696.04			2,755,032.20
Total Revenues	24,950,934.99	763,165.57	198,224.56	2,293,880.00	28,206,205.12
Expenditures:					
Current:					
Regular Instruction	6,470,630.11	528,880.45			6,999,510.56
Special Education Instruction	2,577,070.28				2,577,070.28
Other Special Instruction	332,831.99				332,831.99
Other Instruction	625,793.84				625,793.84
Support Services and Undistributed Costs:					
Instruction	148,795.80				148,795.80
Attendance and Social Work Services	43,693.85				43,693.85
Health Services	291,417.25				291,417.25
Other Support Services	1,973,417.56	135,892.86			2,109,310.42
Educational Media Services	99,078.63				99,078.63
Instructional Staff Training	79,444.13				79,444.13
General Administrative Services	515,172.32				515,172.32
School Administrative Services	910,701.49				910,701.49
Central Services	430,003.51				430,003.51
Technology	44,161.77				44,161.77
Allowed Maintenance for School Facilities	173,725.41				173,725.41
Other Operation & Maintenance of Plant	1,853,906.65				1,853,906.65
Student Transportation Services	934,605.14				934,605.14
Unallocated Employee Benefits	5,944,942.07				5,944,942.07
Charter School	26,225.00				26,225.00
Debt Service:					
Principal				1,710,000.00	1,710,000.00
Interest and Other Charges				788,318.31	788,318.31
Capital Outlay	134,801.78	98,392.26	696,496.93		929,690.97
Total Expenditures	23,610,418.58	763,165.57	696,496.93	2,498,318.31	27,568,399.39
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1,340,516.41		(498,272.37)	(204,438.31)	637,805.73
Other Financing Sources/(Uses):					
Lease Purchase Agreement			660,000.00		660,000.00
Transfers In			190,964.00	219,340.39	410,304.39
Transfers Out	(190,964.00)		(219,340.39)		(410,304.39)
Total Other Financing Sources/(Uses)	(190,964.00)		631,623.61	219,340.39	660,000.00
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	1,149,552.41		133,351.24	14,902.08	1,297,805.73
Net Change in Fund Balances	1,149,552.41		133,351.24	14,902.08	1,297,805.73
Fund Balance - July 1	1,764,128.19		426,994.88	86,107.35	2,277,230.42
Fund Balance - June 30	\$ 2,913,680.60	\$ 0.00	\$ 560,346.12	\$ 101,009.43	\$ 3,575,036.15

PLUMSTED SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

For the fiscal year ended June 30, 2012

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ 1,297,805.73
Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:		
<p>Capital outlays are reported in governmental funds as expenditures. However, on 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 period.</p>		
Depreciation Expense	\$ (1,328,734.23)	
Capital Outlay	1,142,547.71	(186,186.52)
<p>Repayment of bond, principal is an expenditure in the governmental funds, but the repayment debt reduces long-term liabilities in the Statement of Net Assets and is not reported in the Statement of Activities.</p>		
		1,710,000.00
<p>In the governmental funds, Capital Lease proceeds are reported as other financing source. These proceeds are a reduction to the reconciliation</p>		
		(660,000.00)
<p>Bond discount, bond premium and issuance costs are amortized over the lives of the bonds in the Statement of Activities but are recorded as a reduction from the proceeds from sales of bonds in the governmental funds.</p>		
		(16,983.86)
<p>In the governmental funds, refunding bonds are reported as other financing uses. These costs are an addition to the reconciliation</p>		
<p>Losses on Refunding Bonds are amortized over the life of the defeased bonds. These losses are a reduction to the reconciliation</p>		
		(128,000.00)
<p>In the Statement of Activities, the principal payments on capital leases are recorded as a reduction in the long-term liability. In the governmental funds, the payments are an expenditure.</p>		
		8,367.38
<p>In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest over the previous year is an increase in the reconciliation.</p>		
		20,029.19
<p>In the Statement of Activities, certain operating expenses, e.g. compensated absences (sick leave) and special termination benefits (early retirement incentive) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used, essentially, the amounts actually paid. This year, sick leave was decreased by \$36,535.53</p>		
		36,535.53
Change in Net Assets of Governmental Activities		\$ 2,081,567.45

PLUMSTED SCHOOL DISTRICT
STATEMENT OF NET FUND ASSETS
PROPRIETARY FUNDS

JUNE 30, 2012

	Food Service Fund	N.E.E.D. Fund	Warrior Day Camp Fund	Community Education Fund	Middle School Sports	Parking	Total 2012
Assets:							
Current Assets:							
Cash and Cash Equivalents	\$ 9,932.92	\$ 82,234.91	\$ 43,751.19	\$ 24,232.16		\$ 3,316.00	\$ 163,467.18
Accounts Receivable:							
State	135.27						135.27
Federal	4,094.97						4,094.97
Subsidy	0.04						0.04
Other	6,364.98	1,173.01		131.00			7,668.99
Inventories	7,804.55						7,804.55
Inventory							
Total - Current Assets	<u>28,332.73</u>	<u>83,407.92</u>	<u>43,751.19</u>	<u>24,363.16</u>		<u>3,316.00</u>	<u>183,171.00</u>
Fixed Assets:							
Equipment	277,897.00			1,211.00			279,108.00
Accumulated Depreciation	<u>(277,897.00)</u>			<u>(1,211.00)</u>			<u>(279,108.00)</u>
Total - Fixed Assets							
Total Assets	<u>\$ 28,332.73</u>	<u>\$ 83,407.92</u>	<u>\$ 43,751.19</u>	<u>\$ 24,363.16</u>	<u>\$ 0.00</u>	<u>\$ 3,316.00</u>	<u>\$ 183,171.00</u>
Liabilities and Fund Equity:							
Liabilities:							
Reserve for Encumbrances							
Accounts Payable	\$ 36,318.55		\$ 11,236.32	\$ 1,080.00			\$ 48,634.87
Deferred Revenue	6,889.62		29,796.98	150.00			36,836.60
Total Liabilities	<u>43,208.17</u>		<u>41,033.30</u>	<u>1,230.00</u>			<u>85,471.47</u>
Net Assets:							
Unrestricted net assets	<u>(14,875.44)</u>	<u>\$ 83,407.92</u>	<u>2,717.89</u>	<u>23,133.16</u>		<u>\$ 3,316.00</u>	<u>97,699.53</u>
Total Fund Equity	<u>(14,875.44)</u>	<u>83,407.92</u>	<u>2,717.89</u>	<u>23,133.16</u>		<u>3,316.00</u>	<u>97,699.53</u>
Total Liabilities And Fund Equity	<u>\$ 28,332.73</u>	<u>\$ 83,407.92</u>	<u>\$ 43,751.19</u>	<u>\$ 24,363.16</u>	<u>\$ 0.00</u>	<u>\$ 3,316.00</u>	<u>\$ 183,171.00</u>

PLUMSTED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS

For the fiscal year ended June 30, 2012

	Food Service Fund	N.E.E.D. Fund	Warrior Day Camp Fund	Community Education Fund	Middle School Sports	Parking	Total 2012
Operating Revenues:							
Local Sources:							
Daily Sales - Reimbursable Programs:							
School Lunch Program	\$ 357,519.90						\$ 357,519.90
Daily Sales - Non-Reimbursable Programs:							
Special Functions							
Program Fees							
Transfer To General Fund							
Miscellaneous Income	130.44	5,376.14	8,534.00	0.36	1,033.51		15,074.45
Total Operating Revenues	<u>357,650.34</u>	<u>153,893.25</u>	<u>92,003.91</u>	<u>46,096.00</u>	<u>1,033.51</u>	<u>2,400.00</u>	<u>653,077.01</u>
Salaries	186,320.14	140,945.63	47,893.00	19,765.00			394,923.77
Transportation			7,310.00				7,310.00
Support Services - Employee Benefits	24,962.87						24,962.87
Payroll Taxes	29,440.92						29,440.92
Fica		10,547.12					10,547.12
Refund	15.70	21,826.50	1,419.05	115.00			23,376.25
Equipment	585.00						585.00
Management Fee	27,444.32						27,444.32
Supplies and Materials	11,854.39	4,351.72	1,850.23	1,799.31		1,894.00	21,749.65
Cost of Sales	173,469.78						173,469.78
Repairs Maintenance	8,780.72						8,780.72
Miscellaneous Expenditures	33,136.72	1,203.49	3,717.85	18,119.88			56,177.94
Total Operating Expenses	<u>496,010.56</u>	<u>178,874.46</u>	<u>78,322.18</u>	<u>39,799.19</u>	<u>1,033.51</u>	<u>1,894.00</u>	<u>794,900.39</u>
Operating Income/(Loss)	<u>(138,360.22)</u>	<u>(24,981.21)</u>	<u>13,681.73</u>	<u>6,296.81</u>	<u>1,033.51</u>	<u>506.00</u>	<u>(141,823.38)</u>
Nonoperating Revenues:							
State Sources:							
State School Lunch Program	16,847.44						16,847.44
Federal Sources:							
National School Lunch Program	117,883.42						117,883.42
National School Breakfast Program	5,559.05						5,559.05
Total Nonoperating Revenues	<u>140,289.91</u>						<u>140,289.91</u>
Change In Net Assets	<u>1,929.69</u>	<u>(24,981.21)</u>	<u>13,681.73</u>	<u>6,296.81</u>	<u>1,033.51</u>	<u>506.00</u>	<u>(1,533.47)</u>
Total Net Assets - Beginning	<u>(16,805.13)</u>	<u>108,389.13</u>	<u>(10,963.84)</u>	<u>16,836.35</u>	<u>(1,033.51)</u>	<u>2,810.00</u>	<u>99,233.00</u>
Total Net Assets - Ending	<u>\$ (14,875.44)</u>	<u>\$ 83,407.92</u>	<u>\$ 2,717.89</u>	<u>\$ 23,133.16</u>	<u>\$ 0.00</u>	<u>\$ 3,316.00</u>	<u>\$ 97,699.53</u>

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

PLUMSTED SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the fiscal year ended June 30, 2012

	Food Service Fund	N.E.E.D. Fund	Warrior Day Camp Fund	Community Education Fund	Middle School Sports	Parking	2012
Cash Flows From Operating Activities:							
Receipts From Customers	\$ 363,413.16	\$ 147,344.10	\$ 121,800.89	\$ 45,984.92		\$ 2,400.00	\$ 680,943.07
Payments To Employees	(198,845.50)	(140,945.63)	(39,901.00)			(1,894.00)	(381,586.13)
Payments To Employee Benefits	(22,630.51)						(22,630.51)
Miscellaneous Receipts					\$ 1,033.51		1,033.51
Payments To Suppliers	(280,003.35)	(40,339.32)	(77,762.03)	(38,764.11)			(436,868.81)
Net Cash Provided By/(Used For) Operating Activities	(138,066.20)	(33,940.85)	4,137.86	7,220.81	1,033.51	506.00	(159,108.87)
Cash Flows From Noncapital Financing Activities:							
Cash Received From State and Federal Reimbursements	143,533.43						143,533.43
Net Cash Provided By Noncapital Financing Activities	143,533.43						143,533.43
Cash Flows From Capital and Related Financing Activities							
Purchase of Capital Assets - Equipment							
Net Cash Used in Capital and Related Financing Activities							
Net (Decrease)/Increase in Cash and Cash Equivalents	5,467.23	(33,940.85)	4,137.86	7,220.81	1,033.51	506.00	(15,575.44)
Balance - Beginning of Year	4,465.69	116,175.76	39,613.33	17,011.35	(1,033.51)	2,810.00	179,042.62
Balance - End of Year	\$ 9,932.92	\$ 82,234.91	\$ 43,751.19	\$ 24,232.16	\$ 0.00	\$ 3,316.00	\$ 163,467.18
Reconciliation of Operating Loss To Net Cash Used for Operating Activities:							
Operating Income/(Loss) Used for Operating Activities:	\$ (138,360.22)	\$ (24,981.21)	\$ 13,681.73	\$ 6,296.81	\$ 1,033.51	\$ 506.00	\$ (141,823.38)
(Increase)/Decrease in Accounts Receivable	3,289.16	(1,173.01)	8,107.72	(131.00)			10,092.87
Decrease in Inventory	(5,612.60)						(5,612.60)
Increase/(Decrease) in Deferred Revenue	1,223.58	(1,754.57)	(17,651.59)	150.00			(18,032.58)
Increase/(Decrease) in Accounts Payable	1,393.88	(6,032.06)		905.00			(3,733.18)
Total Adjustments	294.02	(8,959.64)	(9,543.87)	924.00			(17,285.49)
Net Cash Used for Operating Activities	\$ (138,066.20)	\$ (33,940.85)	\$ 4,137.86	\$ 7,220.81	\$ 1,033.51	\$ 506.00	\$ (159,108.87)

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

PLUMSTED SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

June 30, 2012

	Unemployment Compensation <u>Trust</u>	Private Purpose Scholarship <u>Fund</u>	Student <u>Activity</u>	Agency <u>Fund</u>
Assets				
Cash and Cash Equivalents	\$ 22,549.10	\$ 4,631.16	\$ 124,277.18	\$ 145,557.24
Total Assets	<u>\$ 22,549.10</u>	<u>\$ 4,631.16</u>	<u>\$ 124,277.18</u>	<u>\$ 145,557.24</u>
Liabilities:				
Payable To Student Groups			\$ 124,277.18	
Payroll Deductions and Withholdings				\$ 145,557.24
Total Liabilities			<u>124,277.18</u>	<u>145,557.24</u>
Net Assets:				
Held in Trust for Unemployment Claims and Other Purposes	\$ 22,549.10			
Reserved For Scholarships		\$ 4,631.16		
Total Net Assets	<u>22,549.10</u>	<u>4,631.16</u>		
Total Liabilities and Net Assets	<u>\$ 22,549.10</u>	<u>\$ 4,631.16</u>	<u>\$ 124,277.18</u>	<u>\$ 145,557.24</u>

PLUMSTED SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

For the fiscal year ended June 30, 2012

	Unemployment Compensation <u>Trust</u>	Private Purpose Scholarship <u>Fund</u>
Additions:		
Contributions:		
Employee Contributions	\$ 99,861.69	
Other		\$ 5,658.25
	<u>99,861.69</u>	<u>5,658.25</u>
Total Contributions		
	<u>99,861.69</u>	<u>5,658.25</u>
Investment Earnings:		
Interest	1.48	
	<u>1.48</u>	
Net Investment Earnings		
	<u>1.48</u>	
Total Additions	<u>99,863.17</u>	<u>5,658.25</u>
Deductions:		
Unemployment Claims	90,811.05	
Scholarships Awarded		5,300.00
	<u>90,811.05</u>	<u>5,300.00</u>
Total Deductions		
	<u>90,811.05</u>	<u>5,300.00</u>
Change in Net Assets	9,052.12	358.25
Net Assets - Beginning of Year	<u>13,496.98</u>	<u>4,272.91</u>
Net Assets - End of Year	<u>\$ 22,549.10</u>	<u>\$ 4,631.16</u>

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

The Plumsted School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of seven members elected to three-year staggered terms. The purpose of the District is to educate students in grades K-12. The Plumsted School District had an approximate enrollment of 1,691 students at June 30, 2012.

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

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of 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.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

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

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

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

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The District reports the following governmental funds:

General Fund - The General Fund is the general operating fund of the District and 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 NJDOE, the District includes budgeted capital outlay in this Fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

Special Revenue Fund - The Special Revenue Fund is used to account for 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.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The District reports the following proprietary fund:

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

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

All Proprietary Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net 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 of the equipment used in the operations of the Enterprise Funds are as follows.

Equipment

5-20 Years

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The District reports the following fiduciary funds:

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Expendable Trust Fund includes the Unemployment Compensation Insurance Fund.

Nonexpendable Trust Fund - A Nonexpendable Trust 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. At June 30, 2012, the District had no Non-Expendable Trust Funds.

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

Basis of Accounting

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

District-Wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the Enterprise Fund and Fiduciary Funds use the accrual basis of accounting. Differences in the accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "Accounts Receivable". Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Accounting (Cont'd):

Governmental Fund Financial Statements: Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the 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. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and Enterprise Funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the County Office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund. The legal level of budgetary control is established at line item accounts within each Fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally-authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The Capital Project Fund presents the remaining project appropriations compared to current-year expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated 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.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Budgets/Budgetary Control (Cont'd):

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. At June 30, 2012, there was a reconciling difference of \$40,544.00 between the budgetary basis and GAAP basis in the General Fund and of \$34,972.37 in the Special Revenue Fund.

The following presents a reconciliation of the General Fund revenues and Special Revenue Fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules - General and Special Revenue 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. Note that the District does not report encumbrances outstanding at year-end as expenditures in the General Fund since the General Fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

PLUMSTED SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Budgets/Budgetary Control: (Cont'd)

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) "revenues" from the Budgetary Comparison Schedules	\$ 24,991,478.99	\$ 728,193.20
Difference – budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances		34,972.37
Current Year Encumbrances		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,047,797.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,088,341.00)</u>	<u> </u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 24,950,934.99</u>	<u>\$ 763,165.57</u>
USES/OUTFLOWS OF RESOURCES		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule	\$ 23,610,418.58	\$ 728,193.20
Difference – budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Prior Year Encumbrances		34,972.37
Current Year Encumbrances		
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 23,610,418.58</u>	<u>\$ 763,165.57</u>

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Encumbrance Accounting:

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances, are reflected in the Balance Sheet as deferred revenues at fiscal year-end.

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

E. Assets, Liabilities, and Equity:

Interfund Transactions:

Transfers between Governmental and Business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after non-operating revenues/expenses in the Enterprise Fund. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

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

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

Capital Assets:

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

All reported Capital Assets except for Land and Construction in Progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

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

Compensated Absences:

The District accounts for Compensated Absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting 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 the 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.

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

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

Compensated Absences(Cont'd):

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 Food Service Fund.

Deferred Revenue:

Deferred Revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as Deferred Revenue. Grants and entitlement received before the eligibility requirements are met are also recorded as Deferred Revenue.

Accrued Liabilities and Long-Term Obligations:

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

Net Assets:

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

Fund Balance Reserves:

The 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, maintenance, capital and subsequent years' expenditures.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

Revenues – Exchange and Nonexchange Transactions:

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

Nonexchange Transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from Nonexchange Transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

Operating Revenues and Expenses:

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

Allocation of Indirect Expenses:

The District reports all Direct Expenses by function in the Statement of Activities. Direct Expenses are those that are clearly identifiable with a function. Indirect Expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of Social Security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the Indirect Expense column of the Statement of Activities. Depreciation expense that could not be attributable to a specific function is considered an Indirect Expense and is reported separately in the Statement of Activities. Interest on long-term debt is considered an Indirect Expense and is reported separately on the Statement of Activities.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

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.

Management Estimates:

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

2. CAPITAL RESERVE ACCOUNT

A Capital Reserve Account was established by the Plumsted Board of Education by inclusion of \$173,833 in June 2012 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 excess approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the Account cannot at any time exceed the local support costs of uncompleted Capital Projects in its approved LRFP.

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

Ending Balance, June 30, 2011	\$ 0.00
Additions:	
Board Contribution	173,833.00
Less:	
Transfer to Capital Projects	<u>(114,464.00)</u>
Ending Balance June 30, 2012	<u>\$ 59,369.00</u>

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

3. MAINTENANCE RESERVE ACCOUNT

A Maintenance Reserve Account was established by the Roosevelt Board of Education by inclusion of \$97,000.00 for the accumulation of funds for use as maintenance of Capital Projects in subsequent fiscal years. The Maintenance Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget. Funds placed in the Maintenance Reserve Account are to provide maintenance for completed projects in the District's approved LRFP.

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

Ending Balance, June 30, 2011	\$ 0.00
Additions:	
Board Contribution	<u>97,000.00</u>
Ending Balance, June 30, 2012	<u>\$ 97,000.00</u>

4. DEPOSITS AND INVESTMENTS

The Board of Education considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as Cash and Cash Equivalents.

Deposits

The Board's deposits are insured through the Federal Deposit Insurance Corporation ("FDIC") or New Jersey's Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000.00 in the aggregate by the FDIC for each bank. At June 30, 2012 and 2011, the book value of the Board's deposits were \$3,351,786.14 and \$2,626,043.45, respectively.

PLUMSTED SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

4. DEPOSITS AND INVESTMENTS (CONT'D)

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

At June 30, 2012 and 2011, the Board's bank balances were \$3,839,597.73 and \$2,908,930.45, respectively, were exposed to Custodial Credit Risk as follows:

	<u>2012</u>	<u>2011</u>
Insured	\$ 3,649,932.12	\$ 2,908,930.45
Uninsured	<u>189,665.61</u>	<u> </u>
	<u>\$ 3,839,597.73</u>	<u>\$ 2,908,930.45</u>

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully-collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2012, the Board had no investments.

Interest Rate Risk

The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

PLUMSTED SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

5. RECEIVABLES

Receivables at June 30, 2012, consisted of interfunds and intergovernmental. All receivables are considered collectable in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund Financial Statements</u>	<u>District-Wide Financial Statements</u>
Other	\$ 495,924.29	\$ 503,593.28
Due from Other Funds	16,442.12	
Federal Government	149,914.45	154,009.42
State Aid	<u>324,018.54</u>	<u>324,153.85</u>
	986,299.40	981,756.55
Less Allowance for Uncollectibles	<u>0.00</u>	<u>0.00</u>
Total Receivables, Net	<u>\$ 986,299.40</u>	<u>\$ 981,756.55</u>

6. INTERFUND BALANCES AND TRANSFERS

Balances due to/from other funds at June 30, 2012 consist of the following:

\$ 5,475.00	Due To Capital Projects Fund From General Fund representing a cash advance.
<u>10,967.12</u>	Due To General Fund From Special Revenue Fund representing cash advance.
<u>\$ 16,442.12</u>	

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

6. INTERFUND BALANCES AND TRANSFERS (CONT'D)

Transfers

Transfers to/from other funds at June 30, 2012 consist of the following:

\$ 76,500.00	To Capital Projects Fund From Capital Outlay for Capital Project funding.
114,464.00	To Capital Projects Fund From Capital Reserve for Capital Project funding.
<u>219,340.39</u>	To Debt Service Fund From Capital Projects Fund representing a budgeted transfer in.
<u>\$ 410,304.39</u>	

7. INVENTORY

Inventory at June 30, 2012 consisted of the following:

Food	\$ 6,354.96
Supplies	<u>1,449.59</u>
	<u>\$ 7,804.55</u>

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

8. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land and Site Improvements	\$ 1,571,070.00			\$ 1,571,070.00
Construction in Progress	695,040.78	\$ 1,030,301.32		1,725,342.10
Total Capital Assets Not Being Depreciated	<u>2,266,110.78</u>	<u>1,030,301.32</u>		<u>3,296,412.10</u>
Capital Assets Being Depreciated:				
Building and Building Improvements	48,069,640.00	20,046.00		48,089,686.00
Machinery and Equipment	2,702,212.06	92,200.39		2,794,412.45
Totals at Historical Cost	<u>50,771,852.06</u>	<u>112,246.39</u>		<u>50,884,098.45</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(14,324,050.97)	(1,211,722.80)		(15,535,773.77)
Machinery and Equipment	(2,044,456.03)	(117,011.43)		(2,161,467.46)
Total Accumulated Depreciation	<u>(16,368,507.00)</u>	<u>(1,328,734.23)</u>		<u>(17,697,241.23)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>34,403,345.06</u>	<u>(1,216,487.84)</u>		<u>33,186,857.22</u>
Government Activity Capital Assets, Net	<u>36,669,455.84</u>	<u>(186,186.52)</u>		<u>36,483,269.32</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Equipment	279,108.00			279,108.00
Less Accumulated Depreciation	(279,108.00)			(279,108.00)
Enterprise Fund Capital Assets, Net				
Total	<u>\$ 36,669,455.84</u>	<u>\$ (186,186.52)</u>	<u>\$ 0.00</u>	<u>\$ 36,483,269.32</u>

PLUMSTED SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

8. CAPITAL ASSETS (CONT'D)

The NJ State Department of Education has set the capitalization threshold used by school districts in the State of New Jersey at \$2,000.00.

Depreciation expense was charged to functions as follows:

Plant Operations and Maintenance \$ 1,328,734.23

9. LONG-TERM OBLIGATIONS

A. Long-Term Obligation Activity:

Changes in Long-Term Obligations for the year ended June 30, 2012, are as follows:

	Balance June 30, <u>2011</u>	<u>Additions</u>	<u>Retired</u>	Balance June 30, <u>2012</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Compensated Absences Payable	\$ 128,714.48		\$ 36,535.53	\$ 92,178.95	\$ 66,203.49
Bonds Payable	20,415,000.00		1,710,000.00	18,705,000.00	1,785,000.00
Capital Leases	<u>20,916.68</u>	<u>\$ 660,000.00</u>	<u>8,367.38</u>	<u>672,549.30</u>	<u>157,764.51</u>
	<u>\$ 20,564,631.16</u>	<u>\$ 660,000.00</u>	<u>\$ 1,754,902.91</u>	<u>\$ 19,469,728.25</u>	<u>\$ 2,008,968.00</u>
			Net Premium/(Discount)	\$ 212,574.96	
			Loss on Refunding	(128,000.00)	
			Current Portion of Long Term Debt	<u>(2,008,968.00)</u>	
				<u>\$ 17,545,335.21</u>	

Compensated absences and capital leases, if applicable, have been liquidated in the General Fund.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

9. LONG-TERM OBLIGATIONS (CONT'D)

B. Bonds Payable

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

Debt Service requirements on serial bonds payable at June 30, 2012 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,785,000.00	\$ 718,589.14	\$ 2,503,589.14
2014	1,895,000.00	629,131.26	2,524,131.26
2015	1,985,000.00	546,243.76	2,531,243.76
2016	2,075,000.00	463,437.51	2,538,437.51
2017	2,155,000.00	387,831.26	2,542,831.26
2018-2022	5,855,000.00	897,493.80	6,752,493.80
2023-2027	2,420,000.00	324,065.63	2,744,065.63
2028	<u>535,000.00</u>	<u>9,362.50</u>	<u>544,362.50</u>
	<u>\$ 18,705,000.00</u>	<u>\$ 3,976,154.86</u>	<u>\$ 22,681,154.86</u>

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

9. LONG-TERM OBLIGATIONS (CONT'D)

C. Bonds Authorized But Not Issued

As of June 30, 2012, the District had no bonds that were authorized but not issued.

E. Capital Leases

The District is leasing capital items and equipment under capital leases. All capital leases are for terms of varying years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of net minimum lease payments at June 30, 2012:

Year-ending <u>June 30,</u>	
2013	\$159,175.20
2014	137,472.25
2015	133,649.25
2016	133,649.25
2017	<u>133,649.25</u>
Total Minimum Lease Payments	697,595.20
Less: Amount representing interest	<u>25,045.90</u>
Present Value of Lease Payments	<u>\$672,549.30</u>

10. OPERATING LEASES

As of June 30, 2012, the District had not entered into any operating leases.

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

11. PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by New Jersey Division of Pension of 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 is required supplementary information for the Public Employees Retirement Systems and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

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

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

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

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

12. PENSION PLANS (CONT'D)

Significant Legislation - During the year ended June 30, 1997, legislation was enacted 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 assets valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for 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 to 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 N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially-determined rate in both TPAF and PERS. The actuarially-determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

<u>Year Funding June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$ 205,659.00	100%	\$ 0.00
2011	193,599.00	100	0.00
2010	None	100	0.00

Three-Year Trend Information (Paid on Behalf of District)

<u>Year Funding June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$1,061,448.00	100%	\$ 0.00
2011	731,756.00	100	0.00
2010	669,609.00	100	0.00

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

12. PENSION PLANS (CONT'D)

Contribution Requirements: (cont'd)

During the year ended June 30, 2012, the State of New Jersey contributed \$34,173.00 to the TPAF for NCGI premiums, \$318,437.00 for normal contributions and \$708,838.00 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 \$813,057.64 during the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenues and expenditures in accordance with GASB 24.

Legislation enacted during 1991 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1992 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 \$500.00 per month for two years for employees at least age 60 with 10 but less than 20 years of service. The District will assume the increased cost for the early retirement as it affects their District.

13. POST – RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and 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. 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.

PLUMSTED SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

14. DEFERRED COMPENSATION

The Board offers its employees choice of the following Deferred Compensation Plans created in accordance with Internal Revenue Code Section 403(b). The Plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the Plans are not available to employees until termination, retirement, death or unforeseeable emergency. The Plan Administrators are as follows:

- Security First
- Lincoln Investment Planning, Inc.
- American Express Financial
- Equitable Life
- Valic
- Copeland Co.
- Metropolitan Life Insurance Co.

15. 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 table below is a summary of the 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 the previous two years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011/12	\$ 0.00	\$ 99,862	\$ 90,811	\$ 22,549
2010/11	0.00	177,616	209,033	13,497
2009/10	0.00	40,353	39,848	44,594

PLUMSTED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

16. CONTINGENT LIABILITIES

Grant Programs

The District participates in federally-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

17. FUND BALANCE APPROPRIATED

The District has implemented GASB 54 during fiscal year 2012.

As such, fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable Fund Balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed Fund Balance – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint.
- Assigned Fund Balance – amounts a District *intends* to use for a specific purpose; intent can be expressed by the Board or by an official or body to which the Board delegates the authority.
- Unassigned Fund Balance – amounts that are available for any purpose; these amounts are reported only in the General Fund.

Fund balance reporting is the result of State Statutes, New Jersey Department of Education regulations and motions (resolutions/ordinances) that are passed at Board meetings. The Board acts on these motions under the guidance of the District's Superintendent and Business Administrator.

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of each fiscal year, utilizing adjusting journal entries.

First, non-spendable fund balances are determined; then, restricted fund balances for specific purposes are determined (not including non-spendable amounts). Any remaining fund balance amounts for the non-General Funds are classified as restricted fund balances.

PLUMSTED SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2012

17. FUND BALANCE APPROPRIATED (CONT'D)

There is a potential for the non-General Funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceed the positive fund balances for the non-General Funds.

Classification Totals

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Fund Balances:					
Restricted	\$ 156,369.00		\$ 14,902.43	\$ 163,630.08	\$ 334,901.51
Committed				396,716.04	396,716.04
Assigned	1,915,086.48		86,107.00		2,001,193.48
Unassigned	<u>842,225.12</u>	<u> </u>	<u> </u>	<u> </u>	<u>842,225.12</u>
	<u>\$ 2,913,680.60</u>	<u>\$ 0.00</u>	<u>\$101,009.43</u>	<u>\$560,346.12</u>	<u>\$ 3,575,036.15</u>

18. CALCULATION OF EXCESS SURPLUS

Not applicable.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

PLUMSTED SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 9,613,840.00		\$ 9,613,840.00	\$ 9,613,840.00	
Tuition - From Individuals		\$ 110,100.00	110,100.00	118,868.50	\$ 8,768.50
Other Tuition				84,885.82	84,885.82
Unrestricted Miscellaneous Revenues	148,131.00		148,131.00	134,867.87	(13,263.13)
Total Local Sources	9,761,971.00	110,100.00	9,872,071.00	9,952,462.19	80,391.19
State Sources:					
Extraordinary Aid				50,091.00	50,091.00
Categorical Special Education Aid	937,509.00		937,509.00	937,509.00	
Equalization Aid	9,910,486.00	112,084.00	10,022,570.00	10,022,570.00	
Secururity Aid		115,437.00	115,437.00	115,437.00	
Non-Public Transportation Aid		2,262.00	2,262.00	5,588.00	3,306.00
TPAF Normal Contributions (On-Behalf - Non-Budgeted)				318,437.00	318,437.00
TPAF Post-Retirement Medical (On-Behalf - Non-Budgeted)				708,838.00	708,838.00
TPAF NCGI Premiums (On-Behalf - Non-Budgeted)				34,173.00	34,173.00
TPAF Social Security (Reimbursed - Non-Budgeted)				813,057.64	813,057.64
Total State Sources	10,847,995.00	229,783.00	11,077,778.00	13,005,680.64	1,927,902.64
Federal Sources:					
Impact Aid				1,600,370.00	1,600,370.00
Medicaid Reimbursement	22,304.00		22,304.00	31,132.16	8,828.16
Education Jobs Fund	389,628.00	12,206.00	401,834.00	401,834.00	
	411,932.00	12,206.00	424,138.00	2,033,336.16	1,609,198.16
Total Revenues	21,021,898.00	352,089.00	21,373,987.00	24,991,478.99	3,617,491.99
EXPENDITURES					
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	114,318.00	87,348.07	201,666.07	198,405.04	3,261.03
Grades 1-5 - Salaries of Teachers	2,063,100.00	12,918.74	2,076,018.74	2,071,840.84	4,177.90
Grades 6-8 - Salaries of Teachers	1,562,605.00	(48,558.16)	1,514,046.84	1,513,826.84	220.00
Grades 9-12 - Salaries of Teachers	1,676,174.00	9,957.67	1,686,131.67	1,886,728.81	1,402.86
Regular Programs-Home Instruction:					
Salaries of Teachers	18,000.00	(1,920.00)	16,080.00	12,743.20	3,336.80
Purchased Professional Education Services	2,000.00	2,120.00	4,120.00	4,120.00	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	268,937.00	(6,190.06)	262,746.94	246,401.33	16,345.61
Other Purchased Services (Series 400-500)	95,794.00	9,551.84	105,345.84	102,105.23	3,240.61
General Supplies	535,542.00	(44,528.01)	491,013.99	404,378.46	86,635.53
Textbooks	31,700.00	(2,189.03)	29,510.97	19,836.38	9,674.59
Other Objects	14,800.00	1,305.00	16,105.00	10,243.98	5,861.02
Total Regular Programs - Instruction	6,584,970.00	19,816.06	6,604,786.06	6,470,630.11	134,155.95
Multiple Disabilities:					
Salaries of Teachers	328,693.00		328,693.00	297,175.41	31,517.59
Other Salaries for Instruction	324,906.00	2,400.00	327,306.00	294,808.79	32,497.21
General Supplies	4,350.00	709.42	5,059.42	4,838.78	220.64
Other Object	2,400.00	(2,400.00)			
Total Multiple Disabilities	660,349.00	709.42	661,058.42	596,822.98	64,235.44
Resource Room/Resource Center:					
Salaries of Teachers	1,750,787.00	867.03	1,751,654.03	1,745,806.16	5,847.87
General Supplies	7,300.00	3,501.28	10,801.28	10,801.28	
Textbooks	4,000.00	(397.31)	3,602.69	3,602.69	
Total Resource Room/Resource Center	1,762,087.00	3,971.00	1,766,058.00	1,760,210.13	5,847.87
Preschool Disabilities-Part-Time:					
Salaries of Teachers	221,706.00	599.86	222,305.86	216,975.33	5,330.53
Other Salaries for Instruction	3,960.00		3,960.00	1,311.00	2,649.00
General Supplies	2,000.00	(119.83)	1,880.17	1,750.84	129.33
Total Preschool Disabilities-Part-Time	227,666.00	480.03	228,146.03	220,037.17	8,108.86
Total Special Education Instruction	2,650,102.00	5,160.45	2,655,262.45	2,577,070.28	78,192.17
Basic Skills/Remedial-Instruction:					
Salaries	247,757.00	(7,021.44)	240,735.56	226,542.38	14,193.18
General Supplies	1,600.00		1,600.00	641.27	958.73
Total Basic Skills/Remedial-Instruction	249,357.00	(7,021.44)	242,335.56	227,183.65	15,151.91
Bilingual Education-Instruction:					
Salaries of Teachers	106,806.00	(19.51)	106,786.49	105,628.83	1,157.66
General Supplies		19.51	19.51	19.51	
Total Bilingual Education-Instruction	106,806.00		106,806.00	105,648.34	1,157.66
School-Spon. Co/Extra-curricular Activities-Instruction:					
Salaries	107,125.00		107,125.00	98,941.96	8,183.04
Supplies and Materials	14,000.00	130.92	14,130.92	11,549.38	2,582.54
Other Objects	19,532.00	(318.02)	19,213.98	14,562.41	4,651.57
Total School-Spon. Cocurricular Activities-Instruction	140,657.00	52 (187.10)	140,469.90	125,052.75	15,417.15

PLUMSTED SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (cont'd)					
School-Spon. Athletics-Instruction:					
Salaries	457,665.00	(52,424.92)	405,240.08	405,075.56	164.52
Purchased Services (300-500 Series)	61,565.00	(7,803.26)	53,761.74	52,525.56	1,236.18
Supplies and Materials	29,350.00	(2,826.79)	26,523.21	26,372.97	150.24
Other Objects	10,205.00	319.97	10,524.97	10,469.00	55.97
Total School-Spon. Athletics-Instruction	558,785.00	(62,735.00)	496,050.00	494,443.09	1,606.91
Other Instructional Programs-Instruction:					
Salaries	4,480.00	(4,480.00)			
Purchased Services (300-500 Series)	900.00	(900.00)			
Total Other Instructional Programs-Instruction	5,380.00	(5,380.00)			
Before/After School-Instruction:					
Salaries of Teachers	2,620.00	4,480.00	7,100.00	6,298.00	802.00
Total Before/After School-Instruction	2,620.00	4,480.00	7,100.00	6,298.00	802.00
Total Other Special Instructional Programs-Instruction	1,063,605.00	(70,843.54)	992,761.46	958,625.83	34,135.63
Total Instruction	10,298,677.00	(45,867.03)	10,252,809.97	10,006,326.22	246,483.75
Undistributed Expenditures-Instruction:					
Tuition to Other LEAs W/ the State - Special		8,391.92	8,391.92	8,391.42	300.00
Tuition to County Voc. School Dist.-Regular	7,500.00		7,500.00	7,200.00	300.00
Tuition to County Spec. Serv. & Reg. Day Schools	56,200.00	(54,593.05)	1,606.95		1,606.95
Tuition to Private Schools for the Disabled W/ State	113,149.00	28,610.13	141,759.13	133,204.38	8,554.75
Total Undistributed Expenditures-Instruction	176,849.00	(17,591.00)	159,258.00	148,795.80	10,462.20
Attendance and Social Work Services:					
Salaries	50,297.00	(5,825.17)	44,471.83	43,693.85	777.98
Other Objects	500.00		500.00		500.00
Total Attendance and Social Work Services	50,797.00	(5,825.17)	44,971.83	43,693.85	1,277.98
Undist. Expend. -Health Services:					
Salaries	265,919.00	820.00	266,739.00	266,738.74	0.26
Purchased Professional and Technical Services	18,000.00	2,203.20	20,203.20	19,101.60	1,101.60
Supplies and Materials	6,135.00	237.01	6,372.01	5,576.91	795.10
Total Undistributed Expenditures -Health Services	290,054.00	3,260.21	293,314.21	291,417.25	1,896.96
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries	489,593.00		489,593.00	468,893.12	20,699.88
Purchased Professional - Educational Services	197,300.00	2,074.00	199,374.00	129,757.05	69,616.95
Supplies and Materials	9,400.00	(2,020.41)	7,379.59	6,815.31	564.28
Other Objects	1,000.00		1,000.00	455.39	544.61
Total Undist. Expend. - Speech, OT, PT & Related Services	697,293.00	53.59	697,346.59	605,920.87	91,425.72
Undist. Expend. -Other Support Services-Students-Extra Svc:					
Salaries	72,000.00	25,999.35	97,999.35	97,429.80	569.55
Total Undist. Expend.-Other Support Services-Students-Extra Svc	72,000.00	25,999.35	97,999.35	97,429.80	569.55
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	351,213.00	70,441.30	421,654.30	416,263.28	5,391.02
Salaries of Secretarial and Clerical Assistants	44,783.00	(18,085.24)	26,697.76	26,697.32	10.44
Other Salaries		935.50	935.50	935.50	
Purchased Professional - Educational Services	15,950.00	(864.00)	15,286.00	8,202.00	7,084.00
Other Purch. Prof. & Tech Svc.		11,026.00	11,026.00	11,026.00	
Supplies and Materials	8,750.00	(931.23)	7,818.77	4,938.17	2,880.60
Total Undist. Expend. - Guidance	420,696.00	62,722.33	483,418.33	468,052.27	15,366.06
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	681,332.00		681,332.00	658,218.94	23,113.06
Salaries of Secretarial and Clerical Assistants	37,172.00		37,172.00	37,091.09	80.91
Other Salaries	20,000.00	10,900.00	30,900.00	21,555.53	9,344.47
Other Purchased Prof. and Tech. Services	4,600.00	(1,600.00)	3,000.00		3,000.00
Misc Purch Ser (400-500 o/than Resid costs)		150.00	150.00	37.51	112.49
Supplies and Materials	6,800.00	(1,013.60)	5,786.40	5,572.27	214.13
Total Undist. Expend. - Child Study Teams	749,904.00	8,436.40	758,340.40	722,475.34	35,865.06
Undist. Expend.-Improvement of Instruction Services-					
Salaries of Supervisor of Instruction	52,958.00		52,958.00	52,957.91	0.09
Salaries of Other Professional Staff	5,440.00	60.00	5,500.00	5,500.00	
Salaries of Secretarial and Clerical Assistants	20,558.00	0.48	20,558.48	20,558.46	0.02
Supplies and Materials	705.00	(60.96)	644.04	522.91	121.13
Total Undist. Expend.-Improvement of Instruction Services	79,661.00	(0.48)	79,660.52	79,539.28	121.24
Undist. Expend.-Educational Media Services/School Library:					
Salaries	81,620.00	5,633.92	87,253.92	85,949.18	1,304.74
Supplies and Materials	14,000.00		14,000.00	13,129.45	870.55
Total Undist. Expend.-Educational Media Services/School Library	95,620.00	5,633.92	101,253.92	99,078.63	2,175.29

PLUMSTED SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (cont'd)					
Undist. Expend.-Instruction Staff Training Services:					
Salaries of Supervisors of Instruction	52,958.00	0.03	52,958.03	52,958.03	
Salaries of Secretarial and Clerical Assistants	20,558.00	0.48	20,558.48	20,558.46	0.02
Purchased Professional-Educational Services	17,900.00	(10,504.17)	7,395.83	2,895.86	4,499.97
Other Purchased Services (400-500 Series)	10,171.00	(650.00)	9,521.00	3,031.78	6,489.22
Supplies and Materials	100.00		100.00		100.00
Total Undist. Expend.-Instruction Staff Training Services	101,667.00	(11,153.66)	90,533.34	79,444.13	11,089.21
Undist. Expend.-Support Service-General Administration:					
Salaries	226,768.00	8.75	226,766.75	226,766.54	0.21
Legal Services	260,000.00	(94,235.93)	165,764.07	93,352.50	72,411.57
Audit Fees	22,950.00	550.00	23,500.00	23,500.00	
Other Purchased Professional Services	37,000.00	(4,423.00)	32,577.00	19,170.00	13,407.00
Communications/Telephone	54,577.00	24,569.27	79,146.27	77,766.42	1,379.85
Board of Education Other Purchased Services	8,500.00	(1,002.69)	7,497.31	2,576.18	4,921.13
Miscellaneous Purchased Services	31,500.00	7,874.57	39,374.57	37,528.95	1,845.62
General Supplies	14,675.00	3,705.30	18,380.30	16,049.32	2,330.98
Board of Education In-House Training/Meeting Supplies	450.00	102.70	552.70	552.70	
Miscellaneous Expenditures	4,350.00	1,054.96	5,404.96	4,542.76	862.20
Board of Education Membership Dues and Fees	13,400.00		13,400.00	13,366.95	33.05
Total Undist. Expend.-Support Service-General Administration	674,160.00	(61,796.07)	612,363.93	515,172.32	97,191.61
Undist. Expend.-Support Service-School Administration:					
Salaries of Principals/Assistant Principals/Prog. Dir.	556,641.00	104,516.43	661,157.43	658,157.41	3,000.02
Salaries of Secretarial and Clerical Assistants	249,938.00	(22,746.02)	227,191.98	226,438.79	753.19
Other Purchased Services	40,500.00	(9,732.97)	30,767.03	10,176.99	20,590.04
Supplies and Materials	8,765.00	880.05	9,645.05	8,774.30	870.75
Other Objects	8,000.00		8,000.00	7,154.00	846.00
Total Undist. Expend.-Support Service-School Administration	863,844.00	72,917.49	936,761.49	910,701.49	26,060.00
Undist. Expend.-Central Services:					
Salaries	397,299.00	(390.57)	396,908.43	396,908.43	
Purchased Technical Services		25,198.00	25,198.00	23,509.33	1,688.67
Misc. Purchase Services (400-500 Series Other Than Resident.)	13,000.00	(2,565.43)	10,434.57	3,535.63	6,898.94
Supplies and Materials		575.00	575.00	575.00	
Other Objects	1,650.00	4,165.00	5,815.00	5,475.12	339.88
Total Undist. Expend.-Central Services	411,949.00	26,982.00	438,931.00	430,003.51	8,927.49
Undist. Expend.-Admin. Info Technology:					
Salaries	8,999.00		8,999.00	8,825.96	173.04
Purchased Technical Services	4,000.00	28,395.00	32,395.00	32,395.00	
Supplies and Materials		3,014.91	3,014.91	2,940.81	74.10
Total Undist. Expend.-Admin. Info. Technology	12,999.00	31,409.91	44,408.91	44,161.77	247.14
Increase in Maintenance Reserve	97,000.00	(97,000.00)			
Undist. Expend.-Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	154,950.00	(37,799.11)	117,150.89	113,562.14	3,588.75
General Supplies	67,300.00	(6,544.47)	60,755.53	60,163.27	592.26
Total Undist. Expend.-Required Maintenance for School Facilities	222,250.00	(44,343.58)	177,906.42	173,725.41	4,181.01
Undist. Expend.-Custodial Services					
Salaries	297,448.00	(7,683.67)	289,764.33	279,648.16	10,116.17
Cleaning, Repair, and Maintenance Services	792,236.00	87,130.40	879,366.40	872,863.89	6,502.51
Other Purchased Property Services	5,500.00	(6,500.00)			
Insurance	92,500.00	4,266.20	96,766.20	96,766.20	
Travel		99.20	99.20	99.20	
General Supplies		7,896.30	7,896.30	7,601.69	294.61
Energy (Electricity)	521,802.00	(20,228.51)	501,573.49	439,850.94	61,722.55
Energy (Natural Gas)	47,076.00	(2,433.10)	44,642.90	31,719.17	12,923.73
Other Objects	43,100.00	(731.00)	42,369.00	40,943.00	1,426.00
Total Undist. Expend.-Custodial Services	1,800,662.00	61,815.82	1,862,477.82	1,769,492.25	92,985.57
Undist. Expend.-Care & Upkeep of Grounds:					
General Supplies	36,480.00	10,782.23	47,262.23	46,674.42	587.81
Total Undist. Expend.-Care & Upkeep of Grounds	36,480.00	10,782.23	47,262.23	46,674.42	587.81
Undist. Expend.-Security:					
Purchased Prof & Tech Services	20,000.00	2,620.00	22,620.00	22,620.00	
General Supplies		15,378.30	15,378.30	15,119.98	258.32
Total Undist. Expend.-Security	20,000.00	17,998.30	37,998.30	37,739.98	258.32
Total Undist. Expend.-Other Oper. & Maintenance of Plant	2,079,392.00	46,252.77	2,125,644.77	2,027,632.06	98,012.71

PLUMSTED SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (cont'd)					
Undist. Expend.-Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School)-Reg.	41,998.00	39,051.18	81,049.18	81,049.18	
Salaries for Pupil Trans. (Between Home and School)-Spec.Ed.	76,983.00	(9,748.69)	67,234.31	67,234.31	
Other Purchased Professional & Technical Services	1,400.00		1,400.00	1,400.00	
Cleaning, Repair and Maintenance Services	11,023.00	11,662.18	22,685.18	22,665.18	
Lease Purchase Payments - School Buses	16,371.00	0.88	16,371.88	16,371.88	
Contract Services (Between Home & School)-Vendors	425,800.00	(12,671.32)	413,128.68	406,993.29	6,135.39
Contract Services (Other Than Between Home & School)-Vendors	95,371.00	(20,029.75)	75,341.25	75,212.22	129.03
Contract Services (Special Education)-Vendors	80,997.00	4,298.66	85,295.66	85,295.66	
Contract Services (Special Education)-Joint Agreements	116,800.00	(3,168.68)	113,631.32	113,631.32	
Contract Services-Aid in Lieu Payments-Non Public Charter Sch.	18,300.00	2,410.08	20,710.08	20,709.87	0.21
Miscellaneous Purchased Services-Transportation	1,225.00	(332.72)	892.28	892.28	
General Supplies	31,175.00	8,206.52	39,381.52	39,381.42	0.10
Other Objects	250.00	3,498.53	3,748.53	3,748.53	
Total Undist. Expend.-Student Transportation Services	917,693.00	23,176.87	940,869.87	934,606.14	6,264.73
Unallocated Benefits - Employee Benefits					
Social Security Contributions	238,631.00	18,211.88	256,842.88	242,506.81	14,336.07
Other Retirement Contributions-PERS	216,369.00	(8,850.00)	207,519.00	205,659.00	1,860.00
Other Retirement Contributions-Regular		2,453.25	2,453.25	2,443.89	9.36
Unemployment Compensation	125,000.00	(1,973.25)	123,026.75	53,301.23	69,725.52
Workman's Compensation	115,000.00		115,000.00	106,828.00	8,172.00
Health Benefits	3,659,035.00	(166,407.00)	3,492,628.00	3,414,088.62	78,539.38
Tuition Reimbursement	40,000.00		40,000.00	12,515.00	27,485.00
Other Employee Benefits	60,000.00		60,000.00	33,093.88	26,906.12
Total Undist. Expend.-Benefits	4,454,035.00	(156,565.12)	4,297,469.88	4,070,436.43	227,033.45
On-Behalf TPAF Normal Contributions (Non-Budgeted)					
On-Behalf TPAF Post-Retirement Medical (Non-Budgeted)				318,437.00	(318,437.00)
On-Behalf TPAF NCGI Premiums (Non-Budgeted)				708,838.00	(708,838.00)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				34,173.00	(34,173.00)
				813,057.64	(813,057.64)
Total On-Behalf Contributions				1,874,505.64	(1,874,505.64)
Total Personal Services-Employee Benefits	4,454,035.00	(156,565.12)	4,297,469.88	5,944,942.07	(1,647,472.19)
Total Undistributed Expenditures	16,602,668.00	(102,651.78)	16,500,016.22	13,443,065.58	3,056,950.64
Total Current Expense	26,998,345.00	(245,518.81)	26,752,826.19	23,449,391.80	3,303,434.39
CAPITAL OUTLAY					
Increase in Capital Reserve	173,833.00	(173,833.00)			
Equipment:					
Home Instruction					
Undist. Expend. - Instruction	5,000.00	25,238.68	30,238.68	3,649.68	26,589.00
Undist. Expend - Admin. Info. Tech.		72,602.00	72,602.00		72,602.00
Undist. Expend - Required Maintenance School Facilities	8,200.00	35,772.93	43,972.93	43,972.25	0.68
Undist. Expend - Care and Upkeep of Grounds		35,309.49	35,309.49	34,737.95	571.54
Undist. Expend - Security		1,147.90	1,147.90	1,147.90	
School Buses - Regular					
Total Equipment	13,200.00	170,071.00	183,271.00	83,507.78	99,763.22
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services		38,000.00	38,000.00		38,000.00
Other Objects	51,294.00		51,294.00	51,294.00	
Capital Outlay - Transfer to Capital Projects					
Capital Reserve - Transfer to Capital Projects					
Total Facilities Acquisition and Construction Services	51,294.00	38,000.00	89,294.00	51,294.00	38,000.00
Total Capital Outlay	238,327.00	34,238.00	272,565.00	134,801.78	137,763.22
General Fund					
Transfer of Funds to Charter Schools	8,238.00	17,987.00	26,225.00	26,225.00	
Total Expenditures	27,244,910.00	(193,293.81)	27,051,616.19	23,610,418.58	3,441,197.61
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(6,223,012.00)	545,382.81	(5,677,629.19)	1,381,060.41	7,058,689.60
Revenues and Other Financing Sources/(Uses):					
Capital Outlay - Transfer to Capital Projects	(76,500.00)		(76,500.00)	(76,500.00)	
Capital Reserve - Transfer to Capital Projects		(114,464.00)	(114,464.00)	(114,464.00)	
	(76,500.00)	(114,464.00)	(190,964.00)	(190,964.00)	
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(6,299,512.00)	430,918.81	(5,868,593.19)	1,190,096.41	7,058,689.60
Fund Balances, July 1	2,811,925.19		2,811,925.19	2,811,925.19	
Fund Balances, June 30	\$ (3,487,586.81)	\$ 430,918.81	\$ (3,056,668.00)	\$ 4,002,021.60	\$ 7,058,689.60

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

PLUMSTED SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal year ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Recapitulation:					
Restricted for:					
Capital Reserve				\$ 59,369.00	
Maintenance Reserve				97,000.00	
Assigned:					
Year-End Encumbrances				155,933.48	
Designated for Subsequent Year's Expenditures				1,759,153.00	
Unassigned				<u>1,930,566.12</u>	
				4,002,021.60	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(1,088,341.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 2,913,680.60</u>	

PLUMSTED SCHOOL DISTRICT

EDUCATION JOBS FUND
BUDGET AND ACTUAL

Fiscal year ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Federal Sources:					
Education Jobs Fund		\$ 401,834.00	\$ 401,834.00	\$ 401,834.00	
Total Federal Sources		401,834.00	401,834.00	401,834.00	
Total Revenues		401,834.00	401,834.00	401,834.00	
EXPENDITURES					
Current Expense:					
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction		80,179.40	80,179.40	80,179.40	
Total Regular Programs - Instruction		80,179.40	80,179.40	80,179.40	
Attendance and Social Work Services:					
Salaries		43,693.85	43,693.85	43,693.85	
Total Undist. Expend. - Attendance and Social Work Services		43,693.85	43,693.85	43,693.85	
Undist. Expend.-Educational Media Services/School Library					
Salaries		13,332.00	13,332.00	13,332.00	
Total Undist. Expend. - Educational Media Services/ School Library		13,332.00	13,332.00	13,332.00	
Undist. Expend.-Support Service-School Administration:					
Salaries of Secretarial and Clerical Assistants		99,309.75	99,309.75	99,309.75	
Total Undist. Expend-Supp Serv-Sch Admin		99,309.75	99,309.75	99,309.75	
Undist. Expend.- Custodial Services					
Salaries		54,000.00	54,000.00	54,000.00	
Total Undist. Expend.- Custodial Services		54,000.00	54,000.00	54,000.00	
Unallocated Benefits - Employee Benefits					
Social Security		22,224.40	22,224.40	22,224.40	
Health Benefits		89,094.60	89,094.60	89,094.60	
Total Unallocated Benefits - Employee Benefits		111,319.00	111,319.00	111,319.00	
Total Expenditures		401,834.00	401,834.00	401,834.00	
Excess (Deficiency) of Revenues					
Over (Under) Expenditures					
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources					
Fund Balances, July 1					
Fund Balances, June 30	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

PLUMSTED SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND

Fiscal year ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Revenues:			
Local Sources	\$ 40,980.03	\$ 40,980.03	
Federal Sources	<u>687,213.17</u>	<u>687,213.17</u>	
Total Revenues	<u>728,193.20</u>	<u>728,193.20</u>	
Expenditures:			
Instruction:			
Salaries	55,733.60	55,733.60	
Other Salaries for Instruction	15,377.56	15,377.56	
Purchased Professional & Technical Services	2,700.00	2,700.00	
Other Purchased Services (400-500 Series)	49,639.51	49,639.51	
Tuition	382,985.29	382,985.29	
General Supplies	<u>20,345.90</u>	<u>20,345.90</u>	
Total Instruction	<u>526,781.86</u>	<u>526,781.86</u>	
Support Services:			
Salaries of Other Professional Staff	2,957.88	2,957.88	
Employee Benefits	5,222.95	5,222.95	
Purchased Professional Services	51,391.78	51,391.78	
Other Purchased Services (400-500 Series)	22,039.79	22,039.79	
Supplies and Materials	11,028.88	11,028.88	
Other Objects	9,787.50	9,787.50	
Travel	<u>590.30</u>	<u>590.30</u>	
Total Support Services	<u>103,019.08</u>	<u>103,019.08</u>	
Facilities Acquisition and Construction Services:			
Buildings	18,807.00	18,807.00	
Instructional Equipment	69,653.65	69,653.65	
Non-Instructional Equipment	<u>9,931.61</u>	<u>9,931.61</u>	
Total Facilities Acquisition and Construction Services	<u>98,392.26</u>	<u>98,392.26</u>	
Total Expenditures	<u>728,193.20</u>	<u>728,193.20</u>	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Uses	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

PLUMSTED SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 BUDGET-TO-GAAP RECONCILIATION

Fiscal year ended June 30, 2012

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) "revenues" from the Budgetary Comparison Schedules	\$ 24,991,478.99	\$ 728,193.20
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances		34,972.37
Current Year Encumbrances		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,047,797.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,088,341.00)</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 24,950,934.99</u>	<u>\$ 763,165.57</u>
USES/OUTFLOWS OF RESOURCES		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule	\$ 23,610,418.58	\$ 728,193.20
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances		34,972.37
Current Year Encumbrances		
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 23,610,418.58</u>	<u>\$ 763,165.57</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

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

PLUMSTED SCHOOL DISTRICT
SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the fiscal year ended June 30, 2012

	IDEA Part B Basic <u>11/12</u>	IDEA Part B Preschool <u>11/12</u>	NCLB Title I Part A <u>11/12</u>	NCLB Title II Part A <u>11/12</u>	ARRA IDEA Basic <u>11/12</u>
<u>Revenues</u>					
Federal Sources	\$ 361,037.29	\$ 21,948.00	\$ 118,141.61	\$ 27,872.61	\$ 94,837.80
Total Revenues	<u>\$ 361,037.29</u>	<u>\$ 21,948.00</u>	<u>\$ 118,141.61</u>	<u>\$ 27,872.61</u>	<u>\$ 94,837.80</u>
<u>Expenditures</u>					
Instruction:					
Salaries			\$ 35,673.60	\$ 3,360.00	\$ 16,700.00
Other Salaries for Instruction			12,540.80		2,747.10
Purchased Professional & Technical Services			2,700.00		
Other Purchased Services (400-500 Series)					
Tuition	\$ 361,037.29		12,371.42	3,559.00	2,095.12
General Supplies					
Total Instruction	<u>361,037.29</u>	<u>21,948.00</u>	<u>63,285.82</u>	<u>6,919.00</u>	<u>21,542.22</u>
Support Services:					
Salaries of Other Professional Staff			3,688.40	257.00	1,277.55
Employee Benefits			49,027.40		2,364.38
Purchased Professional Services			2,139.99	18,971.60	
Other Purchased Services (400-500 Series)				1,725.01	
Supplies and Materials					
Other Objects					
Travel					
Total Support Services			<u>54,855.79</u>	<u>20,953.61</u>	<u>3,641.93</u>
Facilities Acquisition and Construction:					
Buildings					69,653.65
Non-Instructional Equipment					
Non-Instructional Equipment					
Total Facilities and Acquisition and Construction					<u>69,653.65</u>
Total Expenditures	<u>\$ 361,037.29</u>	<u>\$ 21,948.00</u>	<u>\$ 118,141.61</u>	<u>\$ 27,872.61</u>	<u>\$ 94,837.80</u>

PLUMSTED SCHOOL DISTRICT
SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the fiscal year ended June 30, 2012

	ARRA IDEA Preschool 11/12	ARRA Title I 11/12	IDEA Part B Basic 10/11	FEMA 11/12	Local Grants 11/12	Total
Revenues						
Local Sources	\$ 928.20	\$ 2,114.58	\$ 38,568.20	\$ 21,764.88	\$ 40,980.03	\$ 40,980.03
Federal Sources						687,213.17
Total Revenues	<u>\$ 928.20</u>	<u>\$ 2,114.58</u>	<u>\$ 38,568.20</u>	<u>\$ 21,764.88</u>	<u>\$ 40,980.03</u>	<u>\$ 728,193.20</u>
Expenditures						
Instruction:						
Salaries					\$ 89.66	\$ 55,733.60
Other Salaries for Instruction						15,377.56
Purchased Professional & Technical Services			\$ 38,568.20		11,071.31	2,700.00
Other Purchased Services (400-500 Series)						49,639.51
Tuition						382,985.29
General Supplies					2,320.36	20,345.90
Total Instruction			38,568.20		13,481.33	526,781.86
Support Services:						
Salaries of Other Professional Staff				\$ 2,957.88		2,957.88
Employee Benefits						5,222.95
Purchased Professional Services						51,391.78
Other Purchased Services (400-500 Series)	\$ 928.20	\$ 2,114.58			7,189.29	22,039.79
Supplies and Materials					9,787.50	11,028.88
Other Objects					590.30	9,787.50
Travel						590.30
Total Support Services	928.20	2,114.58		2,957.88	17,567.09	103,019.08
Facilities Acquisition and Construction:						
Buildings				18,807.00		18,807.00
Instructional Equipment						69,653.65
Non-Instructional Equipment					9,931.61	9,931.61
Total Facilities and Acquisition and Construction				18,807.00	9,931.61	98,392.26
Total Expenditures	<u>\$ 928.20</u>	<u>\$ 2,114.58</u>	<u>\$ 38,568.20</u>	<u>\$ 21,764.88</u>	<u>\$ 40,980.03</u>	<u>\$ 728,193.20</u>

CAPITAL PROJECTS FUND
DETAIL STATEMENTS

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

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SUMMARY STATEMENT OF PROJECT EXPENDITURES

For the year ended June 30, 2012

<u>Project Title/Issue</u>	<u>Date</u>	<u>Original Appropriations</u>	<u>Expenditures To Date</u>		<u>Transfers Out</u>	<u>Unexpended Balance</u>
			<u>Prior Years</u>	<u>Current Year</u>		
Construction of New Primary School and Addition and Renovations to Existing High and Elementary School	06/15/2002	\$ 9,549,329.00	\$ 9,329,988.61		\$ (219,340.39)	
Repairs and Enhancements to Various Schools	06/15/2008	82,989.00	49,728.90			\$ 33,260.10
Security and Technology Enhancements to Various Schools.	12/17/2008	936,179.00	762,181.59	\$ 225,527.97		(51,530.56)
Elementary School Roof Projects	04/18/2012	660,000.00		222,530.00		437,470.00
High School Barn Project	03/28/2012	100,900.00		93,825.00		7,075.00
High School Auditorium and Electrical Upgrades	12/14/2011	<u>168,110.00</u>		<u>154,613.96</u>		<u>13,496.04</u>
		<u>\$ 11,497,507.00</u>	<u>\$ 10,141,899.10</u>	<u>\$ 696,496.93</u>	<u>\$ (219,340.39)</u>	<u>\$ 439,770.58</u>
Unexpended Balance						\$ 439,770.58
Earned SDA Revenue						<u>120,575.54</u>
Fund Balance per B-2						<u>\$ 560,346.12</u>

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS

For the year ended June 30, 2012

Revenues and Other Financing Sources:	
State Sources-SDA Transfers	\$ 198,224.56
Lease Purchase Agreement	660,000.00
Transfer From Capital Reserve	<u>190,964.00</u>
Total Revenues	<u>1,049,188.56</u>
Expenditures:	
Purchased Professional and Technical Services	74,840.86
Construction Services	<u>621,656.07</u>
Total Expenditures	<u>696,496.93</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	352,691.63
Other Financing Sources/(Uses):	
Transfer - Budgeted in Debt Service Fund	<u>(219,340.39)</u>
Total Other Financing Sources/(Uses)	<u>(219,340.39)</u>
Net Change in Fund Balance	133,351.24
Fund Balance - July 1	<u>426,994.88</u>
Fund Balance - June 30	<u>\$ 560,346.12</u>

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASISCONSTRUCTION OF NEW PRIMARY SCHOOL AND ADDITIONS AND RENOVATIONS TO
HIGH SCHOOL AND ELEMENTARY SCHOOL

From inception and for the year ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources-SCC Grant	\$ 3,454,308.00		\$ 3,454,308.00	\$ 3,454,308.00
Bond Proceeds and Transfers	4,658,564.00	\$ (219,340.39)	4,439,223.61	4,658,564.00
Transfer From Capital Reserve	1,411,457.00		1,411,457.00	1,411,457.00
Miscellaneous	<u>25,000.00</u>		<u>25,000.00</u>	
Total Revenues	<u>9,549,329.00</u>	<u>(219,340.39)</u>	<u>9,329,988.61</u>	<u>9,524,329.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	1,089,775.61		1,089,775.61	800,000.00
Construction Services	8,065,747.00		8,065,747.00	8,599,329.00
Equipment Purchases	<u>174,466.00</u>		<u>174,466.00</u>	<u>125,000.00</u>
Total Expenditures	<u>9,329,988.61</u>		<u>9,329,988.61</u>	<u>9,524,329.00</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 219,340.39</u>	<u>\$ (219,340.39)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Additional Project Information:				
Project Number	4190-N01-02-0406			
Grant Date/Letter of Notification				
Bond Authorization (Referendum) Date	01/28/02			
Bonds Authorized	03/12/02			
Bonds Issued	06/15/02			
Original Authorized Cost	\$ 10,187,000.00			
Additional Authorized Cost	\$ (662,671.00)			
Revised Authorized Cost	\$ 9,524,329.00			
Percentage Increase (decrease) over/(under)				
Original Authorized Cost	(6.51)%			
Percentage Completion	100.00%			
Original Target Completion Date	09/01/03			
Revised Target Completion Date	09/01/10			

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS

REPAIRS AND ENHANCEMENTS TO VARIOUS SCHOOLS

From inception and for the year ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfer From Capital Reserve	<u>\$ 82,989.00</u>	<u>\$ 13,564.00</u>	<u>\$ 96,553.00</u>	<u>\$ 82,989.00</u>
Total Revenues	<u>82,989.00</u>	<u>13,564.00</u>	<u>96,553.00</u>	<u>82,989.00</u>
Expenditures and Other Financing Uses:				
Construction Services	<u>49,728.90</u>	<u> </u>	<u>49,728.90</u>	<u>82,989.00</u>
Total Expenditures	<u>49,728.90</u>	<u> </u>	<u>49,728.90</u>	<u>82,989.00</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 33,260.10</u>	<u>\$ 13,564.00</u>	<u>\$ 46,824.10</u>	<u>\$ 0.00</u>

Additional Project Information: Not Available

- Project Number
- Grant Date
- Bond Authorization Date
- Bonds Authorized
- Bonds Issued
- Original Authorized Cost
- Additional Authorized Cost
- Revised Authorized Cost

- Percentage Increase Over Original
Authorized Cost
- Percentage Completion
- Original Target Completion Date
- Revised Target Completion Date

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS

SECURITY AND TECHNOLOGY ENHANCEMENTS TO VARIOUS SCHOOLS

From inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources-SDA Transfers	\$ 203,554.00		\$ 203,554.00	\$ 203,554.00
Transfer From Capital Outlay	<u>936,179.00</u>		<u>936,179.00</u>	<u>936,179.00</u>
Total Revenues	<u>1,139,733.00</u>		<u>1,139,733.00</u>	<u>1,139,733.00</u>
Expenditures and Other Financing Uses:				
Construction Services	131,630.88	\$ 225,527.97	357,158.85	203,554.00
Equipment Purchases	<u>630,550.71</u>		<u>630,550.71</u>	<u>936,179.00</u>
Total Expenditures	<u>762,181.59</u>	<u>225,527.97</u>	<u>987,709.56</u>	<u>1,139,733.00</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 377,551.41</u>	<u>\$ (225,527.97)</u>	<u>\$ 152,023.44</u>	<u>\$ 0.00</u>

Additional Project Information:	SP-4190-040-10-1003;SP-4190-050-10-1004
Project Number	SP-4190-080-10-1005;SP-4190-010-10-2002
Grant Date	08/30/10
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	
Additional Authorized Cost	
Revised Authorized Cost	0.00
Percentage Increase Over Original Authorized Cost	
Percentage Completion	86.66%
Original Target Completion Date	
Revised Target Completion Date	

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS

ELEMENTARY SCHOOL ROOF PROJECTS

From inception and for the year ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Lease Purchase Agreement	<u> </u>	\$ 660,000.00	\$ 660,000.00	\$ 660,000.00
Total Revenues	<u> </u>	<u>660,000.00</u>	<u>660,000.00</u>	<u>660,000.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services		53,330.00	53,330.00	95,250.00
Construction Services	<u> </u>	<u>169,200.00</u>	<u>169,200.00</u>	<u>564,750.00</u>
Total Expenditures	<u> </u>	<u>222,530.00</u>	<u>222,530.00</u>	<u>660,000.00</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 0.00</u>	<u>\$ 437,470.00</u>	<u>\$ 437,470.00</u>	<u>\$ 0.00</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	N/A
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

Percentage Increase Over Original
Authorized Cost
Percentage Completion
Original Target Completion Date
Revised Target Completion Date

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS

HIGH SCHOOL BARN ROOF PROJECT

From inception and for the year ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	<u> </u>	<u>\$ 100,900.00</u>	<u>\$ 100,900.00</u>	<u>\$ 100,900.00</u>
Total Revenues	<u> </u>	<u>100,900.00</u>	<u>100,900.00</u>	<u>100,900.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services		8,925.00	8,925.00	10,500.00
Construction Services	<u> </u>	<u>84,900.00</u>	<u>84,900.00</u>	<u>90,400.00</u>
Total Expenditures	<u> </u>	<u>93,825.00</u>	<u>93,825.00</u>	<u>100,900.00</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 0.00</u>	<u>\$ 7,075.00</u>	<u>\$ 7,075.00</u>	<u>\$ 0.00</u>

Additional Project Information:	Not Available
Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	N/A
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

Percentage Increase Over Original
Authorized Cost
Percentage Completion
Original Target Completion Date
Revised Target Completion Date

PLUMSTED SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS

HIGH SCHOOL AUDITORIUM AND ELECTIRAL SERVICE UPGRADE

From inception and for the year ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources-SDA Transfers		\$ 78,046.00	\$ 78,046.00	\$ 78,046.00
Transfer from Capital Reserve		<u>90,064.00</u>	<u>90,064.00</u>	<u>90,064.00</u>
Total Revenues		<u>168,110.00</u>	<u>168,110.00</u>	<u>168,110.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services		12,585.86	12,585.86	14,500.00
Construction Services		<u>142,028.10</u>	<u>142,028.10</u>	<u>153,610.00</u>
Total Expenditures		<u>154,613.96</u>	<u>154,613.96</u>	<u>168,110.00</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 0.00</u>	<u>\$ 13,496.04</u>	<u>\$ 13,496.04</u>	<u>\$ 0.00</u>

Additional Project Information:

Project Number	SP 4190-010-10-2001
Grant Date	08/30/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	N/A
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A

Percentage Increase Over Original
Authorized Cost

Percentage Completion

Original Target Completion Date

Revised Target Completion Date

PROPRIETARY FUND
DETAIL STATEMENTS

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

FOOD SERVICE FUND

This Fund provides for the operation of food services within the School District.

This section has already been included in Statements B-4, B-5, and B-6.

FIDUCIARY FUNDS
DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the School District for a specific purpose.

Agency Funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund: This Agency Fund is used to account for student funds held at the schools.

Unemployment Agency Fund: This Fund is used to account for assets to finance the cost of unemployment benefits.

Payroll Agency: This Agency Fund is used to account for the payroll transactions of the School District.

PLUMSTED SCHOOL DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

June 30, 2012

	Unemployment Compensation <u>Trust</u>	Private Purpose Scholarship <u>Fund</u>	Student <u>Activity</u>	Agency <u>Fund</u>
Assets:				
Cash and Cash Equivalents	<u>\$ 22,549.10</u>	<u>\$ 4,631.16</u>	<u>\$ 124,277.18</u>	<u>\$ 145,557.24</u>
Total Assets	<u><u>\$ 22,549.10</u></u>	<u><u>\$ 4,631.16</u></u>	<u><u>\$ 124,277.18</u></u>	<u><u>\$ 145,557.24</u></u>
Liabilities:				
Payroll Deductions and Withholdings Due To Student Groups	_____	_____	<u>\$ 124,277.18</u>	<u>\$ 145,557.24</u>
Total Liabilities	_____	_____	<u>124,277.18</u>	<u>145,557.24</u>
Net Assets:				
Held in Trust for Unemployment Claims and Other Purposes Reserved for Scholarships	<u>\$ 22,549.10</u>	<u>\$ 4,631.16</u>	_____	_____
Total Net Assets	<u>22,549.10</u>	<u>4,631.16</u>	_____	_____
Total Liabilities and Net Assets	<u><u>\$ 22,549.10</u></u>	<u><u>\$ 4,631.16</u></u>	<u><u>\$ 124,277.18</u></u>	<u><u>\$ 145,557.24</u></u>

PLUMSTED SCHOOL DISTRICT

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

June 30, 2012

	Unemployment Compensation <u>Trust</u>	Private Purpose Scholarship <u>Fund</u>
Additions:		
Contributions:		
Plan Member	\$ 99,861.69	
Other		<u>\$ 5,658.25</u>
Total Contributions	<u>99,861.69</u>	<u>5,658.25</u>
Investment Earnings:		
Interest	<u>1.48</u>	
Net Investment Earnings	<u>1.48</u>	
Total Additions	<u>99,863.17</u>	<u>5,658.25</u>
Deductions:		
Payment of Claims	90,811.05	
Scholarships Awarded		<u>5,300.00</u>
Total Deductions	<u>90,811.05</u>	<u>5,300.00</u>
Change in Net Assets	9,052.12	358.25
Net Assets - Beginning of Year	<u>13,496.98</u>	<u>4,272.91</u>
Net Assets - End of Year	<u><u>\$ 22,549.10</u></u>	<u><u>\$ 4,631.16</u></u>

PLUMSTED SCHOOL DISTRICT
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS
 STUDENT ACTIVITY AGENCY FUND

June 30, 2012

	Balance July 1, <u>2011</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance June 30, <u>2012</u>
Primary School	\$ 4,154.51	\$ 6,067.15	\$ 5,677.60	\$ 4,544.06
Elementary School	37,023.18	76,945.39	83,875.11	30,093.46
Middle School	36,172.20	145,628.54	142,707.70	39,093.04
High School	<u>67,902.96</u>	<u>206,233.97</u>	<u>223,590.31</u>	<u>50,546.62</u>
Total Assets	<u>\$ 145,252.85</u>	<u>\$ 434,875.05</u>	<u>\$ 455,850.72</u>	<u>\$ 124,277.18</u>

PLUMSTED SCHOOL DISTRICT

PAYROLL AGENCY FUND

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

June 30, 2012

	Balance July 1, <u>2011</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2012</u>
Payroll Deductions and Withholdings	<u>\$ 185,884.90</u>	<u>\$ 15,285,850.60</u>	<u>\$ 15,326,178.26</u>	<u>\$ 145,557.24</u>
Total Liabilities	<u>\$ 185,884.90</u>	<u>\$ 15,285,850.60</u>	<u>\$ 15,326,178.26</u>	<u>\$ 145,557.24</u>

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding and obligations under capital leases.

PLUMSTED SCHOOL DISTRICT
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 STATEMENT OF SERIAL BONDS

June 30, 2012

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2011	Retired Current Year	Balance June 30, 2012
Bond Refunding (1993 Bonds)	05/02/01	\$ 6,120,000.00	04/15/13	740,000.00	4.390%	\$ 1,435,000.00	\$ 695,000.00	\$ 740,000.00
Bond Refunding (1998 Bonds)	09/15/04	14,665,000.00	09/01/12	735,000.00	3.750%			
			09/01/13	1,570,000.00	4.250%			
			09/01/14	1,650,000.00	5.000%			
			09/01/15	1,730,000.00	3.625%			
			09/01/16	1,800,000.00	3.750%			
			09/01/17	1,880,000.00	4.250%			
			09/01/18	1,970,000.00	4.250%	12,050,000.00	715,000.00	11,335,000.00
Construction of New School and Purchase of Necessary Furniture and Equipment,	06/15/02	8,186,000.00	07/15/12	265,000.00	4.625%	520,000.00	255,000.00	265,000.00
Bond Refunding (2002 Bonds)	09/16/10	6,410,000.00	07/15/12	45,000.00	2.000%			
			07/15/13	325,000.00	2.000%			
			07/15/14	335,000.00	3.000%			
			07/15/15	345,000.00	3.000%			
			07/15/16	355,000.00	3.000%			
			07/15/17	370,000.00	4.000%			
			07/15/18	380,000.00	4.000%			
			07/15/19	400,000.00	4.000%			
			07/15/20	420,000.00	4.000%			
			07/15/21	435,000.00	4.000%			
			07/15/22	455,000.00	3.125%			
			07/15/23	465,000.00	3.250%			
			07/15/24	480,000.00	4.000%			
			07/15/25	500,000.00	3.375%			
			07/15/26	520,000.00	4.000%			
			07/15/27	535,000.00	3.500%			
						6,410,000.00	45,000.00	6,365,000.00
						\$ 20,415,000.00	\$ 1,710,000.00	\$ 18,705,000.00

PLUMSTED SCHOOL DISTRICT
 STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES

June 30, 2012

<u>Date of Lease</u>	<u>Series</u>	<u>Interest Rate Payable</u>	<u>Principal Balance Outstanding July 1, 2011</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Principal Balance Outstanding June 30, 2012</u>
12/01/2008	Bus	4.40%	\$ 20,916.68	\$ 660,000.00	\$ 8,367.38	\$ 12,549.30
06/15/2012	Ground Lease	1.83%		\$ 660,000.00		660,000.00
			<u>\$ 20,916.68</u>	<u>\$ 660,000.00</u>	<u>\$ 8,367.38</u>	<u>\$ 672,549.30</u>

PLUMSTED SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 For the fiscal year ended June 30, 2012

<u>Issue</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative) Final To Actual</u>
Local Sources:					
Local Tax Levy	\$ 1,409,148.00		\$ 1,409,148.00	\$ 1,409,148.00	
State Sources:					
Debt Service Aid Type II	<u>884,732.00</u>		<u>884,732.00</u>	<u>884,732.00</u>	
Total Revenues	<u>2,293,880.00</u>		<u>2,293,880.00</u>	<u>2,293,880.00</u>	
<u>Expenditures</u>					
Regular Debt Service:					
Interest	848,220.00	\$ (45,000.00)	803,220.00	788,318.31	\$ 14,901.69
Redemption of Principal	<u>1,665,000.00</u>	<u>45,000.00</u>	<u>1,710,000.00</u>	<u>1,710,000.00</u>	
Total Regular Debt Service	<u>2,513,220.00</u>		<u>2,513,220.00</u>	<u>2,498,318.31</u>	<u>14,901.69</u>
Total Expenditures	<u>2,513,220.00</u>		<u>2,513,220.00</u>	<u>2,498,318.31</u>	<u>14,901.69</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	<u>(219,340.00)</u>		<u>(219,340.00)</u>	<u>(204,438.31)</u>	<u>14,901.69</u>
Other Financing Sources/(Uses):					
Transfers In	<u>219,340.00</u>		<u>219,340.00</u>	<u>219,340.39</u>	<u>0.39</u>
Total Other Financing Sources/(Uses)	<u>219,340.00</u>		<u>219,340.00</u>	<u>219,340.39</u>	<u>0.39</u>
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses				14,902.08	14,902.08
Fund Balance, July 1	<u>86,107.35</u>		<u>86,107.35</u>	<u>86,107.35</u>	
Fund Balance, June 30	<u>\$ 86,107.35</u>	<u>\$ 0.00</u>	<u>\$ 86,107.35</u>	<u>\$ 101,009.43</u>	<u>\$ 14,902.08</u>
Recapitulation of Excess/(Deficiency) of Revenues Over/(Under) Expenditures					
Budgeted Fund Balance	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 14,902.08</u>	<u>\$ 14,902.08</u>

STATISTICAL SECTION

FINANCIAL TRENDS/INFORMATION SCHEDULES

PLUMSTED SCHOOL DISTRICT
NET ASSETS BY COMPONENT

LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2005	2006	2007	2008	2009	2010	2011	2012
Government Activities:								
Invested in Capital Assets, Net of Related Debt	\$ 17,191,836.00	\$ 1,273,863.00	\$ 14,369,597.00	\$ 15,156,283.00	\$ 15,742,953.00	\$ 16,117,043.86	\$ 16,292,792.53	\$ 17,021,145.06
Restricted	3,110,062.00	18,964,355.00	3,900,468.00	3,580,472.00	3,237,500.00	2,279,756.47	2,413,374.00	2,699,595.93
Unrestricted	(301,863.00)	(75,000.00)	273,199.00	(213,765.00)	(1,737,518.00)	(137,154.10)	(316,946.82)	750,046.17
Total Government Activities Net Assets	\$ 19,999,835.00	\$ 20,163,218.00	\$ 18,543,264.00	\$ 18,522,980.00	\$ 17,242,935.00	\$ 18,259,646.23	\$ 18,389,219.71	\$ 20,470,787.16
Business-Type Activities:								
Invested in Capital Assets, Net of Related Debt	\$ 80,073.00	\$ 53,502.00	\$ 20,062.00	\$ 6,710.00	\$ 2,857.00	\$ 740.00	\$ 99,233.00	\$ 97,699.53
Unrestricted	136,829.00	129,039.00	44,339.00	87,344.00	78,024.00	79,844.57		
Total Business-Type Activities Net Assets	\$ 216,902.00	\$ 182,541.00	\$ 64,401.00	\$ 94,054.00	\$ 80,881.00	\$ 80,584.57	\$ 99,233.00	\$ 97,699.53
District-wide:								
Invested in Capital Assets, Net of Related Debt	\$ 17,271,709.00	\$ 1,327,365.00	\$ 14,389,659.00	\$ 15,162,993.00	\$ 15,745,810.00	\$ 16,117,043.86	\$ 16,292,792.53	\$ 17,021,145.06
Restricted	3,110,062.00	18,964,355.00	3,900,468.00	3,580,472.00	3,237,500.00	2,279,756.47	2,413,374.00	2,699,595.93
Unrestricted	(165,034.00)	54,039.00	317,538.00	(126,421.00)	(1,659,494.00)	(56,569.53)	(217,713.82)	847,745.70
Total District Net Assets	\$ 20,216,737.00	\$ 20,345,759.00	\$ 18,607,665.00	\$ 18,617,044.00	\$ 17,323,816.00	\$ 18,340,230.80	\$ 18,488,452.71	\$ 20,568,486.69

PLUMSTED SCHOOL DISTRICT
 CHANGES IN NET ASSETS
 LAST TEN FISCAL YEARS
 (ACCURAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Function:										
Instruction:										
Regular	\$ 4,878,428.00	\$ 4,911,934.00	\$ 5,405,952.00	\$ 5,364,722.00	\$ 5,754,950.00	\$ 6,066,110.00	\$ 6,403,669.00	\$ 6,665,618.88	\$ 6,226,647.17	\$ 6,470,630.11
Special Education	1,188,060.00	1,265,269.00	1,426,726.00	1,633,933.00	1,965,117.00	2,237,570.00	2,387,242.00	2,507,776.64	2,482,764.78	2,577,070.28
Other Special Education	713,164.00	836,376.00	969,638.00	876,940.00	972,588.00	957,258.00	1,057,069.00	1,146,448.34	1,174,750.53	332,831.99
Other Instruction	-	-	-	-	-	-	-	-	652,768.06	625,793.84
Total Instruction	6,779,652.00	7,015,579.00	7,802,516.00	7,875,595.00	8,692,665.00	9,260,938.00	9,847,920.00	10,318,844.86	9,546,930.54	10,006,326.22
Undistributed:										
Instruction	523,874.00	340,122.00	251,749.00	136,329.00	310,647.00	423,488.00	535,324.00	382,167.38	484,979.98	148,795.80
Attendance and Social Work	46,985.00	48,933.00	39,505.00	33,382.00	35,182.00	37,137.00	38,921.00	40,478.53	44,566.18	43,693.85
Health Services	125,065.00	141,781.00	197,861.00	212,136.00	224,957.00	241,899.00	253,057.00	266,760.44	280,089.76	291,417.25
Other Support Services	1,290,143.00	1,423,758.00	1,299,541.00	1,493,442.00	1,268,349.00	1,253,765.00	1,462,070.00	1,522,922.24	1,544,497.10	1,973,417.56
Educational Media Services	-	-	156,092.00	152,914.00	118,221.00	124,066.00	137,941.00	157,858.92	57,251.27	99,078.63
Support Services - Students	-	-	169,461.00	182,912.00	167,804.00	124,286.00	143,664.00	147,235.59	286,161.30	79,444.13
Support Services - Instructional Staff	-	-	511,936.00	554,615.00	639,637.00	709,951.00	731,259.00	742,555.48	764,817.97	515,172.32
General Administration	544,058.00	586,090.00	665,871.00	753,515.00	882,210.00	894,685.00	929,440.00	943,590.89	866,284.24	910,701.49
School Administration	-	-	324,122.00	340,536.00	324,543.00	346,369.00	340,157.00	307,345.61	392,911.76	430,003.51
Central Services	-	-	87,025.00	113,419.00	79,455.00	81,838.00	90,804.00	94,312.71	15,338.09	44,161.77
Technology	-	-	1,792,252.00	1,972,466.00	2,006,922.00	2,105,763.00	2,292,844.00	2,174,361.58	1,947,641.95	2,027,632.06
Operations and Maintenance	1,406,148.00	1,634,903.00	1,070,582.00	1,158,063.00	1,165,822.00	1,194,601.00	1,173,846.00	950,798.76	844,440.23	26,225.00
Student Transportation	944,230.00	967,892.00	-	-	-	-	-	-	-	-
Charter School	-	-	-	-	-	-	-	-	-	-
Business and Other Support Services:										
Employee Benefits	1,742,321.00	2,012,766.00	2,255,490.00	2,748,637.00	2,677,050.00	2,849,959.00	3,025,481.00	3,774,206.94	4,107,733.70	4,070,436.43
Other	284,292.00	294,272.00	-	-	-	-	-	-	-	-
On-Behalf TPAF Pension Payment	168,253.00	256,650.00	275,561.00	389,728.00	303,975.00	1,005,227.00	647,743.00	669,609.00	731,756.00	1,061,448.00
Reimbursed TPAF Social Security	482,249.00	541,680.00	699,608.00	655,533.00	705,202.00	807,560.00	786,362.00	827,081.15	806,464.37	813,057.64
Total Undistributed	8,047,862.00	8,802,299.00	9,796,656.00	10,907,627.00	10,909,976.00	12,190,574.00	12,589,023.00	13,001,285.22	13,174,933.90	13,469,290.58
Capital Outlay:										
Equipment	408,112.00	117,237.00	149,075.00	57,667.00	58,209.00	21,804.00	35,095.00	33,908.38	16,991.47	83,507.78
Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	88,203.00	51,294.00
Total Capital Outlay	408,112.00	117,237.00	149,075.00	57,667.00	58,209.00	21,804.00	35,095.00	33,908.38	105,194.47	134,801.78
Special Schools										
Total General Fund Expenditures	15,235,626.00	15,935,115.00	17,746,247.00	18,840,889.00	19,660,850.00	21,473,316.00	22,472,038.00	23,354,038.46	22,827,058.91	23,610,418.58
Special Revenue:										
Federal	711,307.00	510,855.00	459,972.00	670,350.00	531,391.00	630,927.00	564,444.00	575,647.16	757,287.90	721,696.04
State	132,986.00	52,622.00	46,965.00	49,681.00	50,509.00	46,818.00	11,516.00	9,170.33	19,106.86	41,469.53
Other	2,100.00	5,083.00	2,944.00	21,186.00	11,486.00	21,667.00	11,516.00	9,170.33	19,106.86	41,469.53
Total Special Revenue Expenditures	846,393.00	568,560.00	509,911.00	741,197.00	593,386.00	699,412.00	575,960.00	584,817.49	776,394.76	763,165.57
Debt Service Expenditures	2,567,854.00	8,736,662.00	2,820,496.00	3,198,478.00	17,215,188.00	2,506,486.00	2,506,620.00	2,506,823.75	2,437,013.38	2,498,318.31
Total Governmental Fund Expenditures	18,639,873.00	25,240,337.00	21,078,654.00	22,780,564.00	37,469,424.00	24,679,224.00	25,554,618.00	26,445,679.70	26,040,467.05	26,871,902.46

PLUMSTED SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST SEVEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund:								
Reserved	\$ 367,882.00	\$ 990,707.00	\$ 1,536,982.00	\$ 3,060,091.00	\$ 2,373,641.00	\$ 139,275.71		
Unreserved	1,527,400.00	2,370,860.00	1,850,803.00	(47,068.00)	(1,593,184.00)	1,380,817.22		
Restricted								\$ 156,369.00
Assigned							\$ 1,764,128.19	1,915,086.48
Unassigned								842,225.12
Total General Fund	<u>\$ 1,895,282.00</u>	<u>\$ 3,361,567.00</u>	<u>\$ 3,387,785.00</u>	<u>\$ 3,013,023.00</u>	<u>\$ 780,457.00</u>	<u>\$ 1,520,092.93</u>	<u>\$ 1,764,128.19</u>	<u>\$ 2,913,680.60</u>
All Other Governmental Funds:								
Reserved	\$ 14,104,480.00							
Unreserved, Reported In:					\$ 2,211,928.00			
Special Revenue Fund	(2,092.00)	(2,092.00)	(2,092.00)	(2,092.00)				
Capital Projects Fund			489,966.00	434,992.00	609,155.00	\$ 558,228.78		
Debt Service Fund	765,986.00	(309,092.00)	19,953.00	20,113.00	161.00	1.79		
Designated for Subsequent Year Expense	920,875.00	15,535,600.00						
Restricted:								
Capital Projects Fund							\$ 206,934.96	\$ 163,630.08
Debt Service Fund							86,107.35	14,902.43
Committed:								
Capital Projects Fund							220,059.92	396,716.04
Assigned:								86,107.00
Designated for Subsequent Year Expense								
Total All Other Governmental Funds	<u>\$ 15,789,249.00</u>	<u>\$ 15,224,416.00</u>	<u>\$ 507,827.00</u>	<u>\$ 453,013.00</u>	<u>\$ 2,821,244.00</u>	<u>\$ 558,230.57</u>	<u>\$ 513,102.23</u>	<u>\$ 661,355.55</u>

PLUMSTED SCHOOL DISTRICT
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Tax Levy	\$ 6,861,930.00	\$ 8,001,891.00	\$ 8,336,212.00	\$ 9,039,688.00	\$ 9,433,494.00	\$ 10,421,155.00	\$ 10,401,215.00	\$ 10,622,332.00	\$ 11,075,773.00	\$ 11,022,988.00
Jointures			9,111.00	941.00	77,953.00	79,807.00	76,488.00			
Tuition Charges	42,677.00	13,035.00	76,243.00	203,266.00	280,349.00	187,093.00	60,689.00	51,237.00	180,349.60	203,754.32
Interest Earnings	531,475.00	66,993.00	796,502.00	638,662.00	397,416.00	127,636.00	49,477.00	21,931.95	16,781.59	397.59
Miscellaneous	652,717.00	561,816.00	10,842,855.00	10,865,413.00	10,874,114.00	12,186,314.00	13,042,855.00	12,516,008.15	13,322,988.35	175,939.81
State Sources	16,401,813.00	11,867,053.00								14,048,093.20
Federal Sources	1,612,987.00	512,378.00	604,316.00	3,110,452.00	1,927,020.00	1,454,819.00	565,434.00	3,840,099.92	1,650,106.16	2,755,032.20
Total Revenues	26,303,603.00	21,022,048.00	20,665,245.00	23,878,422.00	22,990,345.00	24,456,824.00	24,196,158.00	27,185,155.88	28,361,390.91	28,206,205.12
Expenditures:										
Instruction:										
Regular	5,181,011.00	5,390,975.00	5,866,833.00	5,949,948.00	6,126,736.00	6,378,440.00	6,641,941.00	6,956,123.39	6,545,233.56	6,999,510.56
Special	1,188,060.00	1,265,269.00	1,426,726.00	1,633,933.00	1,965,117.00	2,237,570.00	2,387,242.00	2,507,776.64	2,492,764.78	2,577,070.28
Other Special										332,831.99
Other	713,164.00	838,376.00	969,838.00	876,940.00	972,598.00	957,256.00	1,057,009.00	1,145,449.34	652,768.06	625,793.94
Nonpublic School Services										
Adult/Continuing Education Programs										
Support Services and Undistributed Costs:										
Instruction	523,874.00	340,122.00	251,749.00	136,329.00	310,647.00	423,468.00	535,324.00	382,167.38	484,979.98	148,795.80
Attendance and Social Work Services	46,985.00	48,933.00	39,505.00	33,382.00	35,182.00	37,137.00	38,921.00	40,478.53	44,566.18	43,693.85
Health Services	125,065.00	141,781.00	197,861.00	212,136.00	224,957.00	241,699.00	253,057.00	266,760.44	280,089.76	291,417.25
Other Support Services	1,420,575.00	1,506,455.00	1,348,571.00	1,549,413.00	1,488,949.00	1,640,847.00	1,789,758.00	1,817,235.22	1,883,388.12	2,109,310.42
Educational Media Services	169,887.00	149,871.00	196,082.00	152,914.00	118,221.00	124,066.00	137,941.00	157,656.92	57,251.27	99,076.63
Instruction Staff Training	230,361.00	190,997.00	189,481.00	182,912.00	167,804.00	174,288.00	143,664.00	147,235.59	286,161.30	79,444.13
General Administrative Services	510,244.00	553,442.00	511,996.00	554,615.00	639,637.00	709,951.00	731,259.00	742,555.48	764,817.97	515,172.32
School Administrative Services	544,058.00	586,090.00	685,871.00	753,515.00	882,210.00	884,885.00	929,440.00	843,590.89	866,284.24	910,701.49
Central Services			437,978.00	340,536.00	324,543.00	346,369.00	340,157.00	307,345.61	392,911.76	430,003.51
Technology			87,025.00	113,419.00	79,455.00	81,838.00	90,804.00	94,312.71	15,338.09	44,161.77
Allowed Maintenance for School Facilities	117,910.00	104,536.00	128,298.00	133,332.00	133,332.00	124,775.00	118,823.00	156,998.95	119,502.04	173,725.41
Other Operations and Maintenance of Plant	1,289,138.00	1,530,367.00	1,664,836.00	1,844,168.00	1,873,690.00	1,980,989.00	2,174,021.00	2,017,561.63	1,828,139.91	1,653,906.65
Student Transportation Services	944,230.00	967,892.00	1,070,582.00	1,158,063.00	1,165,822.00	1,194,891.00	1,173,946.00	950,798.76	844,440.23	934,603.14
Unallocated Employee Benefits	1,742,321.00	2,012,766.00	2,235,490.00	2,748,637.00	2,677,050.00	2,849,959.00	3,025,491.00	3,774,206.94	5,645,954.07	4,070,436.43
Nonbudget Expenditures	650,502.00	798,340.00	975,169.00	1,095,261.00	1,009,177.00	1,812,787.00	1,434,105.00	1,496,690.15	1,874,605.64	26,225.00
Charter School										
Capital Outlay	8,208,205.00	8,237,165.00	2,892,143.00	254,073.00	269,501.00	161,612.00	585,723.00	324,652.63	371,057.60	929,690.97
Debt Services:										
Principal	895,000.00	6,964,000.00	1,160,000.00	1,280,000.00	15,355,000.00	1,415,000.00	1,470,000.00	1,530,000.00	1,600,000.00	1,710,000.00
Interest and Other Charges	1,662,854.00	1,772,662.00	1,660,496.00	1,918,478.00	1,860,188.00	1,091,696.00	1,036,620.00	976,923.75	837,013.38	788,318.31
Total Expenditures	26,172,544.00	23,360,139.00	23,935,578.00	22,976,970.00	37,680,716.00	24,819,032.00	26,085,246.00	26,735,623.95	26,187,422.83	27,568,999.39
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	131,059.00	(12,338,091.00)	(3,270,333.00)	901,452.00	(14,690,371.00)	(362,208.00)	(1,889,088.00)	449,331.93	173,968.08	637,805.73
Other Financing Sources/(Uses):										
Bond Refunding		5,854,000.00	14,665,000.00							
Cost of Insurance			(146,565.00)							
Bond Issue Principal									9,613.94	
Proceeds of Refunding Debt									6,551,663.30	
Payments to Escrow Agent										
Lease Purchase Agreement										
Transfers In	3,000,000.00	1,951,562.00	61,484.00		72,487.00	82,989.00	936,179.00	72,000.00	410,304.39	660,000.00
Transfers Out	(3,000,000.00)	(1,951,562.00)	(61,484.00)		(72,487.00)	(82,989.00)	(936,179.00)	(72,000.00)	(410,304.39)	(410,304.39)
Total Other Financing Sources/(Uses)	\$ 131,059.00	\$ (6,484,091.00)	\$ 14,248,102.00	\$ 901,452.00	\$ (14,690,371.00)	\$ (362,208.00)	\$ (1,889,088.00)	\$ 449,331.93	\$ 183,502.02	\$ 1,297,805.73
Net Change in Fund Balances										
Noncapital Expenditures										
Debt Service as a Percentage of Noncapital Expenditures										

Source: District records

Note: Noncapital expenditures are total expenditures less Capital Outlay.
 Central Service and Administrative Information Technology account classifications were added beginning with year-end June 30, 2005.
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.
 * Special Revenue allocation not available
 ** Debt Service breakdown not available
 *** Other Financing Sources/(Uses) not available

PLUMSTED SCHOOL DISTRICT
 GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest</u>	<u>Tuition</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Transportation</u> <u>Fees</u>	<u>Miscellaneous</u>	<u>Sale of</u> <u>Equipment</u>	<u>Annual</u> <u>Totals</u>
2003	\$ 179,341.00	\$ 42,677.00	\$ 690,637.00	\$ 21,599.00	\$ 82,238.00	-	\$ 1,016,492.00
2004	66,293.00	13,035.00	173,101.00	-	59,464.00	-	311,893.00
2005	76,243.00	-	-	9,111.00	143,014.00	-	228,368.00
2006	203,266.00	-	-	941.00	638,662.00	-	842,869.00
2007	280,349.00	-	-	-	110,318.00	-	390,667.00
2008	187,093.00	79,807.00	-	-	127,636.00	-	394,536.00
2009	60,689.00	76,488.00	-	-	60,843.00	-	198,020.00
2010	21,931.95	51,237.00	-	-	124,376.53	-	197,545.48
2011	18,781.59	180,349.00	-	-	94,285.45	-	293,416.04
2012	397.59	203,754.32	-	-	134,470.28	-	338,622.19

Source: District records

REVENUE CAPACITY INFORMATION

PLUMSTED SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment
2003	9,846,400	340,474,900	16,797,000	2,099,800	19,845,900	3,975,100	1,625,000
2004	9,704,100	344,359,300	18,230,200	2,239,500	20,465,000	4,070,000	1,625,000
2005	9,166,400	349,810,200	18,741,800	2,162,900	20,464,800	4,070,000	1,625,000
2006	R 9,393,100	354,498,100	19,141,900	2,258,700	20,840,300	4,070,000	1,625,000
2007	36,630,500	925,185,000	53,677,900	2,272,700	61,087,500	9,030,500	4,079,600
2008	34,911,200	917,640,700	52,447,200	2,275,400	60,424,600	9,030,500	4,079,600
2009	30,510,700	922,504,200	52,132,200	2,550,600	63,189,400	9,030,500	3,884,600
2010	28,559,100	921,009,100	51,960,600	2,091,800	57,401,200	14,442,400	3,884,600
2011	26,472,800	915,523,100	52,092,800	2,057,500	57,246,700	14,072,900	3,884,600
2012	24,795,700	900,980,100	52,045,600	2,061,200	54,949,300	13,917,000	3,884,600
						Total	
		Less:			Estimated Actual	Direct	
	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	(County Equalized) Value	School	
2003	394,664,100	109,350,700		397,120,866	129,761,959	2,014	
2004	400,693,100	109,446,300		402,845,660	196,178,867	2,070	
2005	406,041,100	109,649,700		407,878,861	286,623,497	2,217	
2006	411,827,100	98,884,500		411,827,100	385,267,308	2,283	
2007	1,091,963,700	200,232,200		1,091,963,700	(194,396,892)	0.952	
2008	1,080,809,200	201,994,600		1,080,809,200	(119,177,190)	0.960	
2009	1,083,802,200	293,299,200		1,083,802,200	(88,338,181)	0.977	
2010	1,079,348,800	204,073,400		1,079,348,800	(76,302,957)	1.003	
2011	1,071,965,400	205,584,100		1,071,965,400	(114,507,809)	1.006	
2012	1,052,633,500	206,344,300		1,052,633,500	N/A	1.055	

Source: tax.co.ocean.nj.us/tax rates/abstract rates/assessed value 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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100
- N/A At the time of CAFR Completion, this data was not available

PLUMSTED SCHOOL DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)
(UNAUDITED)

Fiscal Year Ending June 30,	Plumsted School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Plumsted Township School District	Plumsted Township	Plumsted Township Fire District	Ocean County	
2003	\$ 5,770,485.000	\$ 1,091,445.000	2.014	0.134	0.090	0.647	2.885
2004	6,517,755.000	1,483,936.000	2.070	0.122	0.087	0.638	2.917
2005	6,876,570.000	1,459,642.000	2.217	0.146	0.120	0.548	3.031
2006	7,699,498.000	1,340,190.000	2.283	0.123	0.128	0.546	3.080
2007	8,065,539.000	1,367,955.000	0.952	0.111	0.066	0.256	1.385
2008	8,953,109.000	1,468,046.000	0.960	0.110	0.069	0.226	1.414
2009	9,154,554.000	1,467,778.000	0.980	0.130	0.094	0.234	1.438
2010	9,520,736.000	1,555,037.000	1.003	0.130	0.100	0.251	1.484
2011	9,613,840.000	1,409,148.000	1.006	0.151	0.106	0.251	1.514
2012	9,613,840.000	1,529,044.000	1.055	0.171	N/A	0.254	N/A

Source: Municipal Tax Assessor

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

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.
b Rates for debt service are based on each year's requirements.

PLUMSTED SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND TEN YEARS AGO
 (UNAUDITED)

	2012			2003	
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Newco Associates LLC.	\$ 5,411,900	1	0.51		
Jensen's Inc.	4,242,100	2	0.40	\$ 605,600	0.16
Miland Partnership	3,589,700	3	0.34	1,081,400	0.29
H Thomas Widmeier Family 2000 LP	2,810,400	4	0.27		
Vernon Holdings LLC	2,159,500	5	0.21		
John O'Connor Holding Co LLC	1,909,400	6	0.18		
Sunrise Sanctuary Partners LLC	1,694,700	7	0.16		
Wiedav, Hildegard H, Fred & Heather SCP LLC	1,527,200	8	0.15		
	1,404,700	9	0.13		
Total	\$ 24,749,600		2.351	\$ 1,687,000	0.450

Source: Municipal Tax Assessor

PLUMSTED SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	11,562,581	11,562,581	100.00%	-
2004	11,859,862	11,859,862	100.00%	-
2005	12,879,356	12,879,356	100.00%	-
2006	13,369,404	13,369,404	100.00%	-
2007	15,198,860	15,198,860	100.00%	-
2008	15,436,704	15,436,704	100.00%	-
2009	15,110,397	15,110,397	100.00%	-
2010	15,542,325	15,542,325	100.00%	-
2011	15,664,324	15,664,324	100.00%	-
2012	11,022,988	11,022,988	100.00%	-

Source: Ocean County Abstract of Ratables

- 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 INFORMATION

PLUMSTED SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30.	Governmental Activities			Bond		Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Anticipation Notes (BANs)	Capital Leases	Total District				
2002	30,915,000.00	-	-	-	-	30,915,000.00	-	7,893.00		
2003	30,286,000.00	-	-	-	-	30,286,000.00	-	3,785.28		
2004	29,176,000.00	-	-	-	-	29,176,000.00	-	3,633.37		
2005	28,666,000.00	-	-	-	-	28,666,000.00	-	3,569.86		
2006	41,401,000.00	-	-	-	-	41,401,000.00	-	5,108.71		
2007	26,046,000.00	-	-	-	-	26,046,000.00	-	3,185.28		
2008	24,631,000.00	-	-	-	-	24,631,000.00	-	2,998.30		
2009	23,161,000.00	-	-	-	-	23,161,000.00	-	2,819.35		
2010	21,631,000.00	-	-	-	-	21,631,000.00	-	2,608.66		
2011	20,415,000.00	-	-	-	-	20,415,000.00	-	2,412.27		
2012	18,705,000.00	-	-	-	-	18,705,000.00	-	N/A		

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

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

b Includes Early Retirement Incentive Plan ("ERIP") refunding and State Loans

PLUMSTED SCHOOL DISTRICT

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds*	Deductions			
2001	\$ 23,589,000.00		\$ 23,589,000.00	6.49%	\$ 3,092.00
2002	30,915,000.00		30,915,000.00	8.08%	3,917.00
2003	30,286,000.00		30,286,000.00	7.63%	3,785.00
2004	29,176,000.00		29,176,000.00	7.24%	3,633.00
2005	28,666,000.00		28,666,000.00	7.03%	3,570.00
2006	41,401,000.00		41,401,000.00	10.15%	R 5,109.00
2007	26,046,000.00		26,046,000.00	2.39%	3,185.00
2008	24,631,000.00		24,631,000.00	2.28%	2,998.00
2009	23,161,000.00		23,161,000.00	2.14%	2,819.00
2010	21,631,000.00		21,631,000.00	2.00%	2,608.66
2011	20,415,000.00		20,415,000.00	1.90%	2,412.27
2012	18,705,000.00		18,705,000.00	1.78%	N/A

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

- a See Exhibit NJ J-6 for property tax data.
- b Population data can be found in Exhibit NJ J-14.
- * Includes State Loans
- R Revaluation
- N/A At the time of CAFR Completion, this data was not available

PLUMSTED SCHOOL DISTRICT

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2012
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Plumsted Township	\$ 1,433,132	100.00%	1,433,132
Ocean County General Obligation Debt	395,393,538	0.9025%	<u>3,568,281.41</u>
Subtotal, Overlapping Debt			5,001,413
Plumsted Township School District			<u>20,415,000</u>
88 Total Direct and Overlapping Debt			<u>\$ 25,416,413</u>

Sources:

- (1) Plumsted Township Municipality's Chief Financial Officer and Annual Debt Statement - December 31, 2011
- (2) Ocean County Treasurer's Office. The County Debt was apportioned to Plumsted Township Municipality by dividing the Municipality's 2011 equalized value by the total 2011 equalized value for Ocean County, which results in an apportionment rate of .9025 *

* The source for this computation was the 2011 Table of Equalized Value, which is supplied by the New Jersey Division of Taxation.

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 Plumsted Township. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

PLUMSTED SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(UNAUDITED)

For fiscal year ended June 30, 2012

	Fiscal Year			
	2004	2005	2006	2007
Debt Limit	\$ 20,192,020	\$ 23,642,293	\$ 27,389,547	\$ 19,563,568
Total Net Debt Applicable To Limit	29,176,000	28,666,000	41,401,000	26,046,000
Legal Debt Margin	\$ (8,983,980)	\$ (5,023,707)	\$ (14,011,453)	\$ (6,482,432)
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	144.49%	121.25%	151.16%	133.14%
	2009	2010	2011	2012
Debt Limit	\$ 39,566,993	\$ 39,465,439	\$ 38,373,164	\$ 36,618,916
Total Net Debt Applicable To Limit	23,161,000	21,631,000	20,415,000	18,705,000
Legal Debt Margin	\$ 16,405,993	\$ 17,834,439	\$ 17,958,164	\$ 17,913,916
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	58.54%	54.81%	53.20%	51.08%

Legal Debt Margin Calculation for Fiscal Year 2012

Equalized Valuation Basis	
2012	\$ 874,280,316
2011	909,465,535
2010	962,672,851
(A)	\$ 2,746,418,702
(A/3)	\$ 915,472,901
(B)	36,618,916
(C)	18,705,000
(B-C)	\$ 17,913,916

Average Equalized Valuation of Taxable Property

Debt Limit (4.0% of Average Equalization Value)
Total Net Debt Applicable To Limit

Legal Debt Margin

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

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

a Limit set by N.J.S.A. 18A:24-19 for a K through 12 District; other percentage limits would be applicable for other District types.

DEMOGRAPHIC AND ECONOMIC STATISTICS

PLUMSTED SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Year</u>	<u>Population</u> ^a	<u>Personal Income</u> ^b	<u>Per Capita Personal Income</u> ^c	<u>Unemployment Rate</u> ^d
2003	8,001	-	31,782	4.10%
2004	8,030	-	33,558	3.50%
2005	8,030	-	34,509	2.90%
2006	8,104	-	36,037	3.30%
2007	8,177	-	N/A	2.90%
2008	8,215	-	N/A	6.10%
2009	8,215	-	N/A	6.40%
2010	8,292	-	N/A	9.20%
2011	8,463	-	N/A	9.40%
2012	N/A	-	N/A	N/A

Source:

^a Population information provided by the NJ 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 US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Department of Labor and Workforce Development.

N/A At the time of CAFR Completion, this data was not available

PLUMSTED SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 FOR 2009 AND NINE YEARS AGO
 (UNAUDITED)

<u>Employer</u>	2009			2000		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
Plumsted Township BOE	299	1	N/A	151	1	N/A
Sigma Pipe Fittings	91	2	N/A	35	2	N/A
New Egypt Marketplace	85	3	N/A	72	3	N/A
Plumsted Township	56	4	N/A	46	4	N/A
Hallocks U-Pick Farm	32	5	N/A	20	5	N/A
CVS	27	6	N/A	N/A	6	N/A
Wawa	21	7	N/A	16	7	N/A
DeWolf's Farm	15	8	N/A	21	8	N/A
Bank of America	10	9	N/A	12	9	N/A
Roebing Bank	7	10	N/A	N/A	10	N/A

Source: Local businesses supplied the information for this schedule.
 Total township employment could not be verified

OPERATING INFORMATION

PLUMSTED SCHOOL DISTRICT

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

CURRENT YEAR AND FIVE YEARS AGO
(UNAUDITED)

<u>Function/Program</u>	<u>2007</u>	<u>2012</u>
Instruction:		
Regular	132	96
Special Education	56	60
Other Special Education	11	
Other Instruction	14	8
Nonpublic School Programs		
Adult/Continuing Education Programs	2	
Support Services:		
Student and Instruction Related Services	43	43
School Administrative Services	9	12
General and Business Administrative Services	18	3
Plant Operations and Maintenance	3	7
Pupil Transportation	5	6
Business and Other Support Services	6	6
Special Schools		
Food Service		
Child Care		
Total	<u>299</u>	<u>239</u>

Source: District Personnel Records

PLUMSTED SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil to Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Primary	Elementary	High School				
2003	1,672	18,531,779	11,084	N/A	141	A	A	A	1,672	1,593	10.10%	95.26%
2004	1,724	19,519,365	11,322	2.15%	149	A	A	A	1,724	1,643	3.10%	95.27%
2005	1,771	21,296,529	12,025	6.21%	159	A	A	A	1,771	1,682	2.70%	94.97%
2006	1,839	24,249,219	13,186	9.65%	166	13.2	11.3	10.7	1,825	1,761	4.20%	96.49%
2007	1,843	25,549,581	13,863	5.13%	176	13.4	11.8	11.8	1,856	1,753	1.80%	94.45%
2008	1,872	25,364,106	13,549	-2.26%	186	10.0		13.2	1,828	1,720	-1.50%	94.09%
2009	1,832	26,414,969	14,419	6.42%	171	7.7	10.2	10.8	1,815	1,725	-0.71%	95.10%
2010	1,797	27,014,769	15,033	4.26%	170	6.3	9.3	10.7	1,728	1,681	-4.78%	97.30%
2011	1,740	26,672,202	15,329	1.97%	168	6.1	9.4	9.7	1,689	1,630	-2.27%	96.50%
2012	1,684	24,373,584	14,474	-5.58%	167	N/A	N/A	N/A	1,616	1,561	-4.30%	96.60%

Source: District records

Note: Enrollment based on annual October District count.

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

b Teaching staff includes only full-time equivalents of certificated staff - Report of Certified Staff

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

PLUMSTED SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST SIX FISCAL YEARS
(UNAUDITED)

<u>District/Building</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
New Egypt Primary School							
Square Feet	45,600	45,600	45,600	45,600	45,600	45,600	45,600
Capacity (Students)	325	325	325	325	325	325	325
Enrollment	329	316	325	272	206	172	160
Dr Gerald H. Woehr Elementary School							
Square Feet	80,680	80,680	80,680	80,680	80,680	80,680	80,680
Capacity (Students)	582	582	582	582	582	582	582
Enrollment	577	575	562	564	605	572	534
New Egypt Middle School							
Square Feet	77,600	77,600	77,600	77,600	77,600	77,600	77,600
Capacity (Students)	461	461	461	461	461	461	461
Enrollment	418	424	437	432	434	422	457
New Egypt High School							
Square Feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Capacity (Students)	537	537	537	537	537	537	537
Enrollment	513	526	548	564	552	574	533
Field House							
Square Feet	3,584	3,584	3,584	3,584	3,584	3,584	3,584
New Egypt High School Barn							
Square Feet	1,863	1,863	1,863	1,863	1,863	1,863	1,863
Dr. Gerald H. Woehr Elementary School Barn							
Square Feet	2,792	2,792	2,792	2,792	2,792	2,792	2,792
Concession Stand							
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Press Box							
Square Feet	144	144	144	144	144	144	144
Sewer Plant							
Square Feet	15,000	15,000	15,000	15,000	15,000	15,000	15,000

Number of Schools at June 30, 2010

Primary = 1
Elementary = 1
Middle = 1
High School = 1
Other = 6

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions.

Enrollment is based on the annual October District count ASSA report.

PLUMSTED SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST NINE FISCAL YEARS
(UNAUDITED)

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

*School Facilities

Year	Project # (s)	Primary School	Elementary School	Middle School	High School	Elementary School Barn	High School Barn	Concession Stand	Field House	Press Box	Sewer Plant	Total
2003	N/A		\$ 29,209	\$ 26,206	\$ 39,255	\$ 909	\$ 372				\$ 21,059	\$ 117,010
2004	N/A		22,721	21,581	39,147	153	12	\$ 352			20,545	104,536
2005	N/A	\$ 9,584	24,534	18,005	51,316	6					23,971	127,416
2006	N/A	11,471	33,862	21,054	38,171		599	887			22,253	128,297
2007	N/A	13,674	41,705	14,609	31,577		2,704	93			31,202	135,564
2008	N/A	8,134	41,678	21,273	25,100		1,035	208		\$ 243	27,104	124,775
2009	N/A	17,980	49,440	35,590	39,605		1,800	300		100	29,320	174,135
2010	N/A	18,879	51,912	37,370	41,585	750	1,890	315		105	30,786	184,592
2011	N/A	10,961	31,483	23,347	37,815		83	203			33,054	136,946
2012	N/A	15,149	38,740	35,935	48,558	99					35,245	173,725
Total School Facilities		\$ 105,832	\$ 365,284	\$ 254,970	\$ 392,129	\$ 1,025	\$ 1,818	\$ 2,358	\$ 8,495	\$ 448	\$ 274,539	\$ 1,096,325

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

Source: District records

PLUMSTED SCHOOL DISTRICT

SCHEDULE OF INSURANCE

June 30, 2012
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
School Commercial Package Policy-Selective Way Insurance Co.		
Property-blanket building and contents	\$ 66,316,369	
boiler and machinery policy	Included in Property Limit	
Commercial general liability	2,000,000	
Commercial inland marine coverage	182,039	
Equipment	15,000	
Business automobile	1,000,000	500
Workers compensation and employer's liability		
NJ School Board Association.	Statutory	
Temporary Disability - NJ School Board Association	Full Salary less 7 day wait WC Benefits Period	
School Board Legal Liability		
Selective Insurance Co.	1,000,000	2,500
Umbrella Liability Policy		
Selective Way Insurance Co.	10,000,000	250
Student Accident - Monumental Life Insurance Company	5,000,000	
Commercial Crime Coverage		
Selective Insurance Company of America	500,000	5,000
Surety Bonds Selective Insurance Company of America:		
Treasurer	195,000	
Business Administrator/Board Secretary	140,000	

Source: District Records

SINGLE AUDIT SECTION

Robert H. Hutchins, CPA, CVA, CFF
Eugene M. Farrell, CPA, RMA, CFP
Robert W. Allison, CPA, RMA
Alan E. Meyer, CPA/ABV, CFF
Joann DiLieto, CPA

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

The Honorable President and
Members of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Board of Education of the Plumsted School District, in the County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the Board of Education of the Plumsted School District's basic financial statements and have issued our report thereon dated October 23, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Board of Education of the Plumsted School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Plumsted 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 Plumsted Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Plumsted 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 misstatements on a timely basis. *A material weakness* is

The Honorable President and
Members of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey
Page 2

a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Board of Education'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 Plumsted 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 Division of Finance, Department of Education, State of New Jersey.

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



Robert W. Allison
Licensed Public School Accountant
No. 897
Hutchins, Farrell, Meyer & Allison, P.A.

October 23, 2012

Hutchins, Farrell, Meyer & Allison, P.A.

Certified Public Accountants • Business & Financial Advisors

Exhibit K-2
Page 1 of 3

Robert H. Hutchins, CPA, CVA, CFF
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

The Honorable President and
Members of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Plumsted School District, in the County of Ocean, 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. Plumsted 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 Plumsted Board of Education's management. Our responsibility is to express an opinion on the Plumsted Board of Education's compliance based on our audit.

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

The Honorable President and
Members of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey
Page 2

In our opinion, the Board of Education of the Plumsted School District, in the County of Ocean, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major 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 Plumsted 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 the Plumsted Board of Education's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program in order 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 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 the Plumsted 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 federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

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

The Honorable President and
Members of the Board of Education
Plumsted School District
County of Ocean
Plumsted, New Jersey
Page 3

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



Robert W. Allison
Licensed Public School Accountant
No. 897
Hutchins, Farrell, Meyer & Allison, P.A.

October 23, 2012

PLUMSTED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the fiscal year ended June 30, 2012

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/ Program Title	Program or Award Amount	Grant Period		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment/ Adjustment	Balance at June 30, 2012	
			From	To					(Accounts Receivable)	Deferred Revenue
U.S. Department of Agriculture:										
Passed-Through State Department of Education:										
Enterprise Fund:										
10.555	National School Lunch Program	\$ 121,825.76	07/01/10	06/30/11	\$	6,128.14				
10.555	National School Lunch Program	117,883.42	07/01/11	06/30/12		114,581.91	\$ (117,883.42)		\$ (3,301.51)	
10.553	School Breakfast Program	15,842.58	07/01/10	06/30/11	(1,055.70)	1,055.70				
10.553	School Breakfast Program	5,559.05	07/01/11	06/30/12		4,765.59	(5,559.05)		(793.46)	
Total U.S. Department of Agriculture										
					(7,183.84)	125,531.34	(123,442.47)		(4,094.97)	
U.S. Department of Homeland Security:										
Passed-Through State Department of Education:										
Special Revenue Fund:										
97.036	FEMA- Hurricane Irene	2,957.88	08/27/11	06/30/12		2,957.88	(2,957.88)			
97.036	FEMA- Nor Eastern Storm	18,807.00	07/01/11	06/30/12		18,807.00	(18,807.00)			
Total U.S. Department of Homeland Security										
						21,764.88	(21,764.88)			
U.S. Department of Education:										
General Fund:										
84.041	Impact Aid	1,600,370.00	10/01/11	09/30/12		1,600,370.00	(1,600,370.00)	\$ (22,336.23)		
84.394	ARRA-SFSF-ESF (Educ. State Grants)	1,744,500.00	09/01/09	08/31/11	22,336.23			(127.78)		
84.397	ARRA-SFSF-GSF (Government Services)	67,532.00	09/01/09	08/31/11	127.78				(17,313.22)	
93.778	Medical Assistance Program (SEMI)	32,316.85	07/01/11	06/30/12		15,003.63	(32,316.85)			
93.778	Medical Assistance Program (SEMI)	30,843.26	07/01/10	06/30/11	(10,080.78)	10,080.78				
84.410A	Education Jobs Fund	401,834.00	08/10/10	09/30/12		361,176.18	(401,834.00)		(40,657.82)	
Passed-Through State Department of Education:										
Special Revenue Fund:										
84.173	I.D.E.A. Part B Preschool	21,460.00	09/01/09	08/31/10	(4,300.00)	4,300.00			(2.19)	
84.173	I.D.E.A. Part B Preschool	21,134.00	09/01/10	08/31/11	(3,460.19)	3,458.00			(1,322.00)	
84.173	I.D.E.A. Part B Preschool	22,870.00	09/01/11	08/31/12		20,626.00	(21,948.00)			
84.027	I.D.E.A. Part B Basic Regular	327,857.00	09/01/10	08/31/11	(124,115.51)	162,684.00	(38,568.20)	(0.29)		
84.027	I.D.E.A. Part B Basic Regular	361,037.00	09/01/11	08/31/12		310,968.29	(361,037.29)	0.24	(50,069.00)	
84.010	I.D.E.A. Part B Basic Regular	116,768.00	09/01/10	08/31/11	(67,194.24)	67,194.00			(37,089.61)	
84.010	Title I Part A	144,005.00	09/01/11	08/31/12		81,052.00	(118,141.61)	0.42		
84.367A	Title II - Part A	32,216.00	09/01/10	08/31/11	(13,989.42)	13,989.00	(27,872.61)		(3,460.61)	
84.367A	Title II - Part A	32,216.00	09/01/11	08/31/12		24,412.00				
84.318X	Title II - Part D	242.00	09/01/10	08/31/11	(242.00)	242.00				
84.186	Title IV	2,108.00	09/01/09	08/31/10	(96.00)			96.00		
84.389	ARRA Title 1	45,739.00	09/01/09	08/31/11	(15,796.16)	17,910.74	(2,114.58)			
84.391	ARRA IDEA Basic	339,416.00	09/01/09	08/31/11	(194,607.88)	289,445.68	(94,837.80)			
84.392	ARRA Preschool Matrix	14,430.00	09/01/09	08/31/11	(8,662.80)	9,591.00	(928.20)			
Total U.S. Department of Education										
					(413,976.97)	2,992,503.30	(2,699,969.14)	(28,471.64)	(149,914.45)	
Total Federal Financial Awards										
					\$ (421,160.81)	\$ 3,140,799.52	\$ (2,845,176.49)	\$ (28,471.64)	\$ (154,009.42)	\$ 0.00

The accompanying Notes to Schedule of Expenditures of Awards and Financial Assistance are an integral part of this schedule

PLUMSTED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the fiscal year ended June 30, 2012

State Grant/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Carryover/ Due To (Walkover) Grantor Amount	Cash Received	Budgetary Expenditures	Adjustments/ Reapportionment of Prior Years' Balance	Balance at June 30, 2012		Memo	Cumulative Total Expenditures
			From	To					(Accounts Receivable)	Due To Grantor		
State Department of Agriculture												
Enterprise Fund:												
National School Lunch Program (State Share)	12-100-010-3360-067	\$ 16,847.44	07/01/11	06/30/12	\$	\$ 16,712.17	\$ (16,847.44)	\$	(135.27)	\$	\$ (135.27)	\$ 16,847.44
National School Lunch Program (State Share)	11-100-010-3350-023	5,206.56	07/01/10	06/30/11	\$ (289.92)	289.92						
National School Lunch Program (State Share) Subsidy	11-100-010-3360-067	268.74	07/01/10	06/30/11	(268.74)	268.74						
Total Enterprise Fund					<u>(568.66)</u>	<u>17,270.83</u>	<u>(16,847.44)</u>		<u>(135.27)</u>		<u>(135.27)</u>	<u>16,847.44</u>
State Department of Education												
General Fund:												
Extraordinary Special Education Aid	11-100-034-5120-473	81,904.00	07/01/10	06/30/11	(81,904.00)	81,904.00						
Extraordinary Special Education Aid Security Aid	12-100-034-5120-473	50,091.00	07/01/11	06/30/12		115,437.00	(50,091.00)				(50,091.00)	50,091.00
Equalization Aid	12-495-034-5120-084	10,022,570.00	07/01/11	06/30/12		10,022,570.00	(115,437.00)				(11,344.00)	115,437.00
Special Education Categorical Aid	11-495-034-5120-089	937,509.00	07/01/11	06/30/12		937,509.00	(937,509.00)				(92,124.00)	10,022,570.00
Non Public Transportation Aid	11-495-034-5120-014	2,262.00	07/01/10	06/30/11		2,262.00	(2,262.00)				(3,306.00)	937,509.00
Non Public Transportation Aid	12-495-034-5120-014	3,306.00	07/01/11	06/30/12		34,173.00	(3,306.00)				(3,306.00)	2,262.00
PAF NCGI Premiums Contribution	12-495-034-5095-006	34,173.00	07/01/11	06/30/12		318,437.00	(34,173.00)				(3,306.00)	3,306.00
PAF Pension Contribution	12-495-034-5095-006	708,838.00	07/01/11	06/30/12		708,838.00	(318,437.00)				(3,306.00)	34,173.00
PAF Post Retirement Medical Contributions	12-495-034-5095-006	813,057.64	07/01/11	06/30/12		813,057.64	(813,057.64)				(3,306.00)	2,262.00
Reimbursed TPAF Social Security Contribution	12-495-034-5095-002										(3,306.00)	3,306.00
Total General Fund					<u>(81,904.00)</u>	<u>13,034,187.64</u>	<u>(13,005,680.64)</u>		<u>(53,397.00)</u>		<u>(1,141,736.00)</u>	<u>813,057.64</u>
Capital Projects Fund												
Upgrade of Essential Security Systems - NEHS	4190-010-10-2002	85,986.00	06/30/10									
Upgrade of Essential Security Systems - NEMS	4190-080-10-1005	34,729.00	06/30/10									
Upgrade of Essential Security Systems - NEES	4190-050-10-1004	39,990.00	06/30/10									
Upgrade of Essential Security Systems - NEPS	4190-040-10-1003	42,849.00	06/30/10									
Auditorium & Electrical Services Upgrades NEHS	4190-010-10-1001	78,046.00	06/30/10									
Total Capital Projects Fund					<u>(72,396.98)</u>	<u>(198,224.56)</u>	<u>(13,005,680.64)</u>		<u>(270,821.54)</u>		<u>(270,821.54)</u>	<u>198,224.56</u>
Debt Service Fund:												
Debt Service Aid	12-100-024-5120-125	884,732.00	07/01/11	06/30/12		884,732.00						
Total Debt Service					<u>(154,859.64)</u>	<u>13,936,190.47</u>	<u>(884,732.00)</u>		<u>(324,153.81)</u>		<u>(1,412,494.81)</u>	<u>13,078,209.64</u>
Total State Financial Assistance					<u>\$ (154,859.64)</u>	<u>\$ 13,936,190.47</u>	<u>\$ (14,105,464.64)</u>		<u>\$ (324,153.81)</u>		<u>\$ (1,412,494.81)</u>	<u>\$ 13,078,209.64</u>

D=Deficit, not Accounts Receivable, due to expenditures exceeding last state aid payment.

PLUMSTED SCHOOL DISTRICT

NOTES TO SCHEDULES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

June 30, 2012

1. General

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

2. Basis of Accounting

The accompanying Schedules of Expenditures of Awards and Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in 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 of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the State deferral and recording of the last state aid payment in the subsequent year. The Special Revenue Fund is presented in the accompanying Schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The Special Revenue Fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$40,544.00 for the General Fund and \$34,972.37 for the Special Revenue Fund. See the Notes to Required Supplementary Information for 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:

PLUMSTED SCHOOL DISTRICT

NOTES TO SCHEDULES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

June 30, 2012

3. Relationship to Basic Financial Statements (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 2,033,336.16	\$ 12,965,136.64	\$ 14,998,472.80
Special Revenue Fund	721,696.04		721,696.04
Capital Project Fund		198,224.56	198,224.56
Food Service Fund	123,442.47	16,847.44	140,289.91
Debt Service Fund	<u> </u>	<u>884,732.00</u>	<u>884,732.00</u>
Total Awards and Financial Assistance	<u>\$ 2,878,474.67</u>	<u>\$ 14,064,940.64</u>	<u>\$ 16,943,415.31</u>

During the year ended June 30, 2012, the State of New Jersey contributed \$34,173.00 to the Teachers' Pension and Annuity Fund for NCGI premiums.

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

Not applicable.

6. Other

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2012.

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

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

State Awards

Dollar threshold used to distinguish between type A and type B programs? \$423,165.00

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>12-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>12-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

PLUMSTED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(continued)

Section II - Financial Statement Findings

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

None reported.

PLUMSTED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(continued)

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

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

None reported.

PLUMSTED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

This section identifies the status of prior-year findings related to the general-purpose financial statements and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, and NJOMB Circular 04-04.

STATUS OF PRIOR-YEAR FINDINGS

No Prior findings.