

SCHOOL DISTRICT
OF
ROXBURY TOWNSHIP

Roxbury Township School District
Board of Education
Succasunna, New Jersey

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

Comprehensive Annual Financial Report

of the

Roxbury Township School District
Board of Education

Succasunna, New Jersey

For the Fiscal Year Ended June 30, 2012

Prepared by

Roxbury Township School District
Board of Education

Finance Department

ROXBURY TOWNSHIP SCHOOL DISTRICT
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INTRODUCTORY SECTION

ROXBURY TOWNSHIP PUBLIC SCHOOLS
BOARD OF EDUCATION OFFICE

42 NORTH HILLSIDE AVENUE, SUCCASUNNA, NEW JERSEY 07876

Phone (973) 584-6099

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Fax (973) 584-0426

October 12, 2012

The Honorable President and Members of
the Board of Education
Roxbury Township School District
County of Morris, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Roxbury Township School District (the "District") for the fiscal year ended June 30, 2012, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "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 basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Roxbury Township School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Roxbury Township School District and its schools constitute the District's reporting entity.

The Roxbury Township School District provides a full range of educational services appropriate to grade levels K through 12 for students residing in Roxbury Township. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2011-2012 fiscal year with an enrollment of 4,019 students, which is a decrease of 124 students from the previous year's enrollment.

The Honorable President and Members of
the Board of Education
Roxbury Township School District
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The following details the changes in student enrollment over the last several years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment Student Enrollment</u>	<u>Percent Change</u>
2011-2012	4,019	-2.99%
2010-2011	4,143	-2.91%
2009-2010	4,267	-2.16%
2008-2009	4,361	-0.80%
2007-2008	4,396	-1.90%
2006-2007	4,481	0.04%
2005-2006	4,479	-1.43%
2004-2005	4,544	-0.89%
2003-2004	4,585	1.48%
2002-2003	4,518	0.80%

2) ECONOMIC CONDITION AND OUTLOOK: The Township of Roxbury recently completed a thorough built out analysis for the community. The community is considered mature with limited area for future development excluding the 1,000-acre Ashland Chemical tract. There are a few approved developments that will alter the Township's population. These developments consist of the Village project, a 160 lot single-family subdivision in the Landing section of the Township and a 260-unit Senior Housing development in the Ledgewood community.

The Township continues to be affected by commercial redevelopment along the Route 10 and Route 46 corridors. This redevelopment has slowed during the economic downturn but does include substantial redevelopment of the Roxbury Mall.

Despite the limited opportunities for additional residential development nearly 15,000,000 square feet for non-residential development is still possible, with roughly two-thirds of this space located on the 1,000 acre Ashland Chemical tract. The Ashland tract and other non-residential land in the Township will be a target for development due to the loss of developable land in the region due to the Highlands preservation act.

3) MAJOR INITIATIVES: At the middle school level, the District initiated a new schedule with extended class times for math, language arts, and (on an alternating schedule) Science and Social Studies. This nearly doubles the amount of time previously allotted for Mathematics, and also provides time for teachers to work in Professional Learning Communities.

The District implemented a new curriculum management program, Curricuplan, which allows for on-line curriculum mapping and collaborative unit planning. Curriculum work was conducted throughout the school year and summer, in accordance with State guidelines for alignment with Common Core Standards and Revised New Jersey Core Curriculum Standards.

Professional Development in the District was expanded in a variety of ways. The annual Roxbury Education Seminar featured Dr. Joseph Renzulli, internationally-known expert on enrichment and giftedness. This presentation, along with the preparatory and follow-up work, engaged district educators in fostering ways to challenge all learners. The District also followed the State's Professional Learning Community initiative by bringing in Jack Balderman of Solution Tree to work with our educators on how to implement PLC's successfully throughout the District.

The District continued its focus on improving its assessment system by expanding the standards-based report card system to fifth grade.

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

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

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

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

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

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

7) DEBT ADMINISTRATION: As of June 30, 2012, the District's outstanding debt issues included \$14,370,000 of general obligation bonds and \$2,205,000 of Early Retirement Incentive Program ("ERIP") Bonds.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

The Honorable President and Members of
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October 12, 2012

9) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The District oversees its own risk management. A schedule of insurance coverage is found on J-20.

10) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

11) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Roxbury Township School Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of the financial and accounting staff.

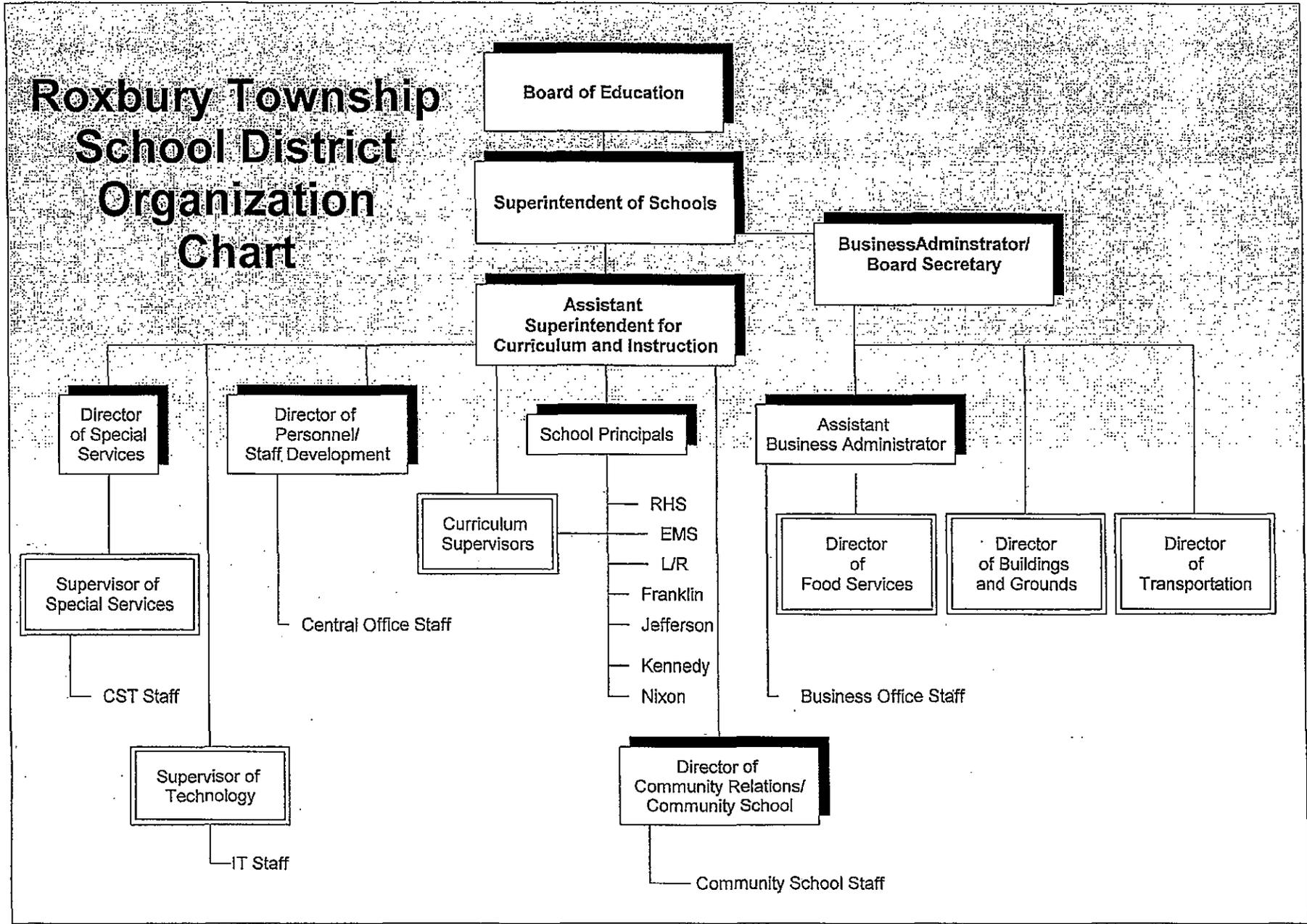
Respectfully submitted,



Patrick Tierney, Ed. D.
Superintendent

John Gomez
School Business Administrator/Board Secretary

Roxbury Township School District Organization Chart



**ROXBURY TOWNSHIP SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2012**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Annette Brooks, President	2012
Theresa D'Agostino, Vice President	2013
Maureen Castriotta	2012
Ron Lucas	2014
James Monaghan, Jr.	2014
John Moschella	2013
David Ramage	2014
Chris Rogers	2012
Carol Scheneck	2013
Liz D'Abbraccio, Mt. Arlington Representative	

<u>Other Officers</u>	<u>Title</u>
James O'Neill	Interim Superintendent of Schools (from 8/22/11 to 6/30/12)
Patrick Tierney, Ed. D.	Superintendent (from 7/1/12)
Dr. James Heinegg	Assistant Superintendent (to 6/30/12)
John Gomez	School Business Administrator/Board Secretary (from 7/1/12)
Marlene D. Wendolowski	Interim School Business Administrator/Board Secretary (from 10/3/11 to 6/30/12)
Anthony J. Mistretta	Interim School Business Administrator/Board Secretary (to 9/7/11)
Lisa Palmieri	Treasurer of School Monies

ROXBURY TOWNSHIP SCHOOL DISTRICT

Consultants and Advisors

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Rd., Suite 300
Mount Arlington, NJ 07856
and
Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860

Attorney

Adams, Stern, Gutierrez & Lattiboudere, LLC
The Legal Center
1037 Raymond Boulevard, Suite 710
Newark, NJ 07102

Official Depository

TD Bank
240 Route 10
Succasunna, NJ 07876

FINANCIAL SECTION



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200 Valley Road, Suite 300
Mt. Arlington, NJ 07856
973-328-1825 | 973-328-0507 Fax

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11 Lawrence Road
Newton, NJ 07860
973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Roxbury Township School District
County of Morris, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Roxbury Township School District in the County of Morris as of and for the fiscal year ended June 30, 2012 which collectively comprise the Board of Education's basic financial statements, as listed in the foregoing table of contents. These financial statements are the responsibility of the 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 the 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, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Roxbury Township School District in the County of Morris as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2012 on our consideration of the Board of Education of the Roxbury Township School District'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.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education of the Roxbury Township School District's financial statements. The accompanying supplementary information schedules such as the combining and individual nonmajor fund financial statements and the Schedules of Expenditures of Federal and State Awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements 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 accompanying supplementary information such as the combining and individual nonmajor fund financial statements and the schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the financial statements as a whole. The accompanying other information, such as the introductory and statistical sections, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

October 12, 2012
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**ROXBURY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

This section of Roxbury Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2012. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Financial Highlights

- In doing its due diligence the District changed Worker's Compensation Carriers that netted an annual savings of over \$300,000 a year without negatively affecting coverage.
- The District redistributed those funds to purchase additional smart boards for grades K-6 that provided educational equity throughout the District thus providing technological equal opportunities for all students
- The District partnered with North American Power Partners whereby the District sells power back to the grid when it is not needed for full capacity or full loading. The District received revenue for this initiative during the 2011/2012 school year.
- The District Transportation Department consolidated routes for better efficiency in transporting our students which increased productivity of our personnel and saved thousands of dollars on fuel costs. The District also approved hazardous routes throughout the District which will maximize more Transportation State aid.
- There was a seminar by Dr. Joseph Renzulli that attracted attendees from around the State and provided a revenue source for the District of approximately \$20,000 for those attendees who paid for the seminar.
- The District continued to assess special education programs to generate tuition revenue and reduce out of district tuition expenditures for special education students. A new MD program is slated for 12-13 at RHS in conjunction with PG Chambers to provide a new tuition based revenue source for the district and excellent educational opportunity for our MD students at that level.
- The District had a Demographic Study conducted to update the enrollment projections for the District for the next 5 years. Information contained in the report shows that enrollment will continued to decline. This data is essential for proper budget planning as well determining the possible future need for grade level realignment or possible closing of a school.
- The District continued to work with and thank the Roxbury Education Foundation for their support and teacher mini grants to provide innovative programming to students.
- Shared Services were extended to working with other districts and the Township of Roxbury to provide services for the School District as well as the Community to provide those services that will have little or no financial impact to the Community.
- The Community School continued to offer innovative programs for children and adults but has also felt the impact of declining enrollments and may need to be revamped to maintain sustainability.
- The District outsourced the night time custodial staff due to fiscal constraints in an effort to save \$738,000 as of July 1, 2011 In May of 2011 the District amended it's outsourcing agreement to also include the daytime lead custodians thus saving the district an additional \$200,000 for the 12-13 school year.
- The District began an Energy Conservation Program during the 2011-2012 school year. The program will provide the District with 1.6 million dollars in savings over the next ten years. The savings for the most part will be reinvested in District's infrastructure.

- The District is participating in the state sponsored Energy Audit program that will be fully funded by the BPU and at no cost to the District.
- The District is planning to use the results of the Energy Audit as the first step in participating in the Energy Savings Initiative Program , ESIP, to be able to upgrade primary systems within the district at no cost to the local tax payers.
- The District utilized its Capital Reserve funds to replace the aging bleachers at RHS, EMS and Lincoln/Roosevelt during the 2011-2012 school year along with the replacement of a rooftop HVAC unit at RHS.
- Through additional budget tightening the District was able to fund the replacement of lockers in the boy's and girls' bathrooms at RHS in the spring of 2012.
- Financial stability has been maintained and the cycle of Long Range Facilities plans are being updated in preparation for participation in an ESIP program and to access 40% funding through the next round of ROD Grants that are expected to be offered during the 2012-2013 school year.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.
- *Notes to Financial Statements* provide additional information essential to a full understanding of the district-wide and fund financial statements.

The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of Roxbury Township School District's Financial Report

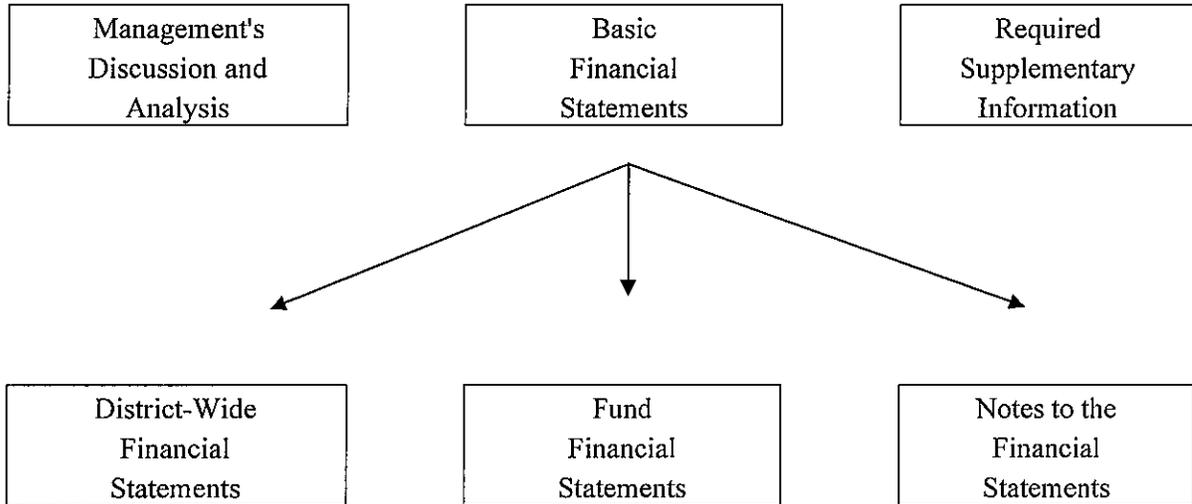


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenue, expenses and changes in net assets • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary net assets
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-wide Statements

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

The two District-wide statements report the District's *net assets* and how they have changed. Net assets – the difference between the District's assets and liabilities – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the District-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service is included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

- *Notes to the Basic Financial Statements:* The notes provide information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the Basic Financial Statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Assets. The Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of a District's financial position. The District's financial position is the product of financial transactions including the net results of activities, the acquisition of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The District's net assets are shown in Figure A-3. Net assets from governmental activities increased \$3,811,275 and net assets from business-type activities decreased by \$27,010. Net assets invested in capital assets increased \$1,352,816, restricted net assets increased by \$2,055,253 and unrestricted net assets increased \$376,196. It is important to note that depreciation of the District's capital assets is computed into the totals. The depreciation factored into the District's net assets for 2011/2012 is \$1,117,196. This same amount is also factored in as an expenditure and reduction of net assets in the current year's financial statements.

Figure A-3

Condensed Statement of Net Assets

	Government Activities		Business-Type Activities		Total School District		Percentage
	2010/2011	2011/2012	2010/2011	2011/2012	2010/2011	2011/2012	Change 2011/2012
Current and Other Assets	\$ 4,536,626	\$ 6,024,890	\$ 24,034	\$ 13,200	\$ 4,560,660	\$ 6,038,090	32.40%
Capital Assets	32,095,344	32,361,413	67,612	62,439	32,162,956	32,423,852	0.81%
Total Assets	<u>36,631,970</u>	<u>38,386,303</u>	<u>91,646</u>	<u>75,639</u>	<u>36,723,616</u>	<u>38,461,942</u>	4.73%
Long-Term Debt Outstanding	18,728,552	17,601,979			18,728,552	17,601,979	-6.02%
Other Liabilities	2,398,247	1,467,878	333	11,336	2,398,580	1,479,214	-38.33%
Total Liabilities	<u>21,126,799</u>	<u>19,069,857</u>	<u>333</u>	<u>11,336</u>	<u>21,127,132</u>	<u>19,081,193</u>	-9.68%
Net Assets:							
Invested in Capital Assets, Net of Related Debt	16,718,612	18,076,601	67,612	62,439	16,786,224	18,139,040	8.06%
Restricted	2,229,581	4,001,183			2,229,581	4,001,183	79.46%
Unrestricted/(Deficit)	<u>(3,443,022)</u>	<u>(2,761,338)</u>	<u>23,701</u>	<u>1,864</u>	<u>(3,419,321)</u>	<u>(2,759,474)</u>	19.30%
Total Net Assets	<u>\$ 15,505,171</u>	<u>\$ 19,316,446</u>	<u>\$ 91,313</u>	<u>\$ 64,303</u>	<u>\$ 15,596,484</u>	<u>\$ 19,380,749</u>	24.26%

Changes in Net Assets. The District's combined net assets were \$19,380,749 on June 30, 2012, \$3,784,265 or 22.44% more than the prior year. (See Figure A-3). Net assets invested in capital assets increased \$1,352,816 primarily due to the retirement of \$1,100,000 of serial bonds payable and the \$1,405,212 in capital assets additions offset by \$1,117,196 of depreciation expense. Restricted net assets increased \$1,771,602 primarily as a result of increases in capital reserve of \$842,773, overall excess surplus balances of \$927,601 and capital projects of \$283,651. Unrestricted net assets increased \$659,847 primarily due to an increase in encumbrances of \$820,045 and capital projects of \$283,651 offset by a decrease in overall unexpended appropriations. The net assets of the business-type activities decreased \$27,010 (See Figure A-4).

Figure A-4

Changes in Net Assets from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2010/2011	2011/2012	2010/2011	2011/2012	2010/2011	2011/2012	2011/2012
Revenue:							
Program Revenue:							
Charges for Services	\$ 2,796,406	\$ 2,623,779	\$ 1,382,792	\$ 1,286,052	\$ 4,179,198	\$ 3,909,831	-6.45%
Operating Grants and Contributions	8,543,660	8,650,196	249,023	261,804	8,792,683	8,912,000	1.36%
General Revenue:							
Property Taxes	49,253,732	50,229,900			49,253,732	50,229,900	1.98%
Federal and State Aid	9,721,205	11,277,693			9,721,205	11,277,693	16.01%
Other	999,323	718,393			999,323	718,393	-28.11%
Total Revenue	71,314,326	73,499,961	1,631,815	1,547,856	72,946,141	75,047,817	2.88%
Expenses:							
Instruction	36,422,241	36,504,075			36,422,241	36,504,075	0.22%
Pupil and Instruction Services	13,342,605	13,567,816			13,342,605	13,567,816	1.69%
Administrative and Business	5,225,255	4,917,800			5,225,255	4,917,800	-5.88%
Maintenance and Operations	7,223,479	6,726,867			7,223,479	6,726,867	-6.87%
Transportation	5,593,179	5,720,656			5,593,179	5,720,656	2.28%
Other	2,237,916	2,251,472	1,711,339	1,574,866	3,949,255	3,826,338	-3.11%
Total Expenses	70,044,675	69,688,686	1,711,339	1,574,866	71,756,014	71,263,552	-0.69%
Increase/(Decrease) in Net Assets	\$ 1,269,651	\$ 3,811,275	\$ (79,524)	\$ (27,010)	\$ 1,190,127	\$ 3,784,265	217.97%

Revenue Sources. The District's total revenue for the 2011/2012 school year was \$75,047,817. (See Figure A-4). Property taxes and state formula aid accounted for most of the District's revenue, with local taxes accounting for \$50,229,900 of the total, or 66.93 percent and State formula aid accounting for \$12,665,498 or 16.88%. (See Figure A-5). Another 10.03 percent came from state and federal aid for specific programs and the remainder from charges for services and miscellaneous sources. It is important to note that of the categorical grants amount of \$7,524,195, over \$2.75 million is included in funds that are not paid to the District, but are included in funding for pension contributions and post retirement contributions that the State of New Jersey is paying on behalf of the District. Roxbury Township School District conducts the majority of its operations from the revenue it receives from its local taxpayers.

Figure A-5

Sources of Revenue for Fiscal Year 2012

	<u>Amount</u>	<u>Percentage</u>
Sources of Income:		
State Formula Aid	\$ 12,665,498	16.88%
Property Taxes	50,229,900	66.93%
Federal and State Categorical Grants	7,524,195	10.03%
Charges for Services	3,909,831	5.20%
Other	718,393	0.96%
	<u>\$ 75,047,817</u>	<u>100.00%</u>

The total cost of all programs and services was \$71,263,552. The District's expenses are predominantly related to instructing, caring for (pupil services) and transporting students (78.29 percent). (See Figure A-6). The District's administrative and business activities accounted for 6.90 percent of total costs. It is important to remember that \$1,117,196 of depreciation is included in expenses for the year.

Figure A-6

Expenses for Fiscal Year 2012

	<u>Amount</u>	<u>Percentage</u>
Expense Category:		
Instruction	\$ 36,504,075	51.22%
Pupil and Instruction Services	13,567,816	19.04%
Administrative and Business	4,917,800	6.90%
Maintenance and Operations	6,726,867	9.44%
Transportation	5,720,656	8.03%
Other	3,826,338	5.37%
	<u>\$ 71,263,552</u>	<u>100.00%</u>

Governmental Activities

The financial position of the District is healthy despite continued use of fund balance as revenue. Maintaining existing programs with increased regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources. The past few years, veteran teachers have retired and have been replaced by teachers of less experience and therefore lower on the salary guide. This does generate savings but not enough to offset defeated budgets and increased special education programs and technology needs in the classroom. Although the budgets are put together with the taxpayer in mind and the responsibility of education on their shoulders, a tax increase resulted in 2011-2012.

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions implemented or continued during the year were:

- Shared Services meetings with the Township continued in 2011-2012 exploring other opportunities which include, fuel, IT services, and a camera surveillance system for the district.
- A significant number of disabled pupils continue to be educated in programs within the District rather than being sent out-of-district whereby the District would have to pay tuition as well as increased transportation costs.
- District bargaining contracts were all completed in 2011-2012 with the contracted salary increase remaining under the budget cap of 2%. The District also completed the outsourcing of custodial services by contracting out the lead custodian positions.
- The District began deducting employee's health contributions in 2011-2012 as part of the new public law which will help offset some the Districts healthcare insurance costs.

Figure A-7 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

Figure A-7

	Net Cost of Governmental Activities			
	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2010/2011</u>	<u>2011/2012</u>	<u>2010/2011</u>	<u>2011/2012</u>
Sources of Income:				
Instruction	\$ 36,422,241	\$ 36,504,075	\$ 30,003,046	\$ 29,741,444
Pupil and Instruction Services	13,342,605	13,567,816	9,491,241	10,024,978
Administrative and Business	5,225,255	4,917,800	4,877,351	4,498,010
Maintenance and Operations	7,223,479	6,726,867	6,899,873	6,559,124
Transportation	5,593,179	5,720,656	5,250,303	5,399,410
Other	2,237,916	2,251,472	2,182,795	2,191,745
	<u>\$ 70,044,675</u>	<u>\$ 69,688,686</u>	<u>\$ 58,704,609</u>	<u>\$ 58,414,711</u>

- The cost of all governmental activities this year was \$69.69 million.
- The federal and state governments subsidized certain programs with grants and contributions (\$7.52 million).
- Most of the District's costs (\$50.23 million), however, were financed by District taxpayers.
- A portion of governmental activities was financed with \$12.67 million in state aid based on the CEIFA formula.
- The remainder of the funding came from miscellaneous revenue, investment earnings and charges for services (\$4.62 million).

Business-Type Activities

Net assets from the District's business-type activity decreased by \$27,010 primarily as a result of a decrease in revenue greater than the decrease in expenses. (Refer to Figure A-4).

Financial Analysis of the District's Funds

The District's financial position increased significantly despite significant changes in the student clientele and difficult economic times by being fiscally responsible and efficient in what discretionary purchases the District makes. The District budget however, is 85% fixed costs. Expenditures during the recent years have increased significantly as a result of an increased number of pupils with disabilities entering the District. In addition to greater numbers, these pupils are more profoundly disabled and require more complex educational and related services. The District has established more in house special education classrooms, saving the District funds by not sending children to out-of-district schools.

State Aid is not increasing in line with what the District needs, which adds to the taxpayer's burden of supporting an educational system that the Township enjoys. It becomes more difficult to support the educational system without additional help from the State which puts the burden on the taxpayer.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Debt Administration

Figure A-8

	Capital Assets (Net of Depreciation)						Percentage Change
	Government Activities		Business-Type Activities		Total School District		
	2010/2011	2011/2012	2010/2011	2011/2012	2010/2011	2011/2012	
Land	\$ 174,480	\$ 174,480			\$ 174,480	\$ 174,480	0.0%
Construction in Progress		373,652				373,652	100.0%
Site Improvements	263,315	247,303			263,315	247,303	-6.1%
Buildings and Building Improvements	28,271,750	27,806,379			28,271,750	27,806,379	-1.6%
Furniture, Machinery and Equipment	3,385,799	3,759,599	\$ 67,612	\$ 62,439	3,453,411	3,822,038	10.7%
Total Capital Assets, Net	\$ 32,095,344	\$ 32,361,413	\$ 67,612	\$ 62,439	\$ 32,162,956	\$ 32,423,852	0.8%

The District acquired \$1,031,560 in capital assets, has construction in progress of \$373,652 and depreciation expense was \$1,117,196 for governmental activities and business-type activities in the current year.

Long-term Debt

At year-end, the District had \$14,370,000 in general obligation bonds outstanding, \$2,360,000 in early retirement incentive loan revenue bonds and \$1,775,163 in compensated absences payable - a decrease of \$1,126,573 from the prior year - as shown in Figure A-9. (More detailed information about the District's long-term liabilities is presented in Note 9 to the financial statements.)

Figure A-9

Outstanding Long-Term Debt

	Total School District		Percentage
	2010/2011	2011/2012	Change 2011/2012
General Obligation Bonds (Financed with Property Taxes)	\$ 15,470,000	\$ 14,370,000	-7.11%
Deferred Interest on Refunding Bonds	(985,291)	(903,184)	-8.33%
Net General Obligation Bonds	14,484,709	13,466,816	-7.03%
Other Long-Term Liabilities	4,243,843	4,135,163	-2.56%
	<u>\$ 18,728,552</u>	<u>\$ 17,601,979</u>	<u>-6.02%</u>

- The District continued to pay down its debt, retiring \$1,100,000 of outstanding bonds and \$465,000 of early retirement incentive loan revenue bonds.

Factors Bearing on the District's Future

The District commissioned the development of a 5 year demographic study in January of 2012. The study clearly shows a 5 year trend of declining enrollment from 3,995 students in 2011-2012 to 3,372 by 2016-2017. This decline has the potential to affect staffing, school neighborhoods, transportation and budgets.

The District continues to make classrooms available where applicable to allow additional in house special education programs. This will bring special education students back to the District from out-of-district school settings, saving tuition costs for those students. It will also allow the District to generate additional income by charging tuition for students from other school districts to attend the programs, provided space is available.

The District is participating in an Energy Audit program that is funded through the BPU. This study will be used as a road map in developing programs that will qualify for the Energy Savings Initiative Program (ESIP) allowing the district to upgrade systems and maintain its infrastructure without any budgetary impact or impact on the taxpayers of Roxbury.

The District's architect has been commissioned to prepare plans for the replacement of the fire alarm system at Roxbury High School. This is in preparation for the anticipated next round of ROD Grants that would provide the district with 40% funding of this project. The balance of funding will come from the District's capital reserve account. Therefore, the potential \$500,000 project would be funded without any financial burden on the taxpayers.

The District expects to increase the balance in its capital reserve account by approximately \$1 million to be available to support capital projects that are outlined in the District Long Range Facilities Plan.

The District has entered the second phase of employee health benefits contributions. Based on the current State Law the contributions will continue to increase for the next two years. The effect of which is a partial neutralization of health benefits increases over the period of the next three years.

Grants are being pursued by all employees of the District by way of their PIP's and are taken advantage of at all levels. The District has received several grants and as always is pursuing the E-rate in house as to realize the full effect of the funding.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 42 N. Hillside Avenue, Succasunna, New Jersey 07876.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 2,645,891		\$ 2,645,891
Internal Balances	42,333	\$ (42,333)	
Receivables:			
Other Governments	981,410	15,273	996,683
Other		8,619	8,619
Inventory		31,641	31,641
Bond Issuance Costs	216,592		216,592
Restricted Assets:			
Capital Reserve Account - Cash	1,503,664		1,503,664
Emergency Reserve Account - Cash	635,000		635,000
Capital Assets, Net:			
Land and Construction in Progress	548,132		548,132
Depreciable Site Improvements, Buildings and Building Improvements and Furniture, Machinery and Equipment	31,813,281	62,439	31,875,720
Total Assets	<u>38,386,303</u>	<u>75,639</u>	<u>38,461,942</u>
LIABILITIES:			
Accrued Interest Payable	202,245		202,245
Accounts Payable - Vendors	83,989	11,336	95,325
Unamortized Bond Premium	1,034,588		1,034,588
Payable to State Government	67,240		67,240
Payable to Federal Government	4,890		4,890
Deferred Revenue	74,926		74,926
Noncurrent Liabilities:			
Due Within One Year	1,878,998		1,878,998
Due Beyond One Year	15,722,981		15,722,981
Total Liabilities	<u>19,069,857</u>	<u>11,336</u>	<u>19,081,193</u>
NET ASSETS (Deficit):			
Invested in Capital Assets, Net of Related Debt	18,076,601	62,439	18,139,040
Restricted for:			
Debt Service	60,029		60,029
Other Purposes	3,941,154		3,941,154
Unrestricted	<u>(2,761,338)</u>	<u>1,864</u>	<u>(2,759,474)</u>
Total Net Assets	<u>\$ 19,316,446</u>	<u>\$ 64,303</u>	<u>\$ 19,380,749</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

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

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 26,787,547		\$ 2,749,007	\$ (24,038,540)		\$ (24,038,540)
Special Education	7,570,082		3,842,128	(3,727,954)		(3,727,954)
Other Special Instruction	805,326		76,089	(729,237)		(729,237)
Other Instruction	1,341,120		95,407	(1,245,713)		(1,245,713)
Support Services:						
Tuition	4,086,895	\$ 2,602,361		(1,484,534)		(1,484,534)
Student & Instruction Related Services	9,480,921		940,477	(8,540,444)		(8,540,444)
General Administrative Services	761,463		34,317	(727,146)		(727,146)
School Administrative Services	3,009,291		277,101	(2,732,190)		(2,732,190)
Plant Operations and Maintenance	6,726,867		167,743	(6,559,124)		(6,559,124)
Pupil Transportation	5,720,656	21,418	299,828	(5,399,410)		(5,399,410)
Central Services	1,136,733		108,372	(1,028,361)		(1,028,361)
Administrative Information Technology	10,313			(10,313)		(10,313)
Special Schools	719,627		59,727	(659,900)		(659,900)
Interest on Long-Term Debt	804,515			(804,515)		(804,515)
Unallocated Depreciation	727,330			(727,330)		(727,330)
Total Governmental Activities	69,688,686	2,623,779	8,650,196	(58,414,711)	\$ -0-	(58,414,711)

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
(Continued)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Business-Type Activities:						
Food Service	\$ 1,574,866	\$ 1,286,052	\$ 261,804		\$ (27,010)	\$ (27,010)
Total Business-Type Activities	<u>1,574,866</u>	<u>1,286,052</u>	<u>261,804</u>		<u>(27,010)</u>	<u>(27,010)</u>
Total Primary Government	<u>\$ 71,263,552</u>	<u>\$ 3,909,831</u>	<u>\$ 8,912,000</u>	<u>\$ (58,414,711)</u>	<u>(27,010)</u>	<u>(58,441,721)</u>
General Revenue:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				48,003,153		48,003,153
Taxes Levied for Debt Service				2,226,747		2,226,747
Federal and State Aid not Restricted				11,277,693		11,277,693
Investment Earnings				7,241		7,241
Miscellaneous Income				711,152		711,152
Total General Revenue				<u>62,225,986</u>		<u>62,225,986</u>
Change in Net Assets				3,811,275	(27,010)	3,784,265
Net Assets - Beginning				15,505,171	91,313	15,596,484
Net Assets - Ending				<u>\$ 19,316,446</u>	<u>\$ 64,303</u>	<u>\$ 19,380,749</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

ROXBURY TOWNSHIP 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	\$ 2,240,588	\$ 61,623	\$ 283,651	\$ 60,029	\$ 2,645,891
Receivables:					
State Receivable	598,771	1,015			599,786
Federal Receivable		103,512			103,512
Intergovernmental - Other	278,112				278,112
Interfund	42,333				42,333
Restricted Cash and Cash Equivalents	2,138,664				2,138,664
Total Assets	\$ 5,298,468	\$ 166,150	\$ 283,651	\$ 60,029	\$ 5,808,298
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable - Vendors	\$ 17,802	\$ 66,187			\$ 83,989
Payable to State Government		67,240			67,240
Payable to Federal Government		4,890			4,890
Deferred Revenue	47,093	27,833			74,926
Total Liabilities	64,895	166,150			231,045
Fund Balances:					
Restricted for:					
Capital Reserve Account	1,503,664				1,503,664
Emergency Reserve Account	635,000				635,000
Excess Surplus -- Designated For Subsequent Year's Expenditures	810,345				810,345
Excess Surplus	992,145				992,145
Debt Service				\$ 60,029	60,029
Committed			\$ 283,651		283,651
Assigned:					
Year - End Encumbrances	1,017,339				1,017,339
Designated For Subsequent Year's Expenditures	140,000				140,000
Unassigned	135,080				135,080
Total Fund Balances	5,233,573		283,651	60,029	5,577,253
Total Liabilities and Fund Balances	\$ 5,298,468	\$ 166,150	\$ 283,651	\$ 60,029	\$ 5,808,298

Amounts Reported for *Governmental Activities* in the Statement of Net Assets (A-1) are Different Because:

Total Fund Balances	\$ 5,577,253
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$64,111,911 and the accumulated depreciation is \$31,750,498.	32,361,413
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.	(17,601,979)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(202,245)
Bond issuance premiums are reported as revenue in the Governmental Funds in the year of receipt. The original premium is \$1,222,694 and accumulated amortization is \$188,106.	(1,034,588)
Bond issuance costs are reported as expenditures in the governmental funds. The cost is \$312,054 and accumulated amortization is \$95,462.	216,592
Net Assets of Governmental Activities	\$ 19,316,446

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, 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	\$ 48,003,153			\$ 2,226,747	\$ 50,229,900
Tuition Charges	2,602,361				2,602,361
Interest Earned on Capital Reserve Funds	76				76
Miscellaneous	739,735	\$ 24,071			763,806
Total - Local Sources	51,345,325	24,071		2,226,747	53,596,143
State Sources	17,978,399	164,614			18,143,013
Federal Sources	489,009	1,271,796			1,760,805
Total Revenues	69,812,733	1,460,481		2,226,747	73,499,961
EXPENDITURES:					
Current:					
Regular Instruction	19,338,525	336,311			19,674,836
Special Education Instruction	4,919,726	883,594			5,803,320
Other Special Instruction	582,753				582,753
Other Instruction	1,062,039				1,062,039
Support Services and Undistributed Costs:					
Tuition	4,086,895				4,086,895
Student & Instruction Related Services	7,129,852	205,015			7,334,867
General Administrative Services	664,346				664,346
School Administrative Services	2,178,305				2,178,305
Central Services	815,883				815,883
Administration Information Technology	52,178				52,178
Plant Operations and Maintenance	5,932,064				5,932,064
Pupil Transportation	4,301,213				4,301,213
Unallocated Benefits	15,051,387				15,051,387

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Debt Service:					
Principal				\$ 1,565,000	\$ 1,565,000
Interest and Other Charges				660,519	660,519
Capital Outlay	\$ 793,095	\$ 35,561	\$ 373,652		1,202,308
Special Schools	544,916				544,916
Total Expenditures	67,453,177	1,460,481	373,652	2,225,519	71,512,829
Excess/(Deficiency) of Revenue over/(under) Expenditures	2,359,556		(373,652)	1,228	1,987,132
OTHER FINANCING SOURCES/(USES):					
Capital Leases (Non-Budgeted)	306,470				306,470
Transfers In - General Fund			657,303		657,303
Transfers Out - Capital Projects Fund	(657,303)				(657,303)
Total Other Financing Sources/(Uses)	(350,833)		657,303		306,470
Net Change in Fund Balances	2,008,723		283,651	1,228	2,293,602
Fund Balance—July 1	3,224,850			58,801	3,283,651
Fund Balance—June 30	\$ 5,233,573	\$ -0-	\$ 283,651	\$ 60,029	\$ 5,577,253

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-3

ROXBURY TOWNSHIP 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 Exhibit B-2)	\$ 2,293,602
Amounts reported for Governmental Activities in the Statement of Activities (A-2) are different because:	
Capital outlays are reported in the Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and disposals of capital assets in the period.	
Depreciation Expense	\$ (1,112,023)
Disposal of Capital Assets	(27,120)
Capital Outlays	<u>1,405,212</u>
	266,069
Repayment of debt service principal and other long-term obligation liabilities is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	1,676,470
Capital leases entered into by the district is an other financing source in the governmental funds, however, the acquisition increases long-term liabilities in the statement of net assets and is not reported in the statement of activities.	(306,470)
In the Statement of Activities, interest on long-term debt is accrued regardless of when it is due. In the Governmental Funds, interest is reported when due.	51,004
The governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (-)	(20,026)
The governmental funds report the effect of deferred interest costs relative to an advance refunding when debt is first issued whereas these amounts are deferred and an amortized in the statement of activities. (-)	(82,107)
The governmental funds report the effect of bond premiums relative to an advance refunding when debt is first issued whereas these amounts are deferred and an amortized in the statement of activities. (+)	94,053
In the Statement of Activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	<u>(161,320)</u>
Change in Net Assets of Governmental Activities (Exhibit A-2)	<u>\$ 3,811,275</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-4

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AS OF JUNE 30, 2012

ASSETS:

Current Assets:

Accounts Receivable:

State	\$ 749
Federal	14,524
Other	8,619
Inventories	<u>31,641</u>

Total Current Assets	<u>55,533</u>
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Non-Current Assets:

Capital Assets	528,954
Less: Accumulated Depreciation	<u>(466,515)</u>

Total Non-Current Assets	<u>62,439</u>
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Total Assets	<u>117,972</u>
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LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors	11,336
Interfund Payable - General Fund	<u>42,333</u>

Total Current Liabilities	<u>53,669</u>
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NET ASSETS:

Investment in Capital Assets Net of Related Debt	62,439
Unrestricted	<u>1,864</u>

Total Net Assets	<u>\$ 64,303</u>
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THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-5

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 772,009
Daily Sales - Non-Reimbursable Programs	369,138
Special Functions	133,502
Miscellaneous	11,403
	<hr/>
Total Operating Revenue	1,286,052
	<hr/>
Operating Expenses:	
Cost of Sales	791,827
Salaries	606,095
Employee Benefits	150,985
Purchased Property Services	14,176
Supplies and Materials	6,610
Depreciation	5,173
	<hr/>
Total Operating Expenses	1,574,866
	<hr/>
Operating Loss	(288,814)
	<hr/>
Non-Operating Revenue:	
State Sources:	
State School Lunch Program	11,820
Federal Sources:	
National School Lunch Program	223,537
Food Distribution Program	26,447
	<hr/>
Total Non-Operating Revenue	261,804
	<hr/>
Change in Net Assets	(27,010)
	<hr/>
Net Assets - Beginning of Year	91,313
	<hr/>
Net Assets - End of Year	\$ 64,303
	<hr/> <hr/>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-6

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

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 1,288,506
Payments to Employees	(606,095)
Payments for Employee Benefits	(150,985)
Payments to Suppliers	<u>(780,607)</u>
Net Cash Used for Operating Activities	<u>(249,181)</u>
Cash Flows from Noncapital Financing Activities:	
Cash Received from General Fund	14,062
Cash Received from State and Federal Reimbursements	<u>235,119</u>
Net Cash Provided by Noncapital Financing Activities	<u>249,181</u>
Net Increase in Cash and Cash Equivalents	-0-
Cash and Cash Equivalents, July 1	<u>-0-</u>
Cash and Cash Equivalents, June 30	<u><u>\$ -0-</u></u>
Reconciliation of Operating Loss to Net Cash Used for	
Operating Activities:	
Operating Loss	\$ (288,814)
Adjustment to Reconcile Operating Loss	
to Cash Used for Operating Activities:	
Depreciation	5,173
Federal Food Distribution Program	26,447
Changes in Assets and Liabilities:	
Decrease in Other Accounts Receivable	2,454
(Increase) in Inventory	(5,444)
Increase in Accounts Payable	<u>11,003</u>
Net Cash Used for Operating Activities	<u><u>\$ (249,181)</u></u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$26,447 for the fiscal year ended June 30, 2012.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-7

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

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>
<u>ASSETS:</u>		
Cash and Cash Equivalents	\$ 664,685	\$ 86,069
Total Assets	<u>664,685</u>	<u>86,069</u>
<u>LIABILITIES:</u>		
Payroll Deductions and Withholdings	447,683	
Due to Student Groups	<u>217,002</u>	
Total Liabilities	<u>664,685</u>	
<u>NET ASSETS:</u>		
Held in Trust for Unemployment Claims		<u>86,069</u>
Total Net Assets	<u>\$ -0-</u>	<u>\$ 86,069</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE IN INTEGRAL PART OF THIS STATEMENT

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

	Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Plan Member	\$ 58,550
District Contributions	82,534
Interest	246
Total Additions	141,330
DEDUCTIONS:	
Unemployment Compensation Claims	381,529
Total Deductions	381,529
Change in Net Assets	(240,199)
Net Assets—Beginning of the Year	326,268
Net Assets—End of the Year	\$ 86,069

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significances) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary, middle and senior high schools located in the Township of Roxbury. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net assets and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) 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. Revenue that is not classified as program revenue, including all taxes,

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self financing or draws from the general revenues of the District.

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide 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.

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 and report all expendable financial resources not accounted for and reported 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. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Fund Financial Statements: (Cont'd)

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

Debt Service Fund: The Debt Service Fund is used to account for and report the financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: This Enterprise Fund accounts for all revenue 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 cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

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

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting (Cont'd)

governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net assets may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

Reports for the District's Enterprise Fund are prepared following the Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989; Accounting Principles Board Opinions; and Accounting Research Bulletins, unless those pronouncements conflict with Governmental Accounting Standards Board (GASB) pronouncements.

D. 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 for the fiscal year ended June 30, 2012 was submitted to the County office and was voted upon at the school election on the fourth Wednesday in April, 2011. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget Amendments/Transfers must be made by School Board resolution. All budgeting 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 budget during the year).

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 Special Revenue Fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 69,942,266	\$ 1,506,994
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		(46,513)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	1,117,548	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,247,081)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 69,812,733	\$ 1,460,481
	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 67,453,177	\$ 1,506,994
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		(46,513)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 67,453,177	\$ 1,460,481

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents and Investments: (Cont'd)

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. 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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net assets, except for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as restricted, committed and/or assigned 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 revenue 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.

I. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings	50 years
Site Improvements	20 years
Furniture and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental funds upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Long-Term Liabilities

In the District-wide and enterprise fund statements of net assets, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bonds issuance costs, as well as applicable bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as well as bond issuance costs, as expenditures in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issue costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

M. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages as of June 30, 2012.

N. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. These employee contracts/agreements permit 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 applicable employee contract/agreement.

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.

O. Deferred Revenue:

Deferred revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

P. Fund Balance Appropriated:

General Fund: Of the \$5,233,573 General Fund fund balance at June 30, 2012, \$1,157,339 is assigned fund balance of which \$1,017,339 is for year- end encumbrances and \$140,000 of assigned fund balance has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2013; \$1,503,664 is restricted in the capital reserve account; \$635,000 is restricted in the emergency reserve account; \$810,345 is restricted for prior year excess surplus in accordance with N.J.S.A. 18A:7F-7 (S1701) and has been appropriated and included as anticipated revenue for the year ending June 30, 2013; \$992,145 is restricted for current year excess surplus in accordance with N.J.S.A.18A:7F (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2014; and there is \$135,080 in unassigned fund balance.

Capital Projects Fund: The Capital Projects Fund fund balance at June 30, 2012 of \$283,651 is committed.

Debt Service Fund: The Debt Service Fund fund balance at June 30, 2012 of \$60,029 is restricted.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted above.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated: (Cont'd)

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$1,247,081 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, Districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

Q. Deficit Net Assets

The District has a deficit in unrestricted net assets of governmental activities of \$2,761,338. This is primarily due to the accrual of compensated absences of \$1,775,163, accrued interest of \$202,245 and early retirement incentive loan revenue bonds of \$2,360,000. This deficit does not indicate that the District is facing financial difficulties and is a permitted practice under generally accepted accounting principles.

R. Net Assets

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

S. Fund Balance Restrictions, Commitments and Assignments

The District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, during the prior fiscal year. The objective of this standard is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions (as detailed in Note 1B). This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Fund Balance Restrictions, Commitments and Assignments (Cont'd)

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, capital and emergency reserves and the debt service fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has \$283,651 of committed resources in the Capital Projects Fund at June 30, 2012.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources of \$1,017,339 for year-end encumbrances and \$140,000 for amounts designated for subsequent year's expenditures in the General Fund at June 30, 2012.

T. Revenue - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the School 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 grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School 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, interest and tuition.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

U. Operating Revenue and Expenses

Operating revenue 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.

V. Management Estimates

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

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the District ensures that any deposit or investment matures within the period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The District limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed on the following pages.

Deposits:

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Deposits:

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

(e) a master repurchase agreement providing for the custody and security of collateral is executed

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

	Cash and Cash Equivalents	Capital Reserve Account	Emergency Reserve Account	Total
Checking and Savings Accounts	\$ 3,396,645	\$ 1,503,664	\$ 635,000	\$ 5,535,309

During the period ended June 30, 2012, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2012, was \$5,535,309 and the bank balance was \$7,299,417.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Roxbury Township Board of Education 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 State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes, or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-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:

Beginning Balance, July 1, 2011		\$ 660,891
Deposits:		
Transfer by Board Resolution (June 25, 2012)	\$ 1,500,000	
Interest Earnings	76	
		1,500,076
		2,160,967
Withdrawals:		
Budgeted Withdrawal	\$ 170,000	
Board Resolution	487,303	
		657,303
Ending Balance, June 30, 2012		\$ 1,503,664

The June 30, 2012 LRFP balance of local support costs of uncompleted capital projects exceeded the balance in the capital reserve account. The withdrawal from the Capital Reserve was for use in a DOE approved project, consistent with the District's Long Range Facilities Plan.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 5. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution in June 2011. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve is restricted to be used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1st and June 30th. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

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

Beginning Balance, July 1, 2011	<u>\$ 635,000</u>
Ending Balance, June 30, 2012	<u><u>\$ 635,000</u></u>

NOTE 6. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2012, the District transferred \$505,326 to equipment and therefore did not require approval from the County Superintendent. The District transferred \$317,444 to facilities acquisition and construction services which required approval from the County Superintendent.

NOTE 7. CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 38,660
Special Education Instruction	1,402
Student & Instruction Related Services	19,459
General Administrative Services	2,680
Plant Operations and Maintenance	76,662
Pupil Transportation	229,772
Central Services	16,058
Unallocated	727,330
	<u><u>\$ 1,112,023</u></u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 7. CAPITAL ASSETS (Cont'd)

Capital asset balances and activity for the year ended June 30, 2012 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 174,480			\$ 174,480
Construction in Progress		\$ 373,652		373,652
Total Capital Assets Not Being Depreciated	<u>174,480</u>	<u>373,652</u>		<u>548,132</u>
Capital Assets Being Depreciated:				
Site Improvements	1,644,629			1,644,629
Buildings and Building Improvements	45,677,209	245,947		45,923,156
Machinery and Equipment	<u>15,354,543</u>	<u>785,613</u>	\$ (144,162)	<u>15,995,994</u>
Total Capital Assets Being Depreciated	<u>62,676,381</u>	<u>1,031,560</u>	<u>(144,162)</u>	<u>63,563,779</u>
Governmental Activities Capital Assets	<u>62,850,861</u>	<u>1,405,212</u>	<u>(144,162)</u>	<u>64,111,911</u>
Less Accumulated Depreciation for:				
Site Improvements	(1,381,314)	(16,012)		(1,397,326)
Buildings and Building Improvements	(17,405,459)	(711,318)		(18,116,777)
Machinery and Equipment	<u>(11,968,744)</u>	<u>(384,693)</u>	117,042	<u>(12,236,395)</u>
	<u>(30,755,517)</u>	<u>(1,112,023)</u>	<u>117,042</u>	<u>(31,750,498)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 32,095,344</u>	<u>\$ 293,189</u>	<u>\$ (27,120)</u>	<u>\$ 32,361,413</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 528,954			\$ 528,954
Less Accumulated Depreciation	<u>(461,342)</u>	<u>\$ (5,173)</u>		<u>(466,515)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 67,612</u>	<u>\$ (5,173)</u>	<u>\$ -0-</u>	<u>\$ 62,439</u>

NOTE 8. OPERATING LEASES

The District has commitments to lease copying equipment under operating leases which expire in 2012 through 2017. Total operating lease payments made during the year ended June 30, 2012 were \$215,313. Future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2013	\$ 183,972
2014	183,972
2015	183,972
2016	183,972
2017	<u>137,979</u>
	<u>\$ 873,867</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 9. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2012, the following changes occurred in liabilities reported in the district-wide financial statements:

	<u>Balance 6/30/2011</u>	<u>Accrued</u>	<u>Retired/ Defeased</u>	<u>Balance 6/30/2012</u>
Serial Bonds Payable	\$ 15,470,000		\$ 1,100,000	\$ 14,370,000
Less: Deferred Interest	(985,291)		(82,107)	(903,184)
Net Serial Bonds Payable	14,484,709		1,017,893	13,466,816
Early Retirement Incentive Loan				
Revenue Bonds Payable	2,630,000	\$ 1,955,000	2,225,000	2,360,000
Compensated Absences Payable	1,613,843	491,738	330,418	1,775,163
Capital Leases Payable		306,470	306,470	
	<u>\$ 18,728,552</u>	<u>\$ 2,753,208</u>	<u>\$ 3,879,781</u>	<u>\$ 17,601,979</u>

A. Bonds Payable:

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

On August 19, 2010, the District issued \$13,305,000 refunding bonds with interest rates ranging from 3.00% to 4.00% to refund \$13,296,000 of the \$20,511,000 school bonds dated December 1, 2002 with rates ranging from 4.00% to 4.75%. The refunding bonds will mature on September 1, 2011 through September 1, 2022 and constitute an advanced refunding. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent who will pay the debt service requirements of the refunded bonds on September 1, 2013 and will redeem the refunded bonds, at a redemption price equal to 100% of par, on September 1, 2013, which is the first optional redemption date. The refunding met the requirements of an in-substance debt defeasance and the school bonds were removed from the District's government-wide financial statements.

As a result of the advance refunding, the School District reduced its total debt service requirement by \$737,652 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$638,174, or a 4.80% net present value savings.

The District had bonds outstanding as of June 30, 2012 as follows:

<u>Purpose</u>	<u>Serial Bonds</u>			
	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Amount</u>
School Improvements	12/1/2002	4.125%	9/1/2012	\$ 1,110,000
School Refunding Bonds	8/19/2010	3.00%-4.00%	9/1/2022	13,260,000
				<u>\$14,370,000</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

Early Retirement Incentive Loan Revenue Bonds

<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
2/1/2013	5.15%	\$ 445,000
2/1/2017	1.02%-2.61%	1,915,000
		<u>\$ 2,360,000</u>

Principal and interest due on serial bonds and early retirement incentive program bonds payable through the Debt Service Fund are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,650,000	\$ 574,101	\$ 2,224,101
2014	1,720,000	509,105	2,229,105
2015	1,770,000	465,485	2,235,485
2016	1,830,000	417,858	2,247,858
2017	1,605,000	359,947	1,964,947
2018-2022	7,605,000	895,700	8,500,700
2023	550,000	11,000	561,000
	<u>\$ 16,730,000</u>	<u>\$ 3,233,196</u>	<u>\$ 19,963,196</u>

The Debt Service Fund will be used to liquidate the serial bonds and early retirement incentive program bonds payable.

B. Bonds Authorized But Not Issued:

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

C. Capital Leases Payable:

The District leased buses and building and grounds vehicles totaling \$306,470 under capital leases during the year and were liquidated as of June 30, 2012.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The long-term portion is \$1,546,165 and the current portion is \$228,998 for the compensated absences of the governmental funds.

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.

The General Fund will be used to liquidate compensated absences payable.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 10. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP). The TPAF and the PERS are sponsored and administered by the State of New Jersey. The TPAF 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 Board and the system's other non-contribution employers. The PERS is also considered a cost-sharing, multiple-employer plan. Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. As a general rule, all full-time employees are eligible to join the TPAF or the PERS. However, if an employee is ineligible to enroll in the TPAF or the PERS, the employee may be eligible to enroll in the DCRP.

Employees who are members of TPAF or PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey regulation. Effective with the first payroll to be paid on or after October 1, 2011 the employee contributions for PERS and TPAF went from 5.5% to 6.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in the PERS and TPAF. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined.

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits, and post-retirement medical premiums. Under current statute, the District is a noncontributing employer of the TPAF. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

District Contributions to PERS amounted to \$970,346, \$965,923 and \$756,296 for the fiscal years ended June 30, 2012, 2011 and 2010, respectively.

During the fiscal years ended June 30, 2012, 2011 and 2010 the State of New Jersey contributed \$916,675, \$-0- and \$-0-, respectively, to the TPAF for pension benefits on-behalf of the District.

The employer and employee contributions to DCRP for the fiscal years ended June 30, 2012, 2011 and 2010 were \$14,942, \$2,792 and \$-0-, respectively.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 11. 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. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011, there were 93,323 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a Board of Education or County College with 25 years of service. In fiscal year 2012, the State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members.

The State's on behalf Post Retirement Medical Contributions to TPAF for the District amounted to \$1,842,757, \$1,907,744 and \$1,758,211 for 2012, 2011 and 2010, respectively.

NOTE 12. 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. Health benefits coverage is provided by Horizon Blue Cross/Blue Shield of New Jersey.

Property and Liability Insurance

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

New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011-2012	\$ 58,550	\$ 82,534	\$ 246	\$ 381,529	\$ 86,069
2010-2011	73,978	-0-	1,352	413,504	326,268
2009-2010	46,201	-0-	-0-	150,187	664,442

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 13. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 42,333	
Food Service Fund		\$ 42,333
	<u>\$ 42,333</u>	<u>\$ 42,333</u>

The interfund between the General Fund and the Food Service Fund is the result of a cash deficit in the Food Service Fund.

NOTE 15. DEFERRED COMPENSATION

The Board offers its employees a 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:

- Equitable Life Assurance
- Galic Disbursing Co. (Great American)
- Lincoln Financial Group
- Metropolitan Life
- Metropolitan Life Resources
- Mutual of Omaha
- Variable Annuity Marketing Co.
- The Prudential
- Thomas Seely Agency

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 16. TAX CALENDAR

Property taxes are levied by the District's constituent municipality as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 17. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in claims and pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial statements of the District.

Arbitrage

The District may have a liability for arbitrage payable to the federal government relative to its school bond issues. The amount of liability at June 30, 2012, if any, is unknown.

Encumbrances

At June 30, 2012, there were encumbrances as detailed below in the governmental funds.

<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
\$ 1,017,339	\$ 48,655	\$ 176,383	\$ 1,242,377

On the District's Governmental Funds Balance Sheet as of June 30, 2012, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is 48,655 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as a reduction in grants receivables or an increase in deferred revenue in the Special Revenue Fund.

BUDGETARY COMPARISON SCHEDULES

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 48,003,153		\$ 48,003,153	\$ 48,003,153	
Tuition	2,545,942		2,545,942	2,602,361	\$ 56,419
Transportation Fees from Individuals	50,000		50,000	21,418	(28,582)
Interest Earned on Capital Reserve Funds	215		215	76	(139)
Other Restricted Miscellaneous Revenues	709,999		709,999	482,045	(227,954)
Unrestricted Miscellaneous Revenues	406,146		406,146	236,272	(169,874)
Total - Local Sources	<u>51,715,455</u>		<u>51,715,455</u>	<u>51,345,325</u>	<u>(370,130)</u>
State Sources:					
Extraordinary Aid	376,000		376,000	477,432	101,432
Categorical Special Education Aid	2,355,061		2,355,061	2,355,061	
Equalization Aid	9,776,355		9,776,355	10,439,970	663,615
Nonpublic Transportation Costs				20,924	20,924
Anti-Bullying Bill of Rights				780	780
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				916,675	916,675
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,842,757	1,842,757
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				2,054,333	2,054,333
Total State Sources	<u>12,507,416</u>		<u>12,507,416</u>	<u>18,107,932</u>	<u>5,600,516</u>
Federal Sources					
Medical Assistance Program	33,805		33,805	9,983	(23,822)
Education Jobs Fund	434,885	\$ 44,141	479,026	479,026	
Total Federal Sources	<u>468,690</u>	<u>44,141</u>	<u>512,831</u>	<u>489,009</u>	<u>(23,822)</u>
TOTAL REVENUES	<u>64,691,561</u>	<u>44,141</u>	<u>64,735,702</u>	<u>69,942,266</u>	<u>5,206,564</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 409,608	\$ (17,993)	\$ 391,615	\$ 390,900	\$ 715
Grades 1-5 - Salaries of Teachers	6,730,956	70,956	6,801,912	6,703,681	98,231
Grades 6-8 - Salaries of Teachers	3,604,919	(56,933)	3,547,986	3,541,883	6,103
Grades 9-12 - Salaries of Teachers	7,357,964	(920)	7,357,044	7,326,633	30,411
Regular Programs - Home Instruction:					
Salaries of Teachers	45,000	1,500	46,500	31,590	14,910
Purchased Professional-Educational Services	45,000	(40,000)	5,000	3,682	1,318
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction		1,633	1,633	1,633	
Purchased Professional-Educational Services	5,720	(89)	5,631	5,565	66
Purchased Technical Services	11,000		11,000	5,873	5,127
Other Purchased Services (400-500 series)	477,893	(128,855)	349,038	341,879	7,159
General Supplies	813,174	10,523	823,697	758,089	65,608
Textbooks	228,245	(4,952)	223,293	222,246	1,047
Other Objects	6,535	403	6,938	4,871	2,067
Total Regular Programs - Instruction	19,736,014	(164,727)	19,571,287	19,338,525	232,762
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	751,447	19,135	770,582	770,582	
Other Salaries for Instruction	162,547	4,320	166,867	166,867	
General Supplies	4,950		4,950	2,401	2,549
Textbooks	2,700		2,700	1,751	949
Total Learning and/or Language Disabilities	921,644	23,455	945,099	941,601	3,498

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Special Education:					
Cognitive - Moderate:					
Salaries of Teachers	\$ 53,887	\$ (53,887)			
Other Salaries for Instruction	44,932		\$ 44,932	\$ 22,688	\$ 22,244
General Supplies	1,700	1,500	3,200	2,595	605
Total Cognitive - Moderate	<u>100,519</u>	<u>(52,387)</u>	<u>48,132</u>	<u>25,283</u>	<u>22,849</u>
Auditory Impairments:					
Salaries of Teachers	61,632	1,930	63,562	63,562	
Other Purchased Services (400-500 series)	3,150		3,150	2,139	1,011
General Supplies	5,542		5,542	3,341	2,201
Total Auditory Impairments	<u>70,324</u>	<u>1,930</u>	<u>72,254</u>	<u>69,042</u>	<u>3,212</u>
Autism					
Salaries of Teachers	102,869	7,525	110,394	110,394	
Other Salaries for Instruction		35,314	35,314	33,141	2,173
Purchased Professional Ed. Services	22,050	26,550	48,600	39,015	9,585
General Supplies	1,500		1,500	979	521
Textbooks	750		750	68	682
Total Autism	<u>127,169</u>	<u>69,389</u>	<u>196,558</u>	<u>183,597</u>	<u>12,961</u>
Resource Room/Resource Center:					
Salaries of Teachers	3,104,370	19,929	3,124,299	3,116,153	8,146
Other Salaries for Instruction	115,123	65,758	180,881	180,881	
General Supplies	19,350	950	13,850	12,448	1,402
Textbooks	12,900	12,900	12,900	9,602	3,298
Total Resource Room/Resource Center	<u>3,251,743</u>	<u>99,537</u>	<u>3,331,930</u>	<u>3,319,084</u>	<u>12,846</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 58,547		\$ 58,547	\$ 48,162	\$ 10,385
Other Salaries for Instruction	44,932	\$ 546	45,478	45,477	1
General Supplies	1,650		1,650	195	1,455
Total Preschool Disabilities - Part-Time	<u>105,129</u>	<u>546</u>	<u>105,675</u>	<u>93,834</u>	<u>11,841</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	98,454	2,300	100,754	100,754	
Other Salaries for Instruction	97,036	8,537	105,573	105,572	1
General Supplies	3,000		3,000	992	2,008
Other Objects	2,500		2,500		2,500
Total Preschool Disabilities - Full-Time	<u>200,990</u>	<u>10,837</u>	<u>211,827</u>	<u>207,318</u>	<u>4,509</u>
Home Instruction:					
Salaries of Teachers	40,000		40,000	28,923	11,077
Purchased Professional-Educational Services	51,940		51,940	51,044	896
Total Home Instruction	<u>91,940</u>		<u>91,940</u>	<u>79,967</u>	<u>11,973</u>
Total Special Education - Instruction	<u>4,869,458</u>	<u>153,307</u>	<u>5,003,415</u>	<u>4,919,726</u>	<u>83,689</u>
Basic Skills/Remedial:					
Salaries of Teachers	409,122	(517)	408,605	399,675	8,930
General Supplies	3,500		3,500	3,500	
Total Basic Skills/Remedial	<u>412,622</u>	<u>(517)</u>	<u>412,105</u>	<u>403,175</u>	<u>8,930</u>
Bilingual Education:					
Salaries of Teachers	169,793	5,855	175,648	175,648	
Other Purchased Services (400-500 series)	1,500	(8)	1,492	267	1,225
General Supplies	3,000	663	3,663	3,663	
Total Bilingual Education - Instruction	<u>174,293</u>	<u>6,510</u>	<u>180,803</u>	<u>179,578</u>	<u>1,225</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	\$ 155,600	\$ 20,380	\$ 175,980	\$ 161,324	\$ 14,656
Purchased Services (300-500 series)	14,210		14,210	10,490	3,720
Supplies and Materials	51,055	(11,483)	39,572	33,966	5,606
Other Objects	39,850	(20,180)	19,670	15,636	4,034
Total School-Sponsored Cocurricular Activities - Instruction	<u>260,715</u>	<u>(11,283)</u>	<u>249,432</u>	<u>221,416</u>	<u>28,016</u>
School-Sponsored Athletics - Instruction:					
Salaries	550,617	30,693	581,310	578,086	3,224
Purchased Services	165,125	(14,410)	150,715	121,527	29,188
Supplies and Materials	83,112	3,307	86,419	73,323	13,096
Other Objects	107,558	(26,496)	81,062	57,687	23,375
Transfer to Cover Deficit (Agency Funds)		10,000	10,000	10,000	
Total School-Sponsored Athletics - Instruction	<u>906,412</u>	<u>3,094</u>	<u>909,506</u>	<u>840,623</u>	<u>68,883</u>
Total Instruction	<u>26,359,514</u>	<u>(13,616)</u>	<u>26,326,548</u>	<u>25,903,043</u>	<u>423,505</u>
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAS Within the State - Regular	223,006	(150,000)	73,006	65,302	7,704
Tuition to Other LEAS Within the State - Special	1,186,546	(195,868)	990,678	982,264	8,414
Tuition to County Vocational School Districts - Regular	378,323	145,868	524,191	521,912	2,279
Tuition to County Vocational School Districts - Special	49,160	(31,000)	18,160	13,765	4,395
Tuition to CSSD & Regional Day Schools		64,700	64,700	64,700	
Tuition to Private Schools for the Handicapped - Within State	2,636,066	(256,233)	2,379,833	2,323,388	56,445
Tuition to Private Schools for the Handicapped and Other LEA's - Special, Outside the State	165,717	(100,000)	65,717	54,064	11,653
Tuition - State Facilities	61,500		61,500	61,500	
Total Undistributed Expenditures - Instruction:	<u>4,700,318</u>	<u>(522,533)</u>	<u>4,177,785</u>	<u>4,086,895</u>	<u>90,890</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Attendance and Social Work Services:					
Salaries	\$ 171,114	\$ (38,786)	\$ 132,328	\$ 132,046	\$ 282
Other Purchased Services (400-500 series)	5,006	(3,500)	1,506	1,506	
Supplies and Materials	4,130		4,130	3,251	879
Total Attendance and Social Work Services	180,250	(42,286)	137,964	136,803	1,161
Health Services:					
Salaries	636,890	15,623	652,513	647,191	5,322
Purchased Professional and Technical Services	18,000	(781)	17,219	11,284	5,935
Supplies and Materials	17,292	(1,719)	15,573	12,442	3,131
Total Health Services	672,182	13,123	685,305	670,917	14,388
Speech, OT, PT and Related Services:					
Salaries	635,401	11,475	646,876	646,876	
Purchased Professional - Educational Services	246,787	46,838	293,625	247,220	46,405
Supplies and Materials	8,275		8,275	8,073	202
Total Speech, OT, PT and Related Services	890,463	58,313	948,776	902,169	46,607
Other Support Services - Students - Extraordinary Services:					
Salaries	472,680	(58,545)	414,135	404,920	9,215
Purchased Professional - Educational Services	503,264	42,145	545,409	461,696	83,713
Total Other Support Services - Students - Extraordinary Services	975,944	(16,400)	959,544	866,616	92,928

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Guidance:					
Salaries of Other Professional Staff	\$ 871,917	\$ 39,273	\$ 911,190	\$ 910,886	\$ 304
Salaries of Secretarial and Clerical Assistants	132,971	2,779	135,750	135,305	445
Purchased Professional - Educational Services	2,100	32,275	34,375	34,375	
Other Purchased Professional and Technical Services	870		870	645	225
Other Purchased Services (400-500 series)	19,745	(2,459)	17,286	16,323	963
Supplies and Materials	11,156	8,465	19,621	8,576	11,045
Other Objects	1,420	(101)	1,319	949	370
Total Guidance	1,040,179	80,232	1,120,411	1,107,059	13,352
Child Study Team:					
Salaries of Other Professional Staff	896,093	18,766	914,859	913,152	1,707
Salaries of Secretarial and Clerical Assistants	239,668	(20,437)	219,231	217,887	1,344
Purchased Professional - Educational Services	36,533		36,533	34,501	2,032
Other Purchased Professional and Technical Services	35,000		35,000	32,338	2,662
Miscellaneous Purchased Services	18,051	(2,356)	15,695	10,442	5,253
Supplies and Materials	23,872	4,000	27,872	21,543	6,329
Other Objects	1,000		1,000	277	723
Total Child Study Team	1,250,217	(27)	1,250,190	1,230,140	20,050
Improvement of Instruction Services/Other Support Services - Instructional Staff:					
Salaries of Other Professional Staff	384,151	52,417	436,568	432,160	4,408
Salaries of Secretarial and Clerical Assistants	22,498	600	23,098	22,928	170
Supplies and Materials	66,160	(88)	66,072	65,134	938
Other Objects	500		500	500	
Total Improvement of Instruction Services	473,309	52,929	526,238	520,722	5,516

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Educational Media Services/School Library:					
Salaries	\$ 671,414	\$ 11,727	\$ 683,141	\$ 682,972	\$ 169
Purchased Professional and Technical Services	5,915	(4,007)	1,908	1,887	21
Other Purchased Services (400-500 series)	66,275	(3,448)	62,827	62,825	2
Supplies and Materials	264,258	278,358	542,616	516,394	26,222
Total Educational Media Services./School Library	<u>1,007,862</u>	<u>282,630</u>	<u>1,290,492</u>	<u>1,264,078</u>	<u>26,414</u>
Instructional Staff Training Services:					
Salaries of Other Professional Staff	392,151	(42,407)	349,744	349,743	1
Salaries of Secretarial and Clerical Assistants	22,498	601	23,099	23,098	1
Other Salaries	27,750		27,750	14,242	13,508
Purchased Professional - Educational Services	9,000		9,000	7,004	1,996
Other Purchased Services	47,713	6,788	54,501	37,261	17,240
Supplies and Materials	200		200		200
Total Instructional Staff Training Services	<u>499,312</u>	<u>(35,018)</u>	<u>464,294</u>	<u>431,348</u>	<u>32,946</u>
Support Services - General Administration:					
Salaries	275,726	7,812	283,538	276,998	6,540
Legal Services	70,000	19,248	89,248	75,748	13,500
Audit Fees	60,256		60,256	60,255	1
Other Purchased Professional Services	92,895	87,200	180,095	93,843	86,252
Communications/Telephone	105,584	(17,421)	88,163	74,725	13,438
BOE Other Purchased Services	7,120	(500)	6,620	5,086	1,534
Other Purchased Services (400-500 series)	79,650	(39,617)	40,033	31,025	9,008
General Supplies	13,539	(1,148)	12,391	11,985	406
Miscellaneous Expenditures	17,200	(8,431)	8,769	7,531	1,238
BOE Membership Dues and Fees	32,000	(4,849)	27,151	27,150	1
Total Support Services - General Administration	<u>753,970</u>	<u>42,294</u>	<u>796,264</u>	<u>664,346</u>	<u>131,918</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 1,422,679	\$ (14,298)	\$ 1,408,381	\$ 1,408,380	\$ 1
Salaries of Other Professional Staff	124,067	2,481	126,548	126,548	
Salaries of Secretarial and Clerical Assistants	490,423	58,634	549,057	548,132	925
Purchased Professional and Technical Services	8,000	2,200	10,200	8,466	1,734
Other Purchased Services (400-500 series)	50,543	(25,934)	24,609	24,579	30
Supplies and Materials	31,940	678	32,618	29,909	2,709
Other Objects	33,425	(200)	33,225	32,291	934
Total Support Services - School Administration	<u>2,161,077</u>	<u>23,561</u>	<u>2,184,638</u>	<u>2,178,305</u>	<u>6,333</u>
Central Services:					
Salaries	788,410	(27,719)	760,691	753,333	7,358
Purchased Technical Services	46,500	(12,248)	34,252	30,116	4,136
Misc. Purchased Services (400-500 series)	33,057	(19,723)	13,334	10,050	3,284
Supplies and Materials	19,800	4,613	24,413	19,597	4,816
Miscellaneous Expenditures	4,700	(1,586)	3,114	2,787	327
Total Central Services	<u>892,467</u>	<u>(56,663)</u>	<u>835,804</u>	<u>815,883</u>	<u>19,921</u>
Administration Information Technology:					
Salaries	48,331	967	49,298	49,298	
Other Objects	6,625	(3,667)	2,958	2,880	78
Total Administration Information Technology	<u>54,956</u>	<u>(2,700)</u>	<u>52,256</u>	<u>52,178</u>	<u>78</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Allowable Maintenance for School Facilities:					
Salaries	\$ 525,571	\$ 44,551	\$ 570,122	\$ 564,915	\$ 5,207
Cleaning, Repair and Maintenance Services	233,173	11,095	244,268	242,683	1,585
General Supplies	253,000	67,745	320,745	316,344	4,401
Other Objects		140,000	140,000	139,090	
Total Allowable Maintenance for School Facilities	<u>1,011,744</u>	<u>263,391</u>	<u>1,275,135</u>	<u>1,263,032</u>	<u>12,103</u>
Custodial Services:					
Salaries	2,431,685	(1,384,601)	1,047,084	1,032,023	15,061
Purchased Professional and Technical Services	55,650	(24,000)	31,650	30,740	910
Cleaning, Repair and Maintenance Services		1,675,952	1,675,952	1,672,994	2,958
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	6,000		6,000	5,976	24
Other Purchased Property Services	180,925	(12,200)	168,725	147,664	21,061
Insurance	299,480		299,480	292,813	6,667
Miscellaneous Purchased Services	13,000	(5,910)	7,090	6,006	1,084
General Supplies	227,215	16,000	243,215	237,095	6,120
Energy (Natural Gas)	527,000	(146,863)	380,137	217,047	163,090
Energy (Electricity)	1,375,000	(155,000)	1,220,000	1,019,250	200,750
Other Objects	10,000	(2,500)	7,500	7,424	76
Total Custodial Services	<u>5,125,955</u>	<u>(39,122)</u>	<u>5,086,833</u>	<u>4,669,032</u>	<u>417,801</u>
Student Transportation Services:					
Salaries:					
Between Home and School - Regular	1,761,357	155,517	1,916,874	1,900,596	16,278
Between Home and School - Special	127,794	(32,950)	94,844	94,522	322
Other Than Between Home and School - Regular	28,350	83,921	112,271	111,061	1,210
Between Home and School - NonPublic Schools	72,000	22,000	94,000	93,919	81
Other Purchased Professional and Technical Services	15,000	(11,000)	4,000	2,308	1,692
Cleaning, Repair and Maintenance Services	105,000	100,000	205,000	188,183	16,817
Rental Payments - School Buses	7,500	(3,680)	3,820	3,820	
Lease Purchase Payments	246,501	264,500	511,001	257,840	253,161
Contracted Services - (Between Home and School) - Vendors	10,000		10,000		10,000
Contracted Services (Other than Between Home & School)-Vendors	15,000	(10,000)	5,000	680	4,320

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Student Transportation Services:					
Contracted Services - (Between Home and School) - Joint Agreements	\$ 70,000	\$ (10,000)	\$ 60,000	\$ 47,180	\$ 12,820
Contracted Services (Special Education Students) - Vendors	7,700		7,700	7,306	394
Contracted Services (Special Education Students) - Joint Agreements	1,137,300	(124,000)	1,013,300	874,339	138,961
Contracted Services (Regular Students) - ESC's & CTSA's	20,000	25,000	45,000	36,486	8,514
Contracted Services - Aid in Lieu Payments - Nonpublic Schools	85,000	20,000	105,000	96,110	8,890
Miscellaneous Purchased Services	97,000	(17,000)	80,000	76,496	3,504
Supplies and Materials	442,165	79,000	521,165	506,644	14,521
Miscellaneous Expenditures	6,250		6,250	3,723	2,527
Total Student Transportation Services	<u>4,253,917</u>	<u>541,308</u>	<u>4,795,225</u>	<u>4,301,213</u>	<u>494,012</u>
Unallocated Benefits:					
Social Security Contributions	884,500		884,500	839,554	44,946
Other Retirement Contributions - PERS	1,088,000	(117,654)	970,346	970,346	
Unemployment Compensation	82,534		82,534	82,534	
Workmen's Compensation	925,000	(532,765)	392,235	392,235	
Health Benefits	9,016,940	(684,226)	8,332,714	7,703,022	629,692
Tuition Reimbursement	110,330		110,330	107,374	2,956
Other Employee Benefits	302,840	(73,400)	229,440	142,557	86,883
Total Unallocated Benefits	<u>12,410,144</u>	<u>(1,408,045)</u>	<u>11,002,099</u>	<u>10,237,622</u>	<u>764,477</u>
TPAF Contributions:					
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				916,675	(916,675)
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,842,757	(1,842,757)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				2,054,333	(2,054,333)
Total TPAF Contributions				<u>4,813,765</u>	<u>(4,813,765)</u>
Total Personal Services - Employee Benefits	<u>12,410,144</u>	<u>(1,408,045)</u>	<u>11,002,099</u>	<u>15,051,387</u>	<u>(4,049,288)</u>
Total Undistributed Expenditures	<u>38,354,266</u>	<u>(765,013)</u>	<u>37,589,253</u>	<u>40,212,123</u>	<u>(2,622,870)</u>
Total Expenditures - Current Expense	<u>64,713,780</u>	<u>(778,629)</u>	<u>63,915,801</u>	<u>66,115,166</u>	<u>(2,199,365)</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Capital Outlay:					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8		\$ 2,200	\$ 2,200	\$ 2,200	
Grades 9-12	\$ 6,465	103,425	109,890	16,348	\$ 93,542
School Spons. & Other Instr. Prog.			2,409	2,409	
Undistributed Expenditures:					
Support Services - Students - Regular		2,500	2,500		2,500
Central Services	24,000	150,881	174,881	173,874	1,007
Administration Information Technology		66,000	66,000		66,000
Required Maintenance for School Facilities		12,000	12,000		12,000
Custodial Services	50,000	5,320	55,320	32,145	23,175
Non-Instructional Services:					
Student Transportation. - Non-Instructional		3,000	3,000	1,800	1,200
Student Transportation - School Buses - Regular		160,000	160,000	115,364	44,636
Total Equipment	<u>80,465</u>	<u>505,326</u>	<u>588,200</u>	<u>344,140</u>	<u>244,060</u>
Facilities Acquisition and Construction Services					
Construction Services	74,832	317,444	392,276	101,197	291,079
Other Objects	41,288		41,288	41,288	
Total Facilities Acquisition and Construction Services	<u>116,120</u>	<u>317,444</u>	<u>433,564</u>	<u>142,485</u>	<u>291,079</u>
Assets Acquired Under Capital Leases (non-budgeted)					
Operations and Maintenance of Plant Services				57,340	(57,340)
Student Transportation Services - Buses				249,130	(249,130)
Assets Acquired Under Capital Leases (non-budgeted)				<u>306,470</u>	<u>(306,470)</u>
Total Expenditures - Capital Outlay	<u>196,585</u>	<u>822,770</u>	<u>1,021,764</u>	<u>793,095</u>	<u>228,669</u>
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	42,000	(18,000)	24,000	23,815	185
Other Salaries for Instruction	7,000		7,000		7,000
Other Purchased Services	300		300		300
General Supplies	900		900		900
Total Summer School - Instruction	<u>50,200</u>	<u>(18,000)</u>	<u>32,200</u>	<u>23,815</u>	<u>8,385</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Special Schools:					
Summer School - Support Services:					
Salaries	\$ 8,740		\$ 8,740	\$ 5,400	\$ 3,340
Total Summer School - Support Services	8,740		8,740	5,400	3,340
Total Summer School	58,940	\$ (18,000)	40,940	29,215	11,725
Other Special Schools - Instruction:					
Salaries of Teachers	236,755	6,569	243,324	238,630	4,694
Other Salaries for Instruction	74,880	(6,342)	68,538	60,725	7,813
Purchased Professional and Technical Services	89,000	(17,100)	71,900	29,138	42,762
Other Purchased Services	86,000	(5,000)	81,000	31,379	49,621
General Supplies	33,695	(3,399)	30,296	23,698	6,598
Other Objects		7,100	7,100	4,714	2,386
Total Other Special Schools - Instruction	520,330	(18,172)	502,158	388,284	113,874
Other Special Schools - Support Services:					
Salaries	118,424	36,172	154,596	124,988	29,608
Other Purchased Services	14,000		14,000	2,429	11,571
Total Other Special Schools - Support Services	132,424	36,172	168,596	127,417	41,179
Total Other Special Schools	652,754	18,000	670,754	515,701	155,053
Total Special Schools	711,694		711,694	544,916	166,778
Transfer of Funds to Charter Schools	21,069		21,069		21,069
Total Expenditures	65,643,128	44,141	65,670,328	67,453,177	(1,782,849)

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (951,567)		\$ (934,626)	\$ 2,489,089	\$ 3,423,715
Other Financing Sources/(Uses):					
Capital Leases (Non-Budgeted)				306,470	306,470
Operating Transfer Out - Capital Projects Fund - Capital Reserve	(170,000)	\$ (487,303)	(657,303)	(657,303)	
Total Other Financing Sources/(Uses)	(170,000)	(487,303)	(657,303)	(350,833)	306,470
Excess/(Deficiency) of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	(1,121,567)	(487,303)	(1,591,929)	2,138,256	3,730,185
Fund Balance, July 1	4,342,398		4,342,398	4,342,398	
Fund Balance, June 30	<u>\$ 3,220,831</u>	<u>\$ (487,303)</u>	<u>\$ 2,750,469</u>	<u>\$ 6,480,654</u>	<u>\$ 3,730,185</u>
<u>Recapitulation:</u>					
Restricted:					
Capital Reserve				\$ 1,503,664	
Emergency Reserve				635,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				810,345	
Excess Surplus				992,145	
Assigned:					
Year End Encumbrances				1,017,339	
Designated for Subsequent Year's Expenditures				140,000	
Unassigned				<u>1,382,161</u>	
				6,480,654	
Reconciliation to Governmental Funds Statements (GAAP):					
June State Aid Payments not recognized on GAAP Basis				<u>(1,247,081)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 5,233,573</u>	

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 1,000	\$ 48,624	\$ 49,624	\$ 24,432	\$ (25,192)
State Sources	119,908	102,801	222,709	164,614	(58,095)
Federal Sources	914,743	490,674	1,405,417	1,317,948	(87,469)
Total Revenues	<u>1,035,651</u>	<u>642,099</u>	<u>1,677,750</u>	<u>1,506,994</u>	<u>(170,756)</u>
EXPENDITURES:					
Instruction					
Salaries of Teachers	86,807	43,996	130,803	126,051	4,752
Purchased Professional and Technical Services	78,836	94,871	173,707	121,516	52,191
Other Purchased Services	824,000	34,164	858,164	851,577	6,587
General Supplies	1,000	136,480	137,480	113,469	24,011
Textbooks	17,478	2,416	19,894	17,235	2,659
Other Objects	4,141	4,141	4,141	750	3,391
Total Instruction	<u>1,008,121</u>	<u>316,068</u>	<u>1,324,189</u>	<u>1,230,598</u>	<u>93,591</u>
Support Services					
Salaries of Other Professional Staff		6,500	6,500	4,000	2,500
Personal Services - Employee Benefits		14,910	14,910		14,910
Purchased Professional - Educational Services	23,594	209,348	232,942	189,501	43,441
Other Purchased Services		1,223	1,223	1,223	
Supplies and Materials	3,936	21,659	25,595	9,281	16,314
Total Support Services	<u>27,530</u>	<u>253,640</u>	<u>281,170</u>	<u>204,005</u>	<u>77,165</u>
Facilities Acquisition:					
Instructional Equipment		72,391	72,391	72,391	
Total Facilities Acquisition		<u>72,391</u>	<u>72,391</u>	<u>72,391</u>	
Total Expenditures	<u>1,035,651</u>	<u>642,099</u>	<u>1,677,750</u>	<u>1,506,994</u>	<u>170,756</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 69,942,266	\$ 1,506,994
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		(46,513)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	1,117,548	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,247,081)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 69,812,733	\$ 1,460,481
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 67,453,177	\$ 1,506,994
Differences - Budget to GAAP		
Encumbrances Ordered but not Received are Reported in the Year the Order is Place for Budgetary Purposes, but in the Year they are Received for Financial Reporting Purposes.		(46,513)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 67,453,177	\$ 1,460,481

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2012 was submitted to the County office and was voted upon at the school election on the fourth Wednesday in April 2011. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgeting 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).

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 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.

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

	No Child Left Behind Grant			No Child Left Behind-Carryover Grant		
	Title I	Title II A	Title III	Title I	Title II A	Title II D
REVENUE:						
Local Sources						
State Sources						
Federal Sources	\$ 88,963	\$ 70,583	\$ 13,887	\$ 13,418	\$ 4,481	\$ 56
Total Revenue	\$ 88,963	\$ 70,583	\$ 13,887	\$ 13,418	\$ 4,481	\$ 56
EXPENDITURES:						
Instruction:						
Salaries of Teachers	\$ 60,000	\$ 52,495				
Purchased Professional and Technical Services						
Other Purchased Services				\$ 8,000		
General Supplies	23,163		\$ 13,887	5,180		
Textbooks						
Total Instruction	83,163	52,495	13,887	13,180		
Support Services:						
Salaries	4,000					
Personal Services - Employee Benefits						
Purchased Professional and Technical Services						
Purchased Professional - Educational Services	1,800	15,704		238	\$ 3,691	
Other Purchased Services		433			790	
Tuition						
Supplies and Materials		1,951				\$ 56
Total Support Services	5,800	18,088		238	4,481	56
Total Expenditures	\$ 88,963	\$ 70,583	\$ 13,887	\$ 13,418	\$ 4,481	\$ 56

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

	<u>NCLB-Carryover</u>	<u>IDEA Part B, Basic Regular</u>			<u>IDEA Part B, Preschool</u>	
	<u>Title III</u>	<u>2011-12</u>	<u>Carryover</u>	<u>ARRA</u>	<u>2011-12</u>	<u>Carryover</u>
REVENUE:						
Local Sources						
State Sources						
Federal Sources	\$ 13,081	\$ 882,566	\$ 41,812	\$ 112,430	\$ 36,830	\$ 1,259
Total Revenue	\$ 13,081	\$ 882,566	\$ 41,812	\$ 112,430	\$ 36,830	\$ 1,259
EXPENDITURES:						
Instruction:						
Salaries of Teachers				\$ 13,556		
Purchased Professional and Technical Services						
Other Purchased Services		\$ 842,598				
General Supplies	\$ 13,081			30,196		\$ 1,259
Textbooks						
Total Instruction	13,081	842,598		43,752		1,259
Support Services:						
Salaries						
Personal Services - Employee Benefits						
Purchased Professional and Technical Services						
Purchased Professional - Educational Services		39,968	\$ 41,812	61,404		
Other Purchased Services						
Tuition						
Supplies and Materials				7,274		
Total Support Services		39,968	41,812	68,678		
Facilities Acquisition:						
Instructional Equipment					\$ 36,830	
Total Facilities Acquisition					36,830	
Total Expenditures	\$ 13,081	\$ 882,566	\$ 41,812	\$ 112,430	\$ 36,830	\$ 1,259

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

	IDEA Part B PreSchool-ARRA	Learn & Serve	Nonpublic Auxiliary Services		Nonpublic Handicapped Services	
			Compensatory Education	Transportation	Supplementary Education	Corrective Speech
REVENUE:						
Local Sources						
State Sources						
Federal Sources	\$ 35,561	\$ 3,021	\$ 24,430	\$ 19,199	\$ 23,150	\$ 31,831
Total Revenue	<u>\$ 35,561</u>	<u>\$ 3,021</u>	<u>\$ 24,430</u>	<u>\$ 19,199</u>	<u>\$ 23,150</u>	<u>\$ 31,831</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers						
Purchased Professional and Technical Services			\$ 24,430	\$ 19,199	\$ 23,150	\$ 31,831
Other Purchased Services						
General Supplies		\$ 3,021				
Textbooks						
Total Instruction		<u>3,021</u>	<u>24,430</u>	<u>19,199</u>	<u>23,150</u>	<u>31,831</u>
Support Services:						
Salaries						
Personal Services - Employee Benefits						
Purchased Professional and Technical Services						
Purchased Professional - Educational Services						
Other Purchased Services						
Supplies and Materials						
Total Support Services						
Facilities Acquisition:						
Instructional Equipment	\$ 35,561					
Total Facilities Acquisition	<u>35,561</u>					
Total Expenditures	<u>\$ 35,561</u>	<u>\$ 3,021</u>	<u>\$ 24,430</u>	<u>\$ 19,199</u>	<u>\$ 23,150</u>	<u>\$ 31,831</u>

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

	Nonpublic Handicapped Services Exam & Classification	Nonpublic Textbooks	Nonpublic Nursing	Character Education Carryover	Various Local Grants	Totals June 30, 2012
REVENUE:						
Local Sources					\$ 24,432	\$ 24,432
State Sources	\$ 22,906	\$ 17,235	\$ 24,884	\$ 979		164,614
Federal Sources						1,317,948
Total Revenue	\$ 22,906	\$ 17,235	\$ 24,884	\$ 979	\$ 24,432	\$ 1,506,994
EXPENDITURES:						
Instruction:						
Salaries of Teachers						\$ 126,051
Purchased Professional and Technical Services	\$ 22,906					121,516
Other Purchased Services				\$ 979		851,577
General Supplies					\$ 23,682	113,469
Textbooks		\$ 17,235				17,235
Other Objects					750	750
Total Instruction	22,906	17,235		979	24,432	1,230,598
Support Services:						
Salaries						4,000
Purchased Professional - Educational Services			\$ 24,884			189,501
Other Purchased Services						1,223
Supplies and Materials						9,281
Total Support Services			24,884			204,005
Facilities Acquisition:						
Instructional Equipment						72,391
Total Facilities Acquisition						72,391
Total Expenditures	\$ 22,906	\$ 17,235	\$ 24,884	\$ 979	\$ 24,432	\$ 1,506,994

CAPITAL PROJECTS FUND

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

Other Financing Sources:	
Transfer from Capital Reserve	\$ 657,303
Other Financing Sources	<u>657,303</u>
Expenditures:	
Purchased Professional and Technical Services	13,364
Construction Services	<u>360,288</u>
Total Expenditures	<u>373,652</u>
Excess of Other Financing Sources over Expenditures	283,651
Fund Balance - Beginning of Year	<u>-0-</u>
Fund Balance - End of Year	<u>\$ 283,651</u>
<u>Recapitulation:</u>	
Committed	<u>\$ 283,651</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 283,651</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS - PARTIAL ROOF REPLACEMENT AT FRANKLIN ELEMENTARY SCHOOL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Other Financing Sources:				
Transfer from Capital Reserve		\$ 170,000	\$ 170,000	\$ 170,000
Total Other Financing Sources		170,000	170,000	170,000
Expenditures:				
Construction Services		144,750	144,750	170,000
Total Expenditures		144,750	144,750	170,000
Excess of Other Financing Sources Over Expenditures	\$ -0-	\$ 25,250	\$ 25,250	\$ -0-

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	\$ 170,000
Revised Authorized Cost	\$ 170,000

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	85%
Original Target Completion Date	10/2012
Revised Target Completion Date	10/2012

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS - BLEACHERS PROJECT AT LINCOLN, ROOSEVELT, EISENHOWER AND HIGH SCHOOL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Other Financing Sources:				
Transfer from Capital Reserve		\$ 366,303	\$ 366,303	\$ 366,303
Total Other Financing Sources		<u>366,303</u>	<u>366,303</u>	<u>366,303</u>
Expenditures:				
Purchased Professional and Technical Services		4,371	4,371	24,903
Construction Services		<u>212,450</u>	<u>212,450</u>	<u>341,400</u>
Total Expenditures		<u>216,821</u>	<u>216,821</u>	<u>366,303</u>
Excess of Other Financing Sources Over Expenditures	<u>\$ -0-</u>	<u>\$ 149,482</u>	<u>\$ 149,482</u>	<u>\$ -0-</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	\$ 366,303
Revised Authorized Cost	\$ 366,303

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	59%
Original Target Completion Date	10/2012
Revised Target Completion Date	10/2012

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS - HVAC PROJECT AT ROXBURY HIGH SCHOOL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Other Financing Sources:				
Transfer from Capital Reserve		\$ 121,000	\$ 121,000	\$ 121,000
Total Other Financing Sources		121,000	121,000	121,000
Expenditures:				
Purchased Professional and Technical Services		8,993	8,993	10,000
Construction Services		3,088	3,088	111,000
Total Expenditures		12,081	12,081	121,000
Excess of Other Financing Sources Over Expenditures	\$ -0-	\$ 108,919	\$ 108,919	\$ -0-

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	\$ 121,000
Revised Authorized Cost	\$ 121,000

Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	10%
Original Target Completion Date	10/2012
Revised Target Completion Date	10/2012

PROPRIETARY FUNDS

Exhibit G-1

ROXBURY TOWNSHIP SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012

ASSETS:

Current Assets:

Accounts Receivable:

State	\$ 749
Federal	14,524
Other	8,619
Inventories	<u>31,641</u>

Total Current Assets

55,533

Non-Current Assets:

Capital Assets	528,954
Less: Accumulated Depreciation	<u>(466,515)</u>

Total Non-Current Assets

62,439

Total Assets

117,972LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors	11,336
Interfund Payable	<u>42,333</u>

Total Current Liabilities

53,669NET ASSETS:

Investment in Capital Assets Net of Related Debt	62,439
Unrestricted	<u>1,864</u>
Total Net Assets	<u>\$ 64,303</u>

Exhibit G-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Operating Revenue:

Local Sources:

Daily Sales - Reimbursable Programs	\$ 772,009
Daily Sales - Non-Reimbursable Programs	369,138
Special Functions	133,502
Miscellaneous	11,403
	<hr/>

Total Operating Revenue

1,286,052

Operating Expenses:

Cost of Sales	791,827
Salaries	606,095
Employee Benefits	150,985
Purchased Property Services	14,176
Supplies and Materials	6,610
Depreciation	5,173
	<hr/>

Total Operating Expenses

1,574,866

Operating Loss

(288,814)

Non-Operating Revenue:

State Sources:

State School Lunch Program	11,820
----------------------------	--------

Federal Sources:

National School Lunch Program	223,537
Food Distribution Program	26,447
	<hr/>

Total Non-Operating Revenue

261,804

Change in Net Assets

(27,010)

Net Assets - Beginning of Year

91,313

Net Assets - End of Year

\$ 64,303

Exhibit G-3

ROXBURY TOWNSHIP SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 1,288,506
Payments to Employees	(606,095)
Payments for Employee Benefits	(150,985)
Payments to Suppliers	(780,607)
	<hr/>
Net Cash Used for Operating Activities	(249,181)
	<hr/>
Cash Flows from Noncapital Financing Activities:	
Cash Received from General Fund	14,062
Cash Received from State and Federal Reimbursements	235,119
	<hr/>
Net Cash Provided by Noncapital Financing Activities	249,181
	<hr/>
Net Decrease in Cash and Cash Equivalents	-0-
Cash and Cash Equivalents, July 1	\$ -0-
	<hr/>
Cash and Cash Equivalents, June 30	\$ -0-
	<hr/> <hr/>
Reconciliation of Operating Loss to Net Cash Used for	
Operating Activities:	
Operating Loss	\$ (288,814)
Adjustment to Reconcile Operating Loss	
to Cash Used for Operating Activities:	
Depreciation	5,173
Federal Food Distribution Program	26,447
Changes in Assets and Liabilities:	
Decrease in Other Accounts Receivable	2,454
(Increase) in Inventory	(5,444)
Increase in Accounts Payable	11,003
	<hr/>
Net Cash Used for Operating Activities	\$ (249,181)
	<hr/> <hr/>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$26,447 for the fiscal year ended June 30, 2012.

FIDUCIARY FUNDS

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

	<u>Student Activities</u>	<u>Payroll</u>	<u>Total Agency</u>	<u>Unemployment Compensation Trust</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 217,002	\$ 447,683	\$ 664,685	\$ 86,069
Total Assets	<u>\$ 217,002</u>	<u>\$ 447,683</u>	<u>\$ 664,685</u>	<u>\$ 86,069</u>
<u>LIABILITIES:</u>				
Payroll Deductions and Withholdings Due to Student Groups	\$ 217,002	\$ 447,683	\$ 447,683 217,002	
Total Liabilities	<u>217,002</u>	<u>447,683</u>	<u>664,685</u>	
<u>NET ASSETS:</u>				
Held in Trust for Unemployment Claims				\$ 86,069
Total Net Assets	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 86,069</u>

Exhibit H-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUND
STATEMENT OF CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Unemployment Compensation Trust</u>
ADDITIONS:	
Contributions:	
Plan Members	\$ 58,550
District Contributions	82,534
Interest	246
	<hr/>
Total Additions	141,330
	<hr/>
DEDUCTIONS:	
Unemployment Compensation Claims	381,529
	<hr/>
Total Deductions	381,529
	<hr/>
Change in Net Assets	(240,199)
Net Assets - Beginning of the Year	326,268
	<hr/>
Net Assets - End of the Year	\$ 86,069
	<hr/> <hr/>

Exhibit H-3

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

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 218,995	\$ 678,412	\$ 680,405	\$ 217,002
Total Assets	<u>\$ 218,995</u>	<u>\$ 678,412</u>	<u>\$ 680,405</u>	<u>\$ 217,002</u>
<u>Liabilities:</u>				
Due to Student Groups	\$ 218,995	\$ 678,412	\$ 680,405	\$ 217,002
Total Liabilities	<u>\$ 218,995</u>	<u>\$ 678,412</u>	<u>\$ 680,405</u>	<u>\$ 217,002</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Balance</u> <u>July 1, 2011</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2012</u>
School or Activity:				
Eisenhower Middle School	\$ 21,760	\$ 75,006	\$ 68,029	\$ 28,737
Jefferson School	1,482	3,751	2,276	2,957
Nixon School	4,212	1,015	2,061	3,166
Kennedy School	2,932	1,398	1,218	3,112
Franklin School	4,946	4,671	7,983	1,634
Lincoln/Roosevelt School	18,720	88,207	94,085	12,842
High School	158,100	420,622	421,151	157,571
Athletic Fund	6,843	83,742	83,602	6,983
	<hr/>	<hr/>	<hr/>	<hr/>
Total All Schools	<u>\$ 218,995</u>	<u>\$ 678,412</u>	<u>\$ 680,405</u>	<u>\$ 217,002</u>

Exhibit H-5

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

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 518,903	\$ 42,780,182	\$ 42,851,402	\$ 447,683
Total Assets	<u>\$ 518,903</u>	<u>\$ 42,780,182</u>	<u>\$ 42,851,402</u>	<u>\$ 447,683</u>
 <u>LIABILITIES:</u>				
Net Payroll		\$ 24,828,653	\$ 24,828,653	
Payroll Deductions and Withholdings	\$ 518,903	17,951,529	18,022,749	\$ 447,683
Total Liabilities	<u>\$ 518,903</u>	<u>\$ 42,780,182</u>	<u>\$ 42,851,402</u>	<u>\$ 447,683</u>

LONG-TERM DEBT

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Int. Rate	Balance June 30, 2011	Matured	Balance June 30, 2012
			Date	Amount				
School Improvements	12/1/2002	\$ 20,511,000	9/1/2012	\$ 1,110,000	4.125%	\$ 2,165,000	\$ 1,055,000	\$ 1,110,000
School Refunding Bonds	8/19/2010	13,305,000	9/1/2012	45,000	3.00%			
			9/1/2013	1,200,000	3.00%			
			9/1/2014	1,240,000	3.00%			
			9/1/2015	1,285,000	3.00%			
			9/1/2016	1,335,000	4.00%			
			9/1/2017	1,395,000	4.00%			
			9/1/2018	1,460,000	4.00%			
			9/1/2019	1,520,000	4.00%			
			9/1/2020	1,580,000	4.00%			
			9/1/2021	1,650,000	4.00%			
			9/1/2022	550,000	4.00%	<u>13,305,000</u>	<u>45,000</u>	<u>13,260,000</u>
						<u>\$ 15,470,000</u>	<u>\$ 1,100,000</u>	<u>\$ 14,370,000</u>

Exhibit I-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Purpose	Original Issue	Interest Rate	Issued	Matured
School Buses	\$ 249,130	2.75%	\$ 249,130	\$ 249,130
Dump Truck	57,340	2.75%	57,340	57,340
			<u>\$ 306,470</u>	<u>\$ 306,470</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE 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>
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 2,226,747		\$ 2,226,747	\$ 2,226,747	
Total Revenue	<u>2,226,747</u>		<u>2,226,747</u>	<u>2,226,747</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	701,747	\$ (40,000)	661,747	660,519	\$ 1,228
Redemption of Principal	1,525,000	40,000	1,565,000	1,565,000	
Total Regular Debt Service	<u>2,226,747</u>		<u>2,226,747</u>	<u>2,225,519</u>	<u>1,228</u>
Total Expenditures	<u>2,226,747</u>		<u>2,226,747</u>	<u>2,225,519</u>	<u>1,228</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures				1,228	1,228
Fund Balance, July 1				<u>58,801</u>	<u>58,801</u>
Fund Balance, June 30	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 60,029</u>	<u>\$ 60,029</u>
Recapitulation:					
Restricted				<u>\$ 60,029</u>	

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF EARLY RETIREMENT INCENTIVE LOAN REVENUE BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding June 30, 2012		Int. Rate	Balance June 30, 2011	Issued	Matured/ Defeased	Balance June 30, 2012
			Date	Amount					
Early Retirement Incentive Loan Revenue Bonds	11/18/2002	\$ 5,440,000	2/1/2013	\$ 445,000	5.15%	\$ 2,630,000		\$ 2,185,000	\$ 445,000
Early Retirement Incentive Program Refunding Bonds of 2011	12/20/2011	1,955,000	2/1/2013	50,000	1.02%				
			2/1/2014	520,000	1.35%				
			2/1/2015	530,000	1.84%				
			2/1/2016	545,000	2.19%				
			2/1/2017	270,000	2.61%		\$ 1,955,000	40,000	1,915,000
						<u>\$ 2,630,000</u>	<u>\$ 1,955,000</u>	<u>\$ 2,225,000</u>	<u>\$ 2,360,000</u>
							Matured	\$ 465,000	
							Defeased	<u>1,760,000</u>	
								<u>\$ 2,225,000</u>	

STATISTICAL SECTION
(UNAUDITED)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

	<u>Exhibit</u>
<p>Financial Trends</p> <p>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</p>	J-1 thru J-5
<p>Revenue Capacity</p> <p>These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.</p>	J-6 thru J-9
<p>Debt Capacity</p> <p>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</p>	J-10 thru J-13
<p>Demographic and Economic Information</p> <p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.</p>	J-14 thru J-15
<p>Operating Information</p> <p>These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.</p>	J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The District implemented Statement 34 in a previous fiscal year. Schedules presenting government-wide information include information beginning in the fiscal year ended June 30, 2005.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NET ASSETS BY COMPONENT,
LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,							
	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities:								
Invested in Capital Assets, Net of Related Debt	\$ 6,318,560	\$ 11,917,690	\$ 13,291,955	\$ 14,190,778	\$ 15,557,294	\$ 15,969,970	\$ 16,718,612	\$ 18,076,601
Restricted	6,140,358	3,745,270	4,175,560	3,091,263	1,233,941	2,451,255	3,116,819	4,001,183
Unrestricted/(Deficit)	<u>(5,888,248)</u>	<u>(5,270,774)</u>	<u>(4,802,488)</u>	<u>(4,657,109)</u>	<u>(4,692,415)</u>	<u>(4,185,705)</u>	<u>(4,330,260)</u>	<u>(2,761,338)</u>
Total Governmental Activities Net Assets	<u>\$ 6,570,670</u>	<u>\$ 10,392,186</u>	<u>\$ 12,665,027</u>	<u>\$ 12,624,932</u>	<u>\$ 12,098,820</u>	<u>\$ 14,235,520</u>	<u>\$ 15,505,171</u>	<u>\$ 19,316,446</u>
Business-Type Activities:								
Invested in Capital Assets, Net of Related Debt	\$ 121,709	\$ 108,953	\$ 98,159	\$ 91,767	\$ 80,453	\$ 73,246	\$ 67,612	\$ 62,439
Unrestricted	25,272	105,118	36,005	39,907	101,277	97,591	23,701	1,864
Total Business-Type Activities Net Assets	<u>\$ 146,981</u>	<u>\$ 214,071</u>	<u>\$ 134,164</u>	<u>\$ 131,674</u>	<u>\$ 181,730</u>	<u>\$ 170,837</u>	<u>\$ 91,313</u>	<u>\$ 64,303</u>
District-Wide:								
Invested in Capital Assets, Net of Related Debt	\$ 6,440,269	\$ 12,026,643	\$ 13,390,114	\$ 14,282,545	\$ 15,637,747	\$ 16,043,216	\$ 16,786,224	\$ 18,139,040
Restricted	6,140,358	3,745,270	4,175,560	3,091,263	1,233,941	2,451,255	3,116,819	4,001,183
Unrestricted/(Deficit)	<u>(5,862,976)</u>	<u>(5,165,656)</u>	<u>(4,766,483)</u>	<u>(4,617,202)</u>	<u>(4,591,138)</u>	<u>(4,088,114)</u>	<u>(4,306,559)</u>	<u>(2,759,474)</u>
Total District Net Assets	<u>\$ 6,717,651</u>	<u>\$ 10,606,257</u>	<u>\$ 12,799,191</u>	<u>\$ 12,756,606</u>	<u>\$ 12,280,550</u>	<u>\$ 14,406,357</u>	<u>\$ 15,596,484</u>	<u>\$ 19,380,749</u>

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

Source: School District Financial Reports

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET ASSETS, LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,							
	2005	2006	2007	2008	2009	2010	2011	2012
Expenses:								
Governmental Activities:								
Instruction:								
Regular	\$ 26,268,380	\$ 25,807,335	\$ 27,296,843	\$ 27,735,560	\$ 26,382,262	\$ 26,854,085	\$ 26,836,989	\$ 26,787,547
Special Education	4,531,707	5,190,590	5,843,484	6,309,639	6,534,046	7,021,025	7,464,859	7,570,082
Other Special Education	599,784	896,124	915,711	983,687	1,008,684	990,201	726,082	805,326
Other Instruction	1,240,646	1,138,152	1,248,038	1,327,481	1,533,764	1,419,476	1,394,311	1,341,120
Support Services:								
Tuition	3,393,582	3,632,625	3,721,787	4,314,503	4,669,056	4,472,945	4,072,686	4,086,895
Student and Instruction Related Services	7,363,532	7,820,350	8,654,332	9,321,988	9,324,154	9,632,760	9,269,919	9,480,921
School Administrative Services	2,744,158	2,872,350	3,174,419	3,156,200	3,169,486	703,265	3,030,143	3,009,291
General Administrative Services	1,062,725	1,151,938	1,163,811	1,209,572	1,064,351	3,004,653	896,453	761,463
Plant Operations and Maintenance	5,734,067	6,423,704	6,669,262	8,141,415	8,095,828	7,693,273	7,223,479	6,726,867
Pupil Transportation	3,892,755	4,447,780	5,015,930	5,713,364	5,496,300	5,214,720	5,593,179	5,720,656
Administrative Information Technology								10,313
Central Services	1,329,874	1,137,192	1,211,855	1,119,225	1,228,392	1,194,015	1,298,659	1,136,733
Capital Outlay	469,343	338,367	337,121					
Special Schools	342,381	407,980	525,826	635,810	600,533	622,669	660,413	719,627
Charter Schools		22,255	17,563	23,458	32,950	21,642		
Interest on Long-Term Debt	1,156,155	1,102,359	1,055,469	1,004,478	953,789	899,581	749,140	804,515
Unallocated Depreciation	320,066	317,889	304,231	307,853	284,146	935,029	828,363	727,330
Total Governmental Activities Expenses	<u>60,449,155</u>	<u>62,706,990</u>	<u>67,155,682</u>	<u>71,304,233</u>	<u>70,377,741</u>	<u>70,679,339</u>	<u>70,044,675</u>	<u>69,688,686</u>
Business-Type Activities:								
Food Service	1,518,722	1,578,960	1,765,833	1,781,400	1,773,288	1,695,807	1,711,339	1,574,866
Total Business-Type Activities Expense	<u>1,518,722</u>	<u>1,578,960</u>	<u>1,765,833</u>	<u>1,781,400</u>	<u>1,773,288</u>	<u>1,695,807</u>	<u>1,711,339</u>	<u>1,574,866</u>
Total District Expenses	<u>\$ 61,967,877</u>	<u>\$ 64,285,950</u>	<u>\$ 68,921,515</u>	<u>\$ 73,085,633</u>	<u>\$ 72,151,029</u>	<u>\$ 72,375,146</u>	<u>\$ 71,756,014</u>	<u>\$ 71,263,552</u>
Program Revenues:								
Governmental Activities:								
Charges for Services:								
Tuition	\$ 2,336,997	\$ 2,351,215	\$ 3,090,091	\$ 2,894,318	\$ 2,701,308	\$ 2,918,539	\$ 2,796,406	\$ 2,602,361
Pupil Transportation								21,418
Operating Grants and Contributions	8,363,373	8,699,392	11,014,161	10,943,785	8,693,374	8,975,032	8,543,660	8,650,196
Capital Grants and Contributions	4,354,204	1,704,967	118,376	195,303	95,786			
Total Governmental Activities Program Revenues	<u>15,054,574</u>	<u>12,755,574</u>	<u>14,222,628</u>	<u>14,033,406</u>	<u>11,490,468</u>	<u>11,893,571</u>	<u>11,340,066</u>	<u>11,273,975</u>
Business-Type Activities:								
Charges for Services:								
Food Service	1,306,395	1,359,549	1,384,214	1,494,711	1,529,078	1,410,092	1,382,792	1,286,052
Operating grants and contributions	178,027	186,501	201,712	219,199	244,266	274,822	249,023	261,804
Total Business-Type Activities Program Revenues	<u>1,484,422</u>	<u>1,546,050</u>	<u>1,585,926</u>	<u>1,713,910</u>	<u>1,773,344</u>	<u>1,684,914</u>	<u>1,631,815</u>	<u>1,547,856</u>
Total District Program Revenues	<u>\$ 16,538,996</u>	<u>\$ 14,301,624</u>	<u>\$ 15,808,554</u>	<u>\$ 15,747,316</u>	<u>\$ 13,263,812</u>	<u>\$ 13,578,485</u>	<u>\$ 12,971,881</u>	<u>\$ 12,821,831</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET ASSETS, LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED
(CONTINUED)

	Fiscal Year Ending June 30,							
	2005	2006	2007	2008	2009	2010	2011	2012
Net (Expense)/Revenue:								
Governmental Activities	\$ (45,394,581)	\$ (49,951,416)	\$ (52,933,054)	\$ (57,270,827)	\$ (58,887,273)	\$ (58,785,768)	\$ (58,704,609)	\$ (58,414,711)
Business-Type Activities	(34,300)	(32,910)	(179,907)	(67,490)	56	(10,893)	(79,524)	(27,010)
Total District-Wide Net Expense	<u>\$ (45,428,881)</u>	<u>\$ (49,984,326)</u>	<u>\$ (53,112,961)</u>	<u>\$ (57,338,317)</u>	<u>\$ (58,887,217)</u>	<u>\$ (58,796,661)</u>	<u>\$ (58,784,133)</u>	<u>\$ (58,441,721)</u>
General Revenues and Other Changes in Net Assets:								
Governmental Activities:								
Property Taxes Levied for General Purposes, Net	\$ 38,484,323	\$ 40,707,787	\$ 41,553,971	\$ 43,503,488	\$ 44,263,323	\$ 46,502,323	\$ 47,061,915	\$ 48,003,153
Taxes Levied for Debt Service	1,998,140	2,103,492	1,952,834	2,162,625	2,171,656	2,235,130	2,191,817	2,226,747
Federal and State Aid not Restricted	10,407,397	10,324,852	10,341,620	10,690,058	11,149,465	11,034,026	9,721,205	11,277,693
Investment Earnings	242,372	287,536	86,187	287,489	67,977	19,139	15,283	7,241
Miscellaneous Income	545,696	472,812	1,371,283	652,072	758,740	1,131,850	984,040	711,152
Transfers	(100,000)	(100,000)	(100,000)	(65,000)	(50,000)			
Total Governmental Activities	<u>51,677,928</u>	<u>53,796,479</u>	<u>55,205,895</u>	<u>57,230,732</u>	<u>58,361,161</u>	<u>60,922,468</u>	<u>59,974,260</u>	<u>62,225,986</u>
Business-Type Activities:								
Transfers		100,000	100,000	65,000	50,000			
Total Business-Type Activities	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>65,000</u>	<u>50,000</u>			
Total District-Wide	<u>\$ 51,677,928</u>	<u>\$ 53,896,479</u>	<u>\$ 55,305,895</u>	<u>\$ 57,295,732</u>	<u>\$ 58,411,161</u>	<u>\$ 60,922,468</u>	<u>\$ 59,974,260</u>	<u>\$ 62,225,986</u>
Change in Net Assets:								
Governmental Activities	\$ 6,283,347	\$ 3,845,063	\$ 2,272,841	\$ (40,095)	\$ (526,112)	\$ 2,136,700	\$ 1,269,651	\$ 3,811,275
Business-Type Activities	(34,300)	67,090	(79,907)	(2,490)	50,056	(10,893)	(79,524)	(27,010)
Total District	<u>\$ 6,249,047</u>	<u>\$ 3,912,153</u>	<u>\$ 2,192,934</u>	<u>\$ (42,585)</u>	<u>\$ (476,056)</u>	<u>\$ 2,125,807</u>	<u>\$ 1,190,127</u>	<u>\$ 3,784,265</u>

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

Source: School District Financial Reports

ROXBURY TOWNSHIP SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST EIGHT FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,							
	2005	2006	2007	2008	2009	2010	2011	2012
General Fund:								
Restricted/Reserved	\$ 1,301,351	\$ 2,193,042	\$ 3,349,379	\$ 2,409,730	\$ 1,113,946	\$ 2,365,636	\$ 2,170,780	\$ 3,941,154
Unreserved	1,177,440	966,538	1,116,382	1,066,151	814,354	752,331		
Assigned							887,238	1,157,339
Unassigned							166,832	135,080
Total General Fund	<u>\$ 2,478,791</u>	<u>\$ 3,159,580</u>	<u>\$ 4,465,761</u>	<u>\$ 3,475,881</u>	<u>\$ 1,928,300</u>	<u>\$ 3,117,967</u>	<u>\$ 3,224,850</u>	<u>\$ 5,233,573</u>
All Other Governmental Funds:								
Restricted/Reserved for:								
Capital Projects Fund	\$ 4,699,959	\$ 862,582	\$ 170,765	\$ 539,218				\$ 283,651
Debt Service Fund							\$ 58,801	60,029
Unreserved, Reported In:								
Capital Projects Fund/(Deficit)	(799,724)	283,138	475,555	17,219				
Debt Service Fund	477,112	406,508	179,861	125,096	\$ 119,995	\$ 85,619		
Total All Other Governmental Funds	<u>\$ 4,377,347</u>	<u>\$ 1,552,228</u>	<u>\$ 826,181</u>	<u>\$ 681,533</u>	<u>\$ 119,995</u>	<u>\$ 85,619</u>	<u>\$ 58,801</u>	<u>\$ 343,680</u>
Total All Governmental Funds	<u>\$ 6,856,138</u>	<u>\$ 4,711,808</u>	<u>\$ 5,291,942</u>	<u>\$ 4,157,414</u>	<u>\$ 2,048,295</u>	<u>\$ 3,203,586</u>	<u>\$ 3,283,651</u>	<u>\$ 5,577,253</u>

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

Source: School District Financial Reports

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

	Fiscal Year Ending June 30,							
	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:								
Tax Levy	\$ 40,482,463	\$ 42,811,279	\$ 43,506,805	\$ 45,666,113	\$ 46,434,979	\$ 48,737,453	\$ 49,253,732	\$ 50,229,900
Tuition Charges	2,336,997	2,351,215	3,090,091	2,894,318	2,701,308	2,918,539	2,796,406	2,602,361
Interest Earnings - Capital Reserve Fund	22	6,940	4,606	3,501	895	230	182	76
Miscellaneous	798,090	756,625	1,459,613	951,445	843,339	1,162,699	1,015,453	763,806
State Sources	22,002,360	19,750,965	20,198,024	20,710,040	18,687,436	16,485,377	16,503,839	18,143,013
Federal Sources	1,112,570	975,029	1,269,385	1,103,721	1,233,672	3,511,741	1,744,714	1,760,805
Total Revenue	<u>66,732,502</u>	<u>66,652,053</u>	<u>69,528,524</u>	<u>71,329,138</u>	<u>69,901,629</u>	<u>72,816,039</u>	<u>71,314,326</u>	<u>73,499,961</u>
Expenditures:								
Instruction:								
Regular Instruction	19,309,491	18,561,365	19,410,018	19,874,877	19,556,955	20,125,347	19,985,819	19,674,836
Special Education Instruction	3,573,107	3,951,337	4,394,545	4,660,425	5,053,576	5,517,718	5,768,739	5,803,320
Other Special Instruction	542,030	645,418	632,447	684,554	737,080	736,853	495,129	582,753
Other Instruction	855,931	913,476	972,243	1,012,515	1,214,523	1,135,741	1,103,439	1,062,039
Support Services:								
Tuition	3,393,582	3,632,625	3,721,787	4,314,503	4,669,056	4,472,945	4,072,686	4,086,895
Student and Instruction Related Services	5,735,137	5,817,445	6,321,154	6,664,007	7,187,925	7,482,191	7,076,538	7,334,867
School Administrative Services	2,110,087	2,161,040	2,150,168	2,215,830	2,320,016	2,379,511	2,232,117	2,178,305
General Administrative Services	879,939	1,003,165	1,015,208	992,306	940,543	634,630	778,361	664,346
Central Services	730,872	711,590	715,320	703,264	830,421	886,590	853,353	815,883
Administration Information Technology	298,540	120,257	118,319	43,554	51,462	54,356	49,456	52,178
Plant Operations and Maintenance	5,164,893	5,782,907	5,451,376	6,414,803	6,535,101	6,057,791	5,575,819	5,932,064
Pupil Transportation	3,387,964	3,835,864	4,101,583	4,541,113	4,536,652	4,583,966	4,713,299	4,301,213
Unallocated Benefits	12,277,650	13,699,782	15,894,013	17,012,647	14,719,649	14,731,074	15,456,710	15,051,387
Special Schools	342,381	407,980	393,585	500,955	472,161	469,952	465,975	544,916
Charter Schools		22,255	17,563	23,458	32,950	21,642		
Capital Outlay	8,063,342	5,885,149	1,808,342	488,089	1,270,812	381,979	388,186	1,202,308
Debt Service:								
Principal	1,140,000	1,190,000	1,239,000	1,230,000	1,290,000	1,350,000	1,415,000	1,565,000
Interest and Other Charges	1,159,403	1,114,342	1,068,944	1,021,766	972,376	919,506	803,635	660,519
Total Expenditures	<u>68,964,349</u>	<u>69,455,997</u>	<u>69,425,615</u>	<u>72,398,666</u>	<u>72,391,258</u>	<u>71,941,792</u>	<u>71,234,261</u>	<u>71,512,829</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(2,231,847)</u>	<u>(2,803,944)</u>	<u>102,909</u>	<u>(1,069,528)</u>	<u>(2,489,629)</u>	<u>874,247</u>	<u>80,065</u>	<u>1,987,132</u>

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

	Fiscal Year Ending June 30,							
	2005	2006	2007	2008	2009	2010	2011	2012
Other Financing sources (uses)								
Capital Leases	\$ 202,459	\$ 759,614	\$ 577,225		\$ 430,510	\$ 281,044		\$ 306,470
Transfers in	316,706	89,141	119,167	\$ 34,376	85,619		\$ 130,850	657,303
Transfers out	(316,706)	(189,141)	(219,167)	(99,376)	(135,619)		(130,850)	(657,303)
Total other financing sources (uses)	<u>202,459</u>	<u>659,614</u>	<u>477,225</u>	<u>(65,000)</u>	<u>380,510</u>	<u>281,044</u>		<u>306,470</u>
Net Change in Fund Balances	<u>\$ (2,029,388)</u>	<u>\$ (2,144,330)</u>	<u>\$ 580,134</u>	<u>\$ (1,134,528)</u>	<u>\$ (2,109,119)</u>	<u>\$ 1,155,291</u>	<u>\$ 80,065</u>	<u>\$ 2,293,602</u>
Debt Service as a Percentage of Noncapital Expenditures	3.78 %	3.62 %	3.41 %	3.13 %	3.18 %	3.17 %	3.13 %	3.17 %

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

Fiscal Year Ending June 30,	Interest on Investments	Transportation	Tuition	Rentals - Use of Facilities	Prior Year Refunds	Prior Year Tuition Refunds	Prior Year Accounts Payable Canceled	Community Adult School	School Enrichment	Gate Receipts	Athletic/ Activity Fees	Other	Total
2003	\$ 56,214		\$ 1,766,761	\$ 11,815	\$ 26,061	\$ 138	\$ 138	\$ 199,696	\$ 103,412			\$ 103,236	\$ 2,267,471
2004	42,291		1,847,115	62,112	1,910		30,479	172,260	174,818			4,855	2,335,840
2005	123,036	\$ 55,390	2,336,997	49,944			2,340	223,044	141,400			73,600	3,005,751
2006	198,395	70,061	2,351,215	65,792				223,323	111,082			2,554	3,022,422
2007	311,842	52,040	3,090,091	60,884	460		569,598	173,509	123,644			83,912	4,465,980
2008	253,330	43,942	2,894,318	66,039	11,338		16,491	173,304	127,529			213,212	3,799,503
2009	67,977	46,129	2,701,308	82,367	83,811			290,098	155,921			117,931	3,545,542
2010	19,139	85,289	2,918,539	67,806	141,872		360,268	283,249	133,327			60,039	4,069,528
2011	15,283	19,550	2,796,406	61,361			19,908	378,701	130,318	\$ 31,777	\$ 150,650	191,775	3,795,729
2012	7,241	21,418	2,602,361	38,417				438,918	43,127	24,313	3,175	163,202	3,342,172

Source: Roxbury Township School District records

ROXBURY TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST EIGHT YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2004	\$ 37,478,300	\$ 1,589,649,700	\$ 4,553,800	\$ 207,400	\$ 319,721,600	\$ 70,532,900	\$ 10,934,900	\$ 2,033,078,600	\$ 7,796,953	\$ 2,040,875,553	\$ 87,158,200	\$ 1.89	\$ 2,664,744,425
2005	41,677,700	1,593,736,100	4,571,300	191,000	320,210,300	70,532,900	10,934,900	2,041,854,200	6,960,519	2,048,814,719	88,029,300	2.04	3,099,493,699
2006	38,585,400	1,604,788,500	4,185,000	189,300	323,329,800	60,664,100	10,934,900	2,042,677,000	5,685,888	2,048,362,888	90,302,900	2.10	3,531,316,796
2007	34,695,400	1,611,457,800	4,062,500	231,800	313,012,000	64,614,100	11,360,200	2,039,433,800	5,330,121	2,044,763,921	92,181,500	2.19	3,788,035,926
2008	33,008,400	1,623,484,500	3,829,400	228,000	306,868,700	64,422,300	9,584,900	2,041,426,200	5,876,442	2,047,302,642	92,705,800	2.25	4,036,287,915
2009	30,877,100	1,633,580,500	3,829,400	228,000	315,640,000	65,075,600	9,584,900	2,058,815,500	7,377,254	2,066,192,754	92,869,500	2.31	3,951,401,584
2010	32,933,600	1,635,087,600	3,829,400	225,300	314,938,400	64,775,600	9,584,900	2,061,374,800	7,658,118	2,069,032,918	95,355,800	2.36	3,764,049,787
2011	32,226,000	1,636,148,300	3,828,900	226,000	314,474,500	64,775,600	9,584,900	2,061,264,200	7,216,033	2,068,480,233	97,111,900	2.40	3,642,015,229

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

^b Tax rates are per \$100

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

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

Source: Municipal Tax Assessor

ROXBURY TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(RATE PER \$100 OF ASSESSED VALUE)
UNAUDITED

Year Ended December 31,	Roxbury Township School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Roxbury Township	Morris County	
2002	\$ 1.57	\$ 0.03	\$ 1.69	\$ 0.64	\$ 0.32	\$ 2.65
2003	1.64	0.05	1.75	0.68	0.35	2.78
2004	1.77	0.12	1.89	0.71	0.37	2.97
2005	1.94	0.10	2.04	0.76	0.41	3.21
2006	2.01	0.09	2.10	0.82	0.43	3.35
2007	2.09	0.10	2.19	0.86	0.44	3.49
2008	2.14	0.11	2.25	0.93	0.46	3.64
2009	2.20	0.11	2.31	0.96	0.43	3.70
2010	2.25	0.11	2.36	1.02	0.42	3.80
2011	2.29	0.11	2.40	1.05	0.42	3.87

^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.

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

Source: Municipal Tax Collector and School Business Administrator

Exhibit J-8

ROXBURY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2011	
	Taxable Assessed Value	% of Total District Net Assessed Value
Roxville Associates	\$ 67,828,000	3.31 %
AC I LedgeWood LLC	21,300,000	1.04 %
Hercules, Inc.	14,995,600	0.73 %
Roxbury 2002, LLC	14,440,000	0.71 %
National Retail Properties LP	7,724,000	0.38 %
Roxbury Enterprises LLC	7,605,000	0.37 %
Verizon	7,423,987	0.36 %
200 Route 10 LLC	7,044,700	0.34 %
118 Main Street, Inc	6,541,600	0.32 %
Wellfleet Developers	5,047,000	0.25 %
Total	\$ 159,949,887	7.81 %

Taxpayer	2002	
	Taxable Assessed Value	% of Total District Net Assessed Value
Roxville Associates	\$ 69,930,000	3.48 %
Mark Centers Ltd.	32,300,000	1.61 %
Hercules, Inc	25,000,000	1.24 %
Samsung	10,240,000	0.51 %
Natick Fourth Realty Corporation	8,000,000	0.40 %
Roxbury Associates	7,605,000	0.38 %
Metro Public Storage Fund	5,472,600	0.27 %
Smith Drive-In Theatre	5,230,000	0.26 %
Kruvant, Philip and Naomi	5,000,000	0.25 %
Gruber Partners	4,725,000	0.23 %
Total	\$ 173,502,600	8.63%

Source: Municipal Tax Assessor

ROXBURY TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the Fiscal Year</u>	<u>Collected within the</u> <u>Fiscal Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2003	\$ 34,551,703	\$ 34,551,703	100.00 %	-0-
2004	37,127,079	37,127,079	100.00 %	-0-
2005	40,482,463	40,482,463	100.00 %	-0-
2006	42,811,279	42,811,279	100.00 %	-0-
2007	43,506,805	43,506,805	100.00 %	-0-
2008	45,666,113	45,666,113	100.00 %	-0-
2009	46,434,979	46,434,979	100.00 %	-0-
2010	48,737,453	48,737,453	100.00 %	-0-
2011	49,253,732	49,253,732	100.00 %	-0-
2012	50,229,900	50,229,900	100.00 %	-0-

^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.

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST EIGHT FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases			
2005	\$ 25,805,000	\$ 1,052,423	\$ 26,857,423	1.82 %	\$ 1,143.55
2006	24,615,000	1,069,314	25,684,314	1.61 %	1,092.48
2007	23,376,000	1,181,417	24,557,417	1.47 %	1,046.11
2008	22,146,000	875,215	23,021,215	1.32 %	976.30
2009	20,856,000	877,081	21,733,081	1.36 %	918.71
2010	19,515,000	721,549	20,236,549	1.24 %	866.96
2011	18,100,000		18,100,000	1.11 %	771.72
2012	16,730,000		16,730,000	1.01 %	707.22

^a See 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 Loan Revenue Bonds

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

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

Source: School District Financial Reports

Exhibit J-11

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST EIGHT FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2005	\$ 20,990,000	\$ -0-	\$ 20,990,000	1.03 %	\$ 893.72
2006	20,130,000	-0-	20,130,000	0.98 %	856.23
2007	19,231,000	-0-	19,231,000	0.94 %	819.21
2008	18,356,000	-0-	18,356,000	0.90 %	778.46
2009	17,436,000	-0-	17,436,000	0.85 %	737.06
2010	16,480,000	-0-	16,480,000	0.80 %	706.02
2011	15,470,000	-0-	15,470,000	0.75 %	659.59
2012	14,370,000	-0-	14,370,000	0.69 %	607.46

^a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

^b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

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

Source: School District Financial Reports

Exhibit J-12

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2011
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Roxbury Township	\$ 11,313,453	100.00 %	\$ 11,313,453
Morris County General Obligation Debt	269,247,125	3.71 %	<u>10,000,736</u>
Subtotal, Overlapping Debt			21,314,189
Roxbury Township School District Direct Debt			<u>14,370,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 35,684,189</u></u>

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION.
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2012

	Equalized Valuation Basis
	2011 \$ 3,485,397,700
	2010 3,616,447,018
	2009 3,731,766,359
	\$ 10,833,611,077
Average Equalized Valuation of Taxable Property	\$ 3,611,203,692
Debt Limit (4% of Average Equalization Value)	\$ 144,448,148 ^a
Net Bonded School Debt	14,370,000
Legal Debt Margin	\$ 130,078,148

	Fiscal Year				
	2008	2009	2010	2011	2012
Debt Limit	\$ 150,408,892	\$ 155,528,648	\$ 155,035,176	\$ 146,195,473	\$ 144,448,148
Total Net Debt Applicable to Limit	18,356,000	17,436,000	16,480,000	15,470,000	14,370,000
Legal Debt Margin	\$ 132,052,892	\$ 138,092,648	\$ 138,555,176	\$ 130,725,473	\$ 130,078,148
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.20 %	11.21 %	10.63 %	10.58 %	9.95 %

	Fiscal Year				
	2003	2004	2005	2006	2007
Debt Limit	\$ 86,235,910	\$ 95,233,949	\$ 107,598,034	\$ 122,659,046	\$ 137,827,124
Total Net Debt Applicable to Limit	21,500,000	21,250,000	20,990,000	20,130,000	19,231,000
Legal Debt Margin	\$ 64,735,910	\$ 73,983,949	\$ 86,608,034	\$ 102,529,046	\$ 118,596,124
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	24.93 %	22.31 %	19.51 %	16.41 %	13.95 %

^a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Morris County Personal Income ^b	Total County Personal Income ^c	Unemployment Rate ^d
2003	23,584	\$ 56,804	\$ 1,339,665,536	4.1 %
2004	23,550	60,780	1,431,369,000	3.3 %
2005	23,486	62,930	1,477,973,980	3.1 %
2006	23,510	67,918	1,596,752,180	3.2 %
2007	23,475	71,191	1,671,208,725	2.9 %
2008	23,580	74,025	1,745,509,500	3.9 %
2009	23,656	67,614	1,599,476,784	6.6 %
2010	23,342	69,811	1,629,528,362	6.7 %
2011	23,454	69,811 **	1,637,347,194	6.5 %
2012	23,454 *	69,811 **	1,637,347,194	N/A

* - Latest population data available (2011) was used for calculation purposes.

** - Latest Morris County per capita personal income available (2010) was used for calculation purposes.

N/A - Information unavailable.

Source: ^a Population information provided by the NJ Dept of Labor and Workforce Development
^b Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
^c Personal income has been estimated based upon the municipal population and per capita personal income presented
^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

ROXBURY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS IN THE COUNTY OF MORRIS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

<u>Employer</u>	<u>2011</u>		<u>Employer</u>	<u>2002</u>	
	<u>Employees</u>	<u>Total</u>		<u>Employees</u>	<u>Total</u>
Novartis	6,200	N/A			
US Army Armament Research and Development	5,274	N/A			
Atlantic Health System	5,013	N/A			
United Parcel Service	2,332	N/A			Information is Not Available
County of Morris	1,928	N/A			
ADP	1,924	N/A			
Saint Clare's	1,841	N/A			
AT&T	1,550	N/A			
Chilton Memorial	1,440	N/A			
BASF Corporation	1,400	N/A			
Total	28,902	N/A			

Note: Information is for Morris County

Source: Morris County Planning Board

ROXBURY TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,
LAST SEVEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction							
Regular	285	290	287	288	291	253	261
Special education	85	67	66	68	66	84	97
Support Services:							
Student & instruction related services	79	84	84	84	83	88	88
School administrative services	33	33	33	34	34	28	40
General and business administrative services	24	20	20	20	20	20	23
Plant operations and maintenance	74	69	69	69	69	64	65
Pupil transportation	64	73	73	73	73	62	63
Total	<u>644</u>	<u>636</u>	<u>632</u>	<u>636</u>	<u>636</u>	<u>599</u>	<u>637</u>

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

Source: District Personnel Records

ROXBURY TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST EIGHT FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment ^d	Operating Expenditures ^a	Cost Per Pupil ^b	Percentage Change	Teaching Staff ^c	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^d	Average Daily Attendance (ADA) ^d	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2005	4,544	\$ 58,601,604	\$ 12,896	5.87 %	431	1:12.9	1:13.3	1:11.4	4,544	4,304	-0.89 %	94.72 %
2006	4,479	61,266,506	13,679	6.06 %	489	1:12.4	1:12.5	1:10.9	4,479	4,269	-1.43 %	95.31 %
2007	4,481	65,309,329	14,575	6.55 %	534	1:12.6	1:12.6	1:10.9	4,481	4,299	0.04 %	95.94 %
2008	4,396	69,658,811	15,846	8.72 %	535	1:12.7	1:12.3	1:11.2	4,396	4,238	-1.90 %	96.41 %
2009	4,361	68,858,070	15,790	-0.36 %	534	1:12.4	1:11.8	1:11.7	4,361	4,194	-0.80 %	96.17 %
2010	4,267	69,290,307	16,239	2.84 %	534	12:04.0	1:11.8	1:11.7	4,267	4,106	-2.16 %	96.23 %
2011	4,143	68,627,440	16,565	2.01 %	479	12:02.0	1:10.4	1:10.9	4,143	3,975	-2.91 %	95.94 %
2012	4,019	68,085,002	16,941	2.27 %	483	12:01.8	1:10.3	1:10.6	4,019	3,868	-2.99 %	96.24 %

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

^b The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost per Pupil may be different from other Cost per Pupil calculations.

^c Teaching staff includes only full-time equivalents of certificated staff.

^d Enrollment, average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

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

Sources: Roxbury Township School District records

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST EIGHT FISCAL YEARS
UNAUDITED

<u>District Buildings</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Roosevelt / Lincoln Intermediate School								
Square Feet	119,550	119,550	119,550	119,550	119,550	119,550	119,550	119,550
Capacity (students)	831	831	831	831	831	831	831	831
Enrollment	685	653	654	634	634	634	634	634
Nixon Elementary School								
Square Feet	50,890	50,890	50,890	50,890	50,890	50,890	50,890	50,890
Capacity (students)	464	464	464	464	464	464	464	464
Enrollment	369	391	367	350	350	350	350	350
Kennedy Elementary School								
Square Feet	46,970	46,970	46,970	46,970	46,970	46,970	46,970	46,970
Capacity (students)	426	426	426	426	426	426	426	426
Enrollment	389	365	355	318	318	318	318	318
Jefferson Elementary School								
Square Feet	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050
Capacity (students)	614	614	614	614	614	614	614	614
Enrollment	474	454	500	480	480	480	480	480
Franklin Elementary School								
Square Feet	47,260	47,260	47,260	47,260	47,260	47,260	47,260	47,260
Capacity (students)	482	482	482	482	482	482	482	482
Enrollment	370	378	376	362	362	362	362	362
Eisenhower Middle School								
Square Feet	105,840	105,840	105,840	105,840	105,840	105,840	105,840	105,840
Capacity (students)	864	864	864	864	864	864	864	864
Enrollment	698	730	711	674	674	674	674	674
Roxbury High School								
Square Feet	281,740	281,740	281,740	281,740	281,740	281,740	281,740	281,740
Capacity (students)	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968
Enrollment	1,493	1,508	1,524	578	578	578	578	578
Central Administration								
Square Feet	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Special Education Building								
Square Feet	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Number of Schools at June 30, 2012								
Elementary = 5								
Middle School = 1								
High School = 1								
Other = 2								

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

Source: Roxbury Township School District Facilities Office

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities
11-000-261-xxx

Fiscal Year Ended June 30,	Roosevelt / Lincoln Intermediate School	Nixon Elementary School	Kennedy Elementary School	Jefferson Elementary School	Franklin Elementary School	Eisenhower Middle School	Roxbury High School	Total
2003	\$ 97,190	\$ 67,368	\$ 35,172	\$ 42,668	\$ 37,306	\$ 139,630	\$ 321,099	\$ 740,433
2004	84,016	52,072	47,851	55,152	50,621	125,975	293,176	708,863
2005	91,719	54,143	52,145	61,327	56,454	131,600	359,068	806,456
2006	207,115	39,572	59,297	50,608	48,594	143,511	448,098	996,795
2007	159,085	68,510	63,233	63,340	63,098	142,486	379,289	939,041
2008	182,846	78,743	72,677	72,801	72,522	163,353	434,835	1,077,777
2009	187,382	80,696	74,480	74,607	74,322	167,830	446,755	1,106,072
2010	170,693	73,509	67,847	67,962	67,702	152,882	406,964	1,007,559
2011	172,587	70,050	75,362	65,523	73,321	152,280	406,082	1,015,205
2012	213,665	91,350	86,414	84,699	85,935	191,555	509,414	1,263,032

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

Source: Roxbury Township School District records

Exhibit J-20

ROXBURY TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2012
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Leaders Professional Liability - National Union Fire Insurance Company	\$ 2,000,000	\$ 15,000
Public Official Bonds:		
Treasurer	290,000	
School Board Secretary/Business Administrator	290,000	
Assistant Business Administrator	290,000	
Employee Theft - Per Employee	100,000	1,000
Employee Theft - Per Loss	600,000	100,000
Forgery or Alteration	600,000	6,000
Commercial Property - Selective Insurance:		
Blanket Building and Business Personal Property of Insured	150,511,825	1,000
Commercial General Liability:		
General Aggregate	2,000,000	
Products Aggregate	2,000,000	
Personal and Advertising Injury	1,000,000	
Each Occurrence Limit	1,000,000	
Umbrella - Selective Insurance	15,000,000	
Workers Compensation - Selective Insurance	1,000,000	
Business Automobile Coverage - Selective Insurance	1,000,000	
Storage Tank Systems - Zurich Insurance:		
Each Occurrence Limit	1,000,000	
Annual Aggregate	2,000,000	
Abuse or Molestation Liability - Selective Insurance:		
Each Occurrence Limit	1,000,000	
Annual Aggregate	2,000,000	
Inland Marine - Selective Insurance:		
Cameras, Projectors and Related Equipment	805,402	500
Contractors Equipment	164,288	500
Miscellaneous Property	627,971	500
Computer Coverage	2,163,940	500
Musical Instruments and Related Equipment	531,953	500
Valuable Papers and Records	725,000	500
Money and Securities - Selective Insurance:		
Inside Premises	5,000	
Outside Premises	5,000	
Travel Accident Policy for BOE - Life Ins. Co. of North America		
Accidental Death & Dismemberment:		
Class 1	100,000	
Class 2 & 3	50,000	
Total Limit of Liability per Accident	750,000	

Source: Roxbury Township School District records.

SINGLE AUDIT SECTION



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax
 Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance
 and Other Matters Based on an Audit of Financial Statements Performed in Accordance
 with Government Auditing Standards

The Honorable President and Members
 of the Board of Education
 The Roxbury Township School District
 County of Morris, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Roxbury Township School District, in the County of Morris (the "Board") as of, and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements and have issued our report thereon dated October 12, 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department").

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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.

The Honorable President and Members
of the Board of Education
The Roxbury Township School District
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. However, we noted certain matters which we reported to management in the *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance*.

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

October 12, 2012
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant



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Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB's Circular 04-04

The Honorable President and Members
 of the Board of Education
 Roxbury Township School District
 County of Morris, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Roxbury Township School District in the County of Morris (the "Board") 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 that could have a direct and material effect on each of the Board's major federal and state programs for the fiscal year ended June 30, 2012. The Board's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal and state programs is the responsibility of the Board's management. Our responsibility is to express an opinion on the Board'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; audit requirements prescribed by the Division of Office of School Finance, Department of Education, State of New Jersey (the "Department"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*; and Federal Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards, Federal OMB Circular A-133, and New Jersey OMB's Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Board'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 Board's compliance with those requirements.

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

The Honorable President and Members
of the Board of Education
Roxbury Township School District
Page 2

Internal Control Over Compliance

The management of the Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state and federal programs. In planning and performing our audit, we considered the Board's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our 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 the *New Jersey State Aid/ Grant Compliance Supplement*, but not for the purpose of expressing our opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board'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.

This report is intended solely for the information and use of management, the members of the Board of Education, and to meet the requirements for filing with 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.

October 12, 2012
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance Deferred Revenue/ (Accounts Receivable) June 30, 2011	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Deferred Revenue June 30, 2012	(Accounts Receivable) June 30, 2012	Due to Grantor June 30, 2012
U.S. Department of Agriculture - Passed-through State Department of Education:												
Child Nutrition Cluster:												
Food Distribution Program	10.555	N/A	7/1/11-6/30/12	\$ 26,447			\$ 26,447	\$ (26,447)				
National School Lunch Program	10.555	N/A	7/1/11-6/30/12	223,537			209,013	(223,537)			\$ (14,524)	
National School Lunch Program	10.555	N/A	7/1/10-6/30/11	205,770	\$ (14,079)		14,079					
Total Child Nutrition Cluster					(14,079)		249,539	(249,984)			(14,524)	
Total U.S. Department of Agriculture					(14,079)		249,539	(249,984)			(14,524)	
General Fund:												
U.S. Department of Health and Human Services:												
Medical Assistance Program	93.778	N/A	7/1/11-6/30/12	9,983			9,983	(9,983)				
U.S. Department of Education - Passed-through State Department of Education:												
Education Jobs Fund	84.410	N/A	8/1/10-9/30/12	505,232	(9,919)		488,945	(479,026)				
Total General Fund					(9,919)		498,928	(489,009)				
U.S. Department of Education - Passed-through State Department of Education:												
No Child Left Behind:												
Title I	84.010	NCLB-4560-12	9/1/11-8/31/12	109,341			62,366	(88,963)			(26,597)	
Title I Carryover	84.010	NCLB-4560-11	9/1/10-8/31/11	117,586	(35,148)		48,566	(13,418)				
Title I Carryover	84.010	NCLB-4560-10	9/1/09-8/31/11	84,763	(16,874)		16,874					
Title II A	84.367A	NCLB-4560-12	9/1/11-8/31/12	84,349			65,718	(70,583)			(4,865)	
Title II A Carryover	84.367A	NCLB-4560-11	9/1/10-8/31/11	95,153	(20,334)		24,815	(4,481)				
Title II A Carryover	84.367A	NCLB-4560-10	9/1/09-8/31/11	91,137	(29,241)		29,241					
Title II D Carryover	84.318	NCLB-4560-11	9/1/10-8/31/11	239			56	(56)				
Title II D Carryover	84.318	NCLB-4560-10	9/1/09-8/31/11	854	(55)		55					
Title III	84.365	NCLB-4560-12	9/1/11-8/31/12	13,887			12,061	(13,887)			(1,826)	
Title III Carryover	84.365	NCLB-4560-11	9/1/10-8/31/11	17,574	(1,489)		14,570	(13,081)				
Title III Carryover	84.365	NCLB-4560-10	9/1/09-8/31/11	14,726	(235)		235					
Title IV Carryover	84.186	NCLB-4560-09	9/1/08-8/31/10	18,861	(3,759)		3,759					
Total NCLB					(107,135)		278,316	(204,469)			(33,288)	
Special Education Cluster:												
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-4560-12	9/1/11-8/31/12	930,846			802,526	(882,566)			(80,040)	
I.D.E.A. - Part B, Basic Regular Carryover	84.027	IDEA-4560-11	9/1/10-8/31/12	916,064	(52,478)		94,290	(41,812)				
I.D.E.A. - Part B, Basic Regular Carryover	84.027	IDEA-4560-10	9/1/09-8/31/11	933,567	(33,749)		33,749					
ARRA - IDEA, Part B, Basic	84.391	ARRA-4560-10	7/1/09-8/31/11	983,475	(81,381)		192,811	(112,430)				
I.D.E.A. - Part B, Preschool	84.173	IDEA-4560-12	9/1/11-8/31/12	41,057							(36,830)	
I.D.E.A. - Part B, Preschool - Carryover	84.173	IDEA-4560-11	9/1/10-8/31/12	41,149	(2,685)		8,834	(1,259)				\$ 4,890
I.D.E.A. - Part B, Preschool - Carryover	84.173	IDEA-4560-10	9/1/09-8/31/10	40,336	(9,525)		9,525					
ARRA - IDEA, Part B, Preschool	84.392	ARRA-4560-10	9/1/09-8/31/11	35,561			35,561	(35,561)				
I.D.E.A. - Part B, Preschool - Carryover	84.173	IDEA-4560-92	Prior to 1993	N/A	(552)						(552)	
I.D.E.A. - Part B, Preschool - Carryover	84.173	IDEA-4560-92	Prior to 1993	N/A	(105)						(105)	
Total Special Education Cluster					(180,475)		1,178,296	(1,110,458)			(117,527)	4,890
Learn and Serve America	94.004	10-CJ14-D02	9/1/10-8/31/11	14,000	(479)		3,500	(3,021)				
Total Special Revenue Fund					(288,089)		1,460,112	(1,317,948)			(150,815)	
Total U.S. Department of Education					(297,529)		1,460,112	(1,317,948)			(150,815)	4,890
Total Federal Awards					\$ (312,087)	\$ -0-	\$ 2,208,579	\$ (2,056,941)	\$ -0-	\$ -0-	\$ (165,339)	\$ 4,890

N/A - Not Available

ROXBURY TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance Deferred Revenue/ Due to Grantor/ (Accounts Receivable) June 30, 2011	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2012			MEMO		
									GAAP (Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education:														
General Fund:														
Equalization Aid	11-495-034-5120-078	7/1/10-6/30/11	\$ 9,112,740	\$ (888,045)		\$ 888,045							\$ 9,112,740	
Special Education Categorical Aid	11-495-034-5120-089	7/1/10-6/30/11	2,355,061	(229,503)		229,503							2,355,061	
Equalization Aid	12-495-034-5120-078	7/1/11-6/30/12	10,439,970			9,422,427	\$ (10,439,970)				\$ 1,017,543		10,439,970	
Special Education Categorical Aid	12-495-034-5120-089	7/1/11-6/30/12	2,355,061			2,125,523	(2,355,061)				229,538		2,355,061	
Extraordinary Aid for Special Education Costs	11-100-034-5120-473	7/1/10-6/30/11	373,983	(373,983)		373,983							373,983	
Extraordinary Aid for Special Education Costs	12-100-034-5120-473	7/1/11-6/30/12	477,432				(477,432)		\$ (477,432)			477,432	477,432	
Nonpublic Transportation Costs	11-495-034-5120-014	7/1/10-6/30/11	24,391	(24,391)		24,391							24,391	
Nonpublic Transportation Costs	12-495-034-5120-014	7/1/11-6/30/12	20,924				(20,924)		(20,924)			20,924	20,924	
TPAF Social Security Aid	11-495-034-5095-002	7/1/10-6/30/11	2,108,827	(103,859)		103,859							2,108,827	
TPAF Social Security Aid	12-495-034-5095-002	7/1/11-6/30/12	2,054,333			1,953,918	(2,054,333)		(100,415)			100,415	2,054,333	
Anti Bullying Bill of Rights	N/A	7/1/11-6/30/12	780			780	(780)						780	
Total General Fund State Aid				(1,619,781)		15,121,649	(15,348,500)		(598,771)			1,845,852	29,323,502	
Special Revenue Fund:														
NJ Nonpublic Aid:														
Auxiliary Services (Chapter 192):														
Compensatory Education	11-100-034-5120-067	7/1/10-6/30/11	45,213	17,918				\$ (17,918)					27,295	
Compensatory Education	12-100-034-5120-067	7/1/11-6/30/12	43,957			43,957	(24,430)			\$ 19,527			24,430	
English as a Second Language	12-100-034-5120-067	7/1/11-6/30/12	862			862						862		
Transportation	12-100-034-5120-067	7/1/11-6/30/12	21,332			21,332	(19,199)				2,133		19,199	
Handicapped Services (Chapter 193):														
Supplementary Instruction	11-100-034-5120-066	7/1/10-6/30/11	28,488	4,586				(4,586)					23,902	
Supplementary Instruction	12-100-034-5120-066	7/1/11-6/30/12	32,971			32,971	(23,150)			9,821			23,150	
Examination & Classification	11-100-034-5120-066	7/1/10-6/30/11	42,732	6,218				(6,218)					36,514	
Examination & Classification	12-100-034-5120-066	7/1/11-6/30/12	41,378			41,378	(22,906)			18,472			22,906	
Corrective Speech	11-100-034-5120-066	7/1/10-6/30/11	30,276	4,929				(4,929)					25,347	
Corrective Speech	12-100-034-5120-066	7/1/11-6/30/12	38,151			38,151	(31,831)			6,320			31,831	
Textbook Aid (Chapter 194)	11-100-034-5120-064	7/1/10-6/30/11	24,214	1,232				(1,232)					22,982	
Textbook Aid (Chapter 194)	12-100-034-5120-064	7/1/11-6/30/12	19,894			19,894	(17,235)			2,659			17,235	
Nursing Services (Chapter 226)	12-100-034-5120-070	7/1/11-6/30/12	27,649			27,649	(24,884)			2,765			24,884	
Character Education Partnership - Carryover	06-100-034-5120-418	7/1/03-6/30/06	12,135	1,269						\$ 290			11,845	
Character Education Partnership - Carryover	04-100-034-5120-418	7/1/03-6/30/04	12,456	4,289							4,289		8,167	
Character Education Partnership - Carryover	03-100-034-5120-418	7/1/02-6/30/03	12,491	392							392		12,099	
NJ BISEC	N/A	7/1/99-6/30/00	500	90						90			410	
NJ Statewide Systemic Initiative	N/A	7/1/95-6/30/96	1,000	119						119			881	
Vocational Programs:														
Cooperative Marketing Education	N/A	Prior to 1993	N/A	(273)					(273)				273	
Cooperative Office Education	N/A	Prior to 1993	N/A	(2)					(2)				2	
Cooperative Home Economics	N/A	Prior to 1993	N/A	(62)					(62)				62	
Summer Work Study	N/A	Prior to 1993	N/A	(236)					(236)				236	
Word Processing II	N/A	Prior to 1993	N/A	(412)					(412)				412	
Teacher Recognition	N/A	Prior to 1993	N/A	(30)					(30)				30	
Total Special Revenue Fund				40,027		226,194	(164,614)		(34,883)	(1,015)	499	67,240	1,015	339,054
Enterprise Fund:														
State School Lunch Program	11-100-010-3350-023	7/1/10-6/30/11	12,819	(956)		956							12,819	
State School Lunch Program	12-100-010-3350-023	7/1/11-6/30/12	11,820			11,071	(11,820)		\$ (749)			749	11,820	
Total Enterprise Fund				(956)		12,027	(11,820)		(749)			749	24,639	
Total State Awards				\$ (1,580,710)	\$ -0-	\$ 15,359,870	\$ (15,524,934)	\$ (34,883)	\$ (600,535)	\$ 499	\$ 67,240	\$ 1,847,616	\$ 29,687,195	

N/A - Not Available

SEE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Roxbury Township School District under programs of the federal and state governments for the fiscal year ended June 30, 2012. The information in these schedules is presented in accordance with the Federal Office of Management and Budget (OMB), *Audits of States and Local Governments and Non-Profit Organizations* and New Jersey OMB's Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net assets or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported 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. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in federal OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general, special revenue and debt service funds 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 payments for the prior year and for the current budget year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, the current year payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$129,533) for the general fund and \$46,513 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Additionally, the schedule of expenditures of state awards does not include the on-behalf TPAF Pension Contributions and Post Retirement Contributions revenue of \$916,675 and \$1,842,757, respectively. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented on the following page.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(Continued)

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 489,009	\$ 17,978,399	\$ 18,467,408
Special Revenue Fund	1,271,796	164,614	1,436,410
Enterprise Fund	<u>249,984</u>	<u>11,820</u>	<u>261,804</u>
Total Financial Assistance	<u>\$ 2,010,789</u>	<u>\$ 18,154,833</u>	<u>\$ 20,165,622</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the year ended June 30, 2012.

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

Summary of Auditors' Results:

- An unqualified report was issued on the District's financial statements.
- The audit did not disclose any material weaknesses or significant deficiencies in the internal controls of the District.
- The audit did not disclose any noncompliance which is material in relation to the financial statements of the District.
- The audit did not disclose any material weaknesses or significant deficiencies in the internal controls of the District's major federal or state programs.
- An unqualified report was issued on the District's compliance for its major federal and state program requirements.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* and Federal OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*.
- The District's major programs for the current fiscal year consisted of the following federal and state awards:

	<u>Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A., Part B, Basic	84.027	9/1/11-8/31/12	\$ 930,846	\$ 882,566
I.D.E.A., Part B, Basic Carryover	84.027	9/1/10-8/31/12	916,064	41,812
ARRA - I.D.E.A., Part B, Basic	84.391	7/1/09-8/31/11	983,475	112,430
I.D.E.A., Part B, Preschool	84.173	9/1/11-8/31/12	41,057	36,830
I.D.E.A., Part B, Preschool Carryover	84.173	9/1/10-8/31/12	41,149	1,259
ARRA - I.D.E.A., Part B, Preschool	84.392	7/1/09-8/31/11	35,561	35,561
Education Jobs Fund	84.410	8/1/10-9/30/12	505,232	479,026
<u>State:</u>				
Equalization Aid	12-495-034-5120-078	7/1/11-6/30/12	10,439,970	10,439,970
Special Education				
Categorical Aid	12-495-034-5120-089	7/1/11-6/30/12	2,355,061	2,355,061
Extraordinary Aid	12-100-034-5120-473	7/1/11-6/30/12	477,432	477,432

- The threshold for distinguishing Type A and Type B programs was \$300,000 for federal programs and \$465,748 for state programs.
- The District qualified as a "low-risk" auditee for federal and state programs under the provisions of section 530 of the federal Circular.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30,2012
(Continued)

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in section 510(a) of the federal Circular.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in section 510(a) of the federal Circular and New Jersey OMB's Circular 04-04.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

Status of Prior Year Findings:

The District had no prior year audit findings.