

**ALEXANDRIA TOWNSHIP**  
**BOARD OF EDUCATION**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**OF THE**

**ALEXANDRIA TOWNSHIP BOARD OF EDUCATION  
ALEXANDRIA TOWNSHIP, NEW JERSEY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**Prepared by**

**ALEXANDRIA TOWNSHIP BOARD OF EDUCATION  
DEPARTMENT OF ADMINISTRATION**

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## INTRODUCTORY SECTION

# ALEXANDRIA TOWNSHIP BOARD OF EDUCATION

2.0

*"Honoring Our Past, Celebrating Our Present, Creating Our Future"*

Arthur C. Pfefferle, Sr. Wing

557 County Road 513

Pittstown, New Jersey 08867

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Scott A. Saccal, President  
Peter P. Pfreundschuh, Vice President

Barbara E. Prowker  
School Business Administrator/Board Secretary  
prowker@alexandriaschools.org

August 31, 2013

Honorable President and  
Members of the Board of Education  
Alexandria Township  
County of Hunterdon, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Alexandria Township Board of Education for the fiscal year ending June 30, 2013 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with the management of the Board of Education.

To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

School districts publish a comprehensive annual financial report (CAFR). A CAFR is the District's official annual financial report, containing the basic financial statements as well as introductory material; additional statements and schedules; and other financial, economic, and demographic information.

Basically the CAFR contains these three sections: introductory, financial, and the statistical sections. The contents of these three sections include:

- Introductory section, including a letter of transmittal
- Financial section, which includes the auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, required supplemental information (RSI), combining and individual fund financial statements and schedules
- Statistical section

The introductory section is the CAFR's first major section. As the name implies, this section introduces the reader to the CAFR. It includes the following:

- Cover
- Title Page
- Table of Contents
- Transmittal Letter
- Listing of Board Members and Administrators
- Organizational Chart

The financial section consists of the MD&A, the auditor's report, the basic financial statements including notes to the financial statements, RSI, and the combining and individual fund statements.

The CAFR's last section is the statistical section, which presents comparative data for several periods of time.

School districts must prepare financial statements in accordance with the provision of GASB Statement No. 34.

A. REPORTING ENTITY AND ITS SERVICES: The Alexandria Township Board of Education is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by the National Council on Governmental Accounting Statement No. 3. All funds and account groups of the District are included in this report. The Alexandria Township Board of Education and its two schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through 8. These include regular, as well as special education services. Accelerated programs, enrichment opportunities for all students, and self-contained multiple disabilities program in the Alexandria Middle School.

The District also offers an integrated preschool program at the Lester D. Wilson School. This program generates tuition revenue for each regular education preschool student at \$5,000 per student for a full day 10 month program. Transportation for these students is the responsibility of the parents.

The Board of Education authorized the submission of the New Jersey Interdistrict Public School Choice Program application on October 20, 2010. In April 2011 the District received notice that we were chosen to participate in the school choice program commencing with the 2011-12 school year. The District receives Choice Aid for each student received.

District enrollment as of June 30, 2013, was 560 students, a decrease of 3 students, or .5 percent below its enrollment of one year earlier.

B. ALEXANDRIA MIDDLE SCHOOL EXPANSION PROJECT:

On September 25, 2001, the voters approved a \$6,541,000 referendum for an expansion and renovation project at the Alexandria Middle School by a margin of 471 to 446.

Of the \$6,541,000, under the Educational Facilities Construction and Financing Act, a State grant in the amount of \$1,585,988 was received throughout the life of the project as certain milestones were met.

The Board of Education, on June 10, 2002, authorized the sale of \$4,955,000 in registered School Bonds that would mature in the principal amounts on July 15, 2004, and each July 15 through 2017.

Interest payments commenced on January 15, 2003, and were due each January 15 and July 15 through 2017.

On November 23, 2010 the Board of Education determined that the current tax-exempt interest rate environment may enable it to realize going-forward debt service savings for the taxpayers through the issuance by the Board of Refunding School Bonds, Series 2010 to refund all or a portion of its outstanding callable 2002 School bonds in the amount of \$2,595,000 maturing on July 15, 2012 through July 15, 2017.

On February 25, 2011 the Board of Education sold its School Refunding Series 2011. The sale resulted in a debt service savings considerably greater than the three percent (3%) savings minimum requirement by the State. The Bonds were sold at a 4.618% present value savings. The yields on each annual maturity of the Bonds ranged from 0.800% to 2.630%.

Additionally, the Board of Education put \$100,000 of capital reserve funds toward the Refunding of School Bonds to yield a true \$225,383 in gross savings with a present value of \$210,254.

C. LESTER D. WILSON SCHOOL PROJECT

Entrance Vestibule Enhancement: On June 27, 2013 the Alexandria Township Board of Education authorized the Spiegle Architectural Group to submit a security vestibule project for the Lester D. Wilson School as a Grant for a School Facilities Project.

D. QUALITY SINGLE ACCOUNTABILITY CONTINUUM (QSAC): The Quality Single Accountability Continuum is the Department of Education's monitoring and evaluation system for public school districts. The system shifts the monitoring and evaluation focus compliance to assistance, capacity-building and improvement. It is a

single comprehensive accountability system that consolidates federally required improvements. The system focuses on monitoring and evaluating school districts in five key components which, based on research, have been identified to be key factors in effective school districts. These components are:

- Instruction and program;
- Personnel;
- Fiscal management;
- Operations; and
- Governance.

Pursuant to the requirements of N.J.A.C. 6A:30, the District submitted the QSAC district performance review (DPR) in November 2012. Based on that performance review following are the results, including county office verification of the District's self-assessment:

• Instruction and program	91%
• Fiscal management	100%
• Operations	95%
• Personnel	100%
• Governance	100%

Based on that performance review in which the District satisfied at least 80% of the QSAC indicators in all five DPR areas, the District has been designated as high performing.

On March 6, 2013, the State Board of Education certified the District for a period of three years as providing a thorough and efficient education, in accordance with N.J.S.A. 18A:7A-14.

E. INTERNAL ACCOUNTING CONTROLS: The 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.

The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of Federal and State financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with

applicable laws and regulations related to those programs. Annual evaluations of the District's internal control structures validate the effectiveness of these oversight entities.

F. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to insure 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 for the Debt Service Fund.

G. ACCOUNTING SYSTEM AND REPORT: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board. The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements".

H. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

I. CASH MANAGEMENT: The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statements". 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 (GUPA). GUPA was enacted in 1970 to protect Governmental Units from 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.

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

K. OTHER INFORMATION: Independent Audit – State statutes require an annual audit by an independent certified public accountant or registered municipal accountant. The accounting firm of William M. Colantano, Jr., Certified Public Accountant was appointed by the Board of Education to conduct the annual audit. In addition to meeting the requirements set forth in State statutes, the audit is also designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and State Treasury Circulate Letter 04-04 OMB, and GASB Statement No. 34. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

L. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Alexandria Township 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.

Respectfully submitted,

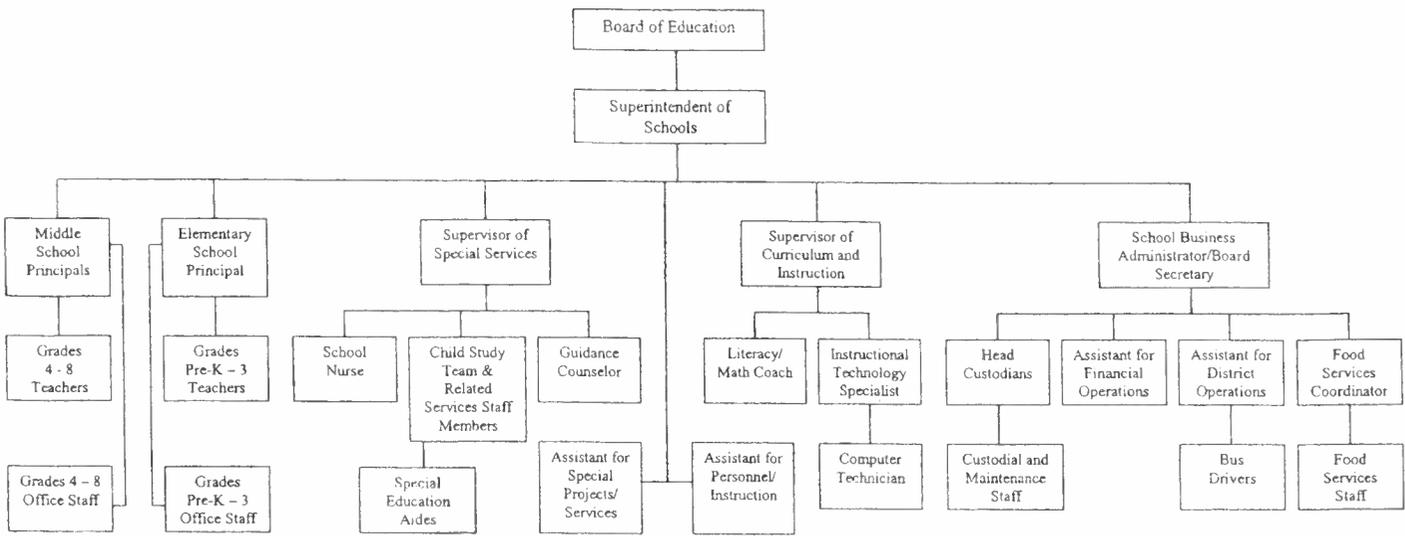


Matthew J. Jennings, Ed. D.  
Superintendent



Barbara E. Prowker  
School Business Administrator/  
Board Secretary

## 1110 ORGANIZATIONAL CHART



Adopted: 25 June 2009



**ALEXANDRIA TOWNSHIP BOARD OF EDUCATION  
PITTSTOWN, NEW JERSEY**

**Roster of Officials  
June 30, 2013**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Linda Adams	2014
Elizabeth A. Kelly	2014
Douglas E. Linden, Jr.	2015
Patrick D. McGuinness	2015
Joan M. Monaco	2013
Peter P. Pfreundschuh, Vice President	2013
Scott A. Saccal, President	2013
Shawn J. Shapiro	2015
Brian P. Walsh	2014

**Other Officials**

Matthew J. Jennings	Superintendent of Schools
Barbara E. Prowker	School Business Administrator/ Board Secretary
Ellen Kluber	Treasurer

**ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
CONSULTANTS AND ADVISORS**

**Audit Firm**

William M. Colantano, Jr., CPA  
100 Route 31 North  
Washington, New Jersey 07882-1530

**Architect**

Spiezle Group, Inc.  
120 Sanhican Drive  
Trenton, New Jersey 08618

**Attorneys**

Adams, Stern, Gutierrez & Lattiboudere, LLC  
1037 Raymond Blvd  
Suite 900  
Newark, NJ 07102

**Official Depository**

Investors Savings Bank  
555 Old Highway 22  
Clinton, NJ 08809

**FINANCIAL SECTION**

Certified Public Accountant  
Public School Accountant  
Registered Municipal Accountant

100 Route 31 North  
Washington, NJ 07882 - 1530  
Fax # (908) 689-8388  
(908) 689-5002

## INDEPENDENT AUDITOR'S REPORT

August 31, 2013

Honorable President and  
Members of the Board of Education  
Alexandria Township School District  
County of Hunterdon, New Jersey

### **Report on the Financial Statements**

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 Alexandria Township School District (the District) in the County of Hunterdon, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## 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 District, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information identified in the table of contents 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.

### Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the schedule of state financial assistance as required by NJ OMB 04-04 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the schedule of and the schedule of state financial assistance as required by NJ OMB 04-04 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the schedule of state financial assistance as required by NJ OMB 04-04 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject 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.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated August 31, 2013 on our consideration of the 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

  
William M. Colantano, Jr.  
Public School Accountant  
No. CS 0128

**REQUIRED SUPPLEMENTARY INFORMATION-PART I**

**Alexandria Township School District  
Alexandria Township**

**Management's Discussion and Analysis  
For The Fiscal Year Ended June 30, 2013  
Unaudited**

This section of the Alexandria 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, 2013. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

\*In total, net position increased \$164,725, which represents a 2.09 percent increase from 2012.

\*General revenues accounted for \$10,657,509 in revenue or 94.72 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions for \$593,875 or 5.28 percent to total revenues of \$11,251,384.

\*Total assets of governmental activities decreased by \$264,042 as cash and cash equivalents increased by \$130,208, receivables decreased by \$111,864 and capital assets decreased by \$282,386.

\*The School District had \$11,086,659 in expenses; only \$593,875 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$10,657,509 were adequate to provide for these programs.

\*Among major funds, the General Fund had \$10,397,805 in revenues and \$10,430,497 in expenditures. After accounting for net transfers out of \$22,308 the General Fund's balance decreased \$55,000 over 2012.

**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 businesses such as food services.

\***Fiduciary funds** statements provide information about the financial relationships in which the District acts as a trustee or agent for the benefit of others, such as student activities.

### 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 position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how they have changed. Net position – 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 position are an indicator of whether its financial position is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base, the condition of school buildings and other facilities, current laws in New Jersey restricting revenue growth, and required educational programs.

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 instruction, special education, support services, operation and maintenance of plant facilities, pupil transportation, administration, and extracurricular activities.

\***Business-type activities:** This service is provided on a charge for goods and services basis to cover the costs of certain services it provides. The food service is reported as business activity.

## Reporting the School District's Most Significant Funds

### Fund Financial Statements

The fund financial statements provide more detailed information about the District's fund, focusing on its most significant funds. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. The School District uses many funds to account for a multitude of financial transactions. Some funds are required by State law while the District establishes other funds to control and manage money for particular purposes such as repaying long-term debts and to show that it is properly using certain revenues such as federal grants.

The District has three kinds of funds:

**\*Governmental funds:** Most of the District's basic services are included in government funds, which focus on how money flows into and out of those funds and the balances left at the year-end that are available for spending. The government funds statements provide a detailed short-term view that helps you determine whether there are more or fewer resources that can be spent in the future to finance the District's programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and Statement of Activities) and governmental funds is reconciled in the financial statements.

**\*Enterprise funds:** The District's enterprise funds are the same as its business-type activities but provide more detail and additional information.

**\*Fiduciary funds:** The District is the trustee, or fiduciary, for assets that belong to others, such as 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 assets to finance its operations.

### Financial Analysis of the District as a Whole

The Statement of Net Position provides the perspectives of the District as a whole, showing assets, liabilities, and the difference between them (net position). Net position may serve over time as a useful indicator of a district's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

## ALEXANDRIA TOWNSHIP SCHOOL DISTRICT

Table 1 provides a summary of the District's net position at 6/30/13 with comparisons to 6/30/12

**Table 1**  
**Net Position**

	6/30/13	6/30/12	Variance	
			Dollars	%
Current & Other Assets	\$ 815,488	\$ 795,504	\$ 19,984	2.51
Capital Assets	9,777,275	10,042,281	(265,006)	(2.64)
Total Assets	<u>10,592,763</u>	<u>10,837,785</u>	<u>(245,022)</u>	<u>(2.26)</u>
Long-Term Liabilities	2,373,383	2,822,593	(449,210)	(15.91)
Other Liabilities	184,666	145,203	39,463	27.18
Total Liabilities	<u>2,558,049</u>	<u>2,967,796</u>	<u>(409,747)</u>	<u>(13.81)</u>
Net Position				
Net Investment in Capital Assets	7,697,275	7,592,281	104,994	1.38
Restricted	399,981	238,091	161,890	68.00
Unrestricted	(62,542)	39,617	(102,159)	(257.87)
Total Net Position	<u>\$ 8,034,714</u>	<u>\$ 7,869,989</u>	<u>\$ 164,725</u>	<u>2.09</u>

## ALEXANDRIA TOWNSHIP SCHOOL DISTRICT

Table 2 provides a summary of the District's changes in net position in fiscal year 2013 with comparisons to 2012

**Table 2**  
**Changes in Net Position**

	Fiscal Year Ending		Variance	
	6/30/13	6/30/12	Dollars	%
Revenues				
Program Revenues:				
Charges for Services	\$ 326,827	\$ 197,595	\$ 129,232	65.40
Operating Grants	267,048	252,289	14,759	5.85
General Revenues:				
Property Taxes	7,944,964	7,760,088	184,876	2.38
Unrestricted Grants	2,702,441	2,678,027	24,414	0.91
Other	10,104	38,380	(28,276)	(73.67)
Total Revenues	<u>11,251,384</u>	<u>10,926,379</u>	<u>325,005</u>	2.97
Program Expenses				
Instruction:				
Regular	4,690,541	4,376,757	313,784	7.17
Special	1,619,256	1,657,546	(38,290)	(2.31)
Other	69,916	59,418	10,498	17.67
Support Services:				
Tuition	16,810	48,400	(31,590)	(65.27)
Student & Instructional Staff	1,991,621	1,944,408	47,213	2.43
General & Business Administration	694,724	730,177	(35,453)	(4.86)
School Administration	446,206	432,326	13,880	3.21
Maintenance	916,043	900,618	15,425	1.71
Transportation	438,223	453,349	(15,126)	(3.34)
Food Service	134,197	139,171	(4,974)	(3.57)
Interest on Long-Term Debt	69,122	89,603	(20,481)	(14.72)
Total Expenses	<u>11,086,659</u>	<u>10,831,773</u>	<u>254,886</u>	2.35
Increase (Decrease) in Net Position	<u>\$ 164,725</u>	<u>\$ 94,606</u>	<u>\$ 70,119</u>	74.12

### Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the school district operations. Property taxes made up 71.43 percent of revenues for governmental activities for the Alexandria Township School District for the fiscal year 2013. The district's total governmental revenues on a district wide basis were \$11,121,314 for the year ended June 30, 2013.

The total cost of all governmental expenses and services on a district wide basis was \$11,122,677.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student.

Pupils and instructional staff include activities involved with assisting staff with the content and process of teaching to students.

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

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

Curriculum and staff development includes expenses related to planning, research, development, and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

Extracurricular activities includes expenses related to student activities provided by the school district which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment, and skill improvement.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

## ALEXANDRIA TOWNSHIP SCHOOL DISTRICT

Table 3 provides a summary of the School District's cost of governmental services in 2013 and 2012.

**Table 3**  
**Cost of Governmental Services**

	Total Cost of Services		Net Cost of Services	
	6/30/13	6/30/12	6/30/13	6/30/12
Instruction	\$ 6,379,713	\$ 6,093,721	\$ 5,975,518	\$ 5,875,618
Support Services:				
Tuition	16,810	48,400	16,810	29,848
Student & Instructional Staff	1,991,621	1,944,408	1,945,012	1,861,399
General & Business Administration	694,724	730,177	694,724	730,177
School Administration	446,206	432,326	446,206	432,326
Plant Operations & Maintenance	916,043	900,618	903,003	900,618
Pupil Transportation	438,223	453,349	438,223	453,349
Food Service	134,197	139,171	4,166	8,951
Interest on Long-Term Debt	69,122	89,603	69,122	89,603
Total Expenses	<u>\$ 11,086,659</u>	<u>\$ 10,831,773</u>	<u>\$ 10,492,784</u>	<u>\$ 10,381,889</u>

## ALEXANDRIA TOWNSHIP SCHOOL DISTRICT

Table 4 provides a summary of the School District's capital assets net of depreciation at 6/30/13 with comparisons to 6/30/12

**Table 4**  
**Capital Assets at Year-end**  
**(Net of Depreciation)**

	6/30/13	6/30/12	Variance	
			Dollars	%
Land	\$ 155,364	\$ 155,364		
Land Improvements	204,304	242,048	\$ (37,744)	(15.59)
Buildings & Improvements	9,175,152	9,401,419	(226,267)	(2.41)
Furniture & Equipment	242,455	243,450	(995)	(0.41)
Total	<u>\$ 9,777,275</u>	<u>\$ 10,042,281</u>	<u>\$ (265,006)</u>	(2.64)

## ALEXANDRIA TOWNSHIP SCHOOL DISTRICT

Table 5 provides a summary of the District's outstanding debt at 6/30/13 with comparisons to 6/30/12

**Table 5**  
**Outstanding Debt at Year-end**

	6/30/13	6/30/12	Variance	
			Dollars	%
General Obligation Bonds	\$ 2,080,000	\$ 2,450,000	(370,000)	(15.10)
Compensated Absences	193,162	247,575	(54,413)	(21.98)
Unamortized Bond Premiums	100,221	125,018	(24,797)	(19.83)
	<u>\$ 2,373,383</u>	<u>\$ 2,822,593</u>	<u>\$ (449,210)</u>	(15.91)

### **The School District's Funds**

All governmental funds, General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund, presented in the fund-bases statements are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$11,121,314 and expenditures were \$11,122,677. After accounting for other financing uses of \$22,308 the net change in fund balance for the year was a decrease of \$23,671.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

### **General Fund Budgeting Highlights**

The Alexandria Township School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

Budgets are prepared in December/January with revenue information made available in February/March and a public vote on the school district budget, if necessary, in November. The fiscal year runs from July 1 through June 30. Changes occur over that 18-month period.

Unanticipated shifts in enrollment, staffing needs, students requiring special services, uncertain energy costs, and unfunded programs are often mandated after a budget is adopted.

The District builds a budget to meet the needs of its students based on the information and projections that are available during the budget cycle.

During the course of the 2013 fiscal year, the District amended its General Fund Budget by transferring funds as needed to prevent over-expenditures in specific line item accounts and to respond to a reduction in state aid.

### **Capital Assets**

At the end of the fiscal year 2013, the District had \$9,777,275 invested in land, buildings, furniture, equipment, construction in progress, and vehicles, net of accumulated depreciation.

### **Factors Bearing on the District's Future**

The Alexandria Township School District is in good financial condition although at the time these financial statements were prepared and audited, the District was not aware of existing circumstances that could affect its financial health in the future.

A concern is with the increased reliance on local property taxes to support the District's programs. Additionally, health benefit costs are rising in the double digits. Future finances are not without challenges.

On January 26, 2012 the Alexandria Township Board of Education passed a resolution to eliminate the vote on the annual budget and to move the election of school board members to the general election in November. P.L. 2011, Chapter 202 legislation provides districts this option. This eliminates the vote on the annual school budget which shall be within the statutory cap and becomes effective for the 2012-13 budget.

Alexandria Township is primarily a residential community, with very few ratables; thus the burden is focused on homeowners to bear the tax burden.

New Jersey school districts have no taxing authority. Municipalities collect all property taxes for their respective communities and pay over to the other government agencies what is collected on their behalf. The municipalities pay over to the school districts the exact amount approved by the voters or, in the case of a budget defeat, the amount agreed to by the municipalities and Board of Education.

In conclusion, the Alexandria Township School District has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The District plans to continue its sound fiscal management to meet the challenge of the future.

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

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Business Administrator/Board Secretary at Alexandria Township Board of Education, 557 County Road 513, Pittstown, NJ 08867.

**BASIC FINANCIAL STATEMENTS**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2013

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 264,443	\$ 2,698	\$ 267,141
Receivables, Net	142,430	1,058	143,488
Inventory		4,878	4,878
Restricted Assets:			
Capital Reserve Account-Cash	236,488		236,488
Maintenance Reserve Account-Cash	132,160		132,160
Debt Service Fund Cash	31,333		31,333
Capital Assets, Net (Note 4)			
Land	155,364		155,364
Other Capital Assets, Net of Depreciation	9,552,920	68,991	9,621,911
Total Assets	<u>10,515,138</u>	<u>77,625</u>	<u>10,592,763</u>
<b>LIABILITIES</b>			
Accounts Payable	111,654		111,654
Due to Other Funds		4,841	4,841
Accrued Interest	36,369		36,369
Deferred Revenue	29,383	2,419	31,802
Long-Term Liabilities (Note 5):			
Due Within One Year	423,597		423,597
Due Beyond One Year	1,949,786		1,949,786
Total Liabilities	<u>2,550,789</u>	<u>7,260</u>	<u>2,558,049</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	7,628,284	68,991	7,697,275
Restricted For:			
Debt Service	31,333		31,333
Capital Reserve	236,488		236,488
Maintenance Reserve	132,160		132,160
Unrestricted	<u>(63,916)</u>	<u>1,374</u>	<u>(62,542)</u>
<b>TOTAL NET POSITION</b>	<u>\$ 7,964,349</u>	<u>\$ 70,365</u>	<u>\$ 8,034,714</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Government Activities:								
Instruction:								
Regular	\$ 3,397,216	\$ 1,293,325	\$ 207,069	\$ 61,610		\$ 4,421,862		\$ 4,421,862
Special Education	1,009,337	394,741		122,941		1,281,137		1,281,137
Other Special Instruction	99,109	116,069		10,595		204,583		204,583
Other Instruction	66,367	3,549	1,980			67,936		67,936
Support Services:								
Tuition	16,810					16,810		16,810
Students & Instruction Related Services	1,477,494	514,127	2,625	43,984		1,945,012		1,945,012
General & Business Administrative Services	533,464	161,260				694,724		694,724
School Administrative Services	304,325	141,881				446,206		446,206
Plant Operations & Maintenance	809,261	106,782	13,040			903,003		903,003
Pupil Transportation	433,250	4,973				438,223		438,223
Interest on Long-Term Debt	69,122					69,122		69,122
Total Government Activities	<u>8,215,755</u>	<u>2,736,707</u>	<u>224,714</u>	<u>239,130</u>	<u>\$ -</u>	<u>10,488,618</u>	<u>\$ -</u>	<u>10,488,618</u>
Business-Type Activities:								
Food Service	134,197		102,113	27,918			(4,166)	(4,166)
Total Business-Type Activities	<u>134,197</u>	<u>-</u>	<u>102,113</u>	<u>27,918</u>	<u>-</u>	<u>-</u>	<u>(4,166)</u>	<u>(4,166)</u>
Total Primary Government	<u>\$ 8,349,952</u>	<u>\$ 2,736,707</u>	<u>\$ 326,827</u>	<u>\$ 267,048</u>	<u>\$ -</u>	<u>10,488,618</u>	<u>(4,166)</u>	<u>10,492,784</u>
			General Revenues & Transfers					
			Property Taxes Levied for General Purposes			7,460,585		7,460,585
			Property Taxes Levied for Debt Service			484,379		484,379
			State Aid Not Restricted			2,702,441		2,702,441
			Investment Earnings			6,389	39	6,428
			Miscellaneous Income			3,676		3,676
			Operating Transfers			(22,308)	22,308	
			Total General Revenues & Transfers			<u>10,635,162</u>	<u>22,347</u>	<u>10,657,509</u>
			Change in Net Position			146,544	18,181	164,725
			Net Position-Beginning			7,817,805	52,184	7,869,989
			Net Position-Ending			<u>\$ 7,964,349</u>	<u>\$ 70,365</u>	<u>\$ 8,034,714</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

## **FUND FINANCIAL STATEMENTS**

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

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Govern- mental Funds
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 258,777	\$ 5,666		\$ 31,333	\$ 295,776
Receivables from Other Governments:					
Federal		68,300			68,300
State	72,880				72,880
Other Receivables	1,250				1,250
Due from Other Funds	50,583				50,583
Restricted Cash & Equivalents	368,648				368,648
<b>TOTAL ASSETS</b>	<b>\$ 752,138</b>	<b>\$ 73,966</b>	<b>\$ -</b>	<b>\$ 31,333</b>	<b>\$ 857,437</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 102,654	\$ 9,000			\$ 111,654
Due To Other Funds		50,583			50,583
Deferred Revenue	15,000	14,383			29,383
<b>Total Liabilities</b>	<b>117,654</b>	<b>73,966</b>	<b>\$ -</b>	<b>\$ -</b>	<b>191,620</b>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013  
(Continued)

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Govern- mental Funds
LIABILITIES AND FUND BALANCES (Cont'd)					
Fund Balances:					
Restricted Fund Balance:					
Excess Surplus	\$ 30,467				\$ 30,467
Excess Surplus-Designated for Subsequent Year's Expenditures	27,136				27,136
Committed Fund Balance:					
Capital Reserve Account	236,488				236,488
Maintenance Reserve Account	132,160				132,160
Assigned Fund Balance:					
Year-End Encumbrances	58,575				58,575
Designated for Subsequent Year's Expenditures				\$ 31,333	31,333
Unassigned Fund Balance	149,658				149,658
Total Fund Balances	<u>634,484</u>	<u>\$ -</u>	<u>\$ -</u>	<u>31,333</u>	<u>665,817</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 752,138</u>	<u>\$ 73,966</u>	<u>\$ -</u>	<u>\$ 31,333</u>	

Amounts Reported for Governmental Activities in the Statement of Net Assets

(A-1) are Different Because:

Capital assets used in government activities are not financial resources & therefore are not reported in the funds. The cost of the assets is and the accumulated depreciation is

\$ 15,404,101  
5,695,817

9,708,284

Long-term liabilities, including bonds payable, are not due & payable in the current period & therefore are not reported as liabilities in the funds

(2,373,383)

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

(36,369)

Total Net Assets of Governmental Activities

\$ 7,964,349

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Fund
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 7,460,585			\$ 484,379	\$ 7,944,964
Tuition-Individuals	207,069				207,069
Interest Earned on Capital Reserve Funds	561				561
Interest on Investments	5,828				5,828
Miscellaneous	21,321				21,321
<b>Total</b>	<b>7,695,364</b>	<b>\$ -</b>	<b>\$ -</b>	<b>484,379</b>	<b>8,179,743</b>
State Sources	2,702,441				2,702,441
Federal Sources		239,130			239,130
<b>Total Revenues</b>	<b>10,397,805</b>	<b>239,130</b>	<b>-</b>	<b>484,379</b>	<b>11,121,314</b>
<b>EXPENDITURES</b>					
Current :					
Instructional:					
Regular Instruction	3,335,606	61,610			3,397,216
Special Education Instruction	886,396	122,941			1,009,337
Other Special Instruction	88,514	10,595			99,109
Other Instruction	66,367				66,367
Support Service & Undistributed Costs:					
Tuition	16,810				16,810
Student & Instruction Related Services	1,433,510	43,984			1,477,494
General & Business Administrative Services	533,464				533,464
School Administrative Services	304,325				304,325
Plant Operations & Maintenance	809,261				809,261
Pupil Transportation	433,250				433,250
Unallocated Benefits	2,422,802				2,422,802

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Fund
EXPENDITURES (Cont'd)					
Capital Outlay	\$ 85,932				\$ 85,932
Debt Service:					
Principal				\$ 370,000	370,000
Interest & Other Charges	14,260			83,050	97,310
Total Expenditures	<u>10,430,497</u>	<u>\$ 239,130</u>	<u>\$ -</u>	<u>453,050</u>	<u>11,122,677</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(32,692)</u>	<u>-</u>	<u>-</u>	<u>31,329</u>	<u>(1,363)</u>
Other Financing Sources (Uses):					
Operating Transfers Out	<u>(22,308)</u>				<u>(22,308)</u>
Total Other Financing Sources (Uses)	<u>(22,308)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,308)</u>
Net Change in Fund Balance	(55,000)	-	-	31,329	(23,671)
Fund Balances, July 1	<u>689,484</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>689,488</u>
Fund Balances, June 30	<u>\$ 634,484</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,333</u>	<u>\$ 665,817</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Total Net Changes in Fund Balances-Governmental Fund (from B-2) \$ (23,671)

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. This is the amount by which depreciation exceeds capital outlays in the period:

Capital Outlays	\$ 85,932	
Depreciation Expenses	<u>(368,318)</u>	(282,386)

Repayment of debt principal and capital leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and are not reported in the statement of activities:

Debt Principal Payments	370,000
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Governmental funds report the effect of bond issue premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Amortization of Bond Premium	24,797
------------------------------	--------

In the statement of activities, interest on long-term debt is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item.

3,391

In the statement of activities, compensated absences & early retirement benefits 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.

54,413

Change in Net Position of Governmental Activities	<u>\$ 146,544</u>
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ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF FUND NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013

	<u>Food Service Fund</u>
<b>ASSETS</b>	
Current Assets:	
Cash & Cash Equivalents	\$ 2,698
Receivables from Other Governments:	
State	71
Federal	987
Inventory	4,878
Total Current Assets	<u>8,634</u>
Noncurrent Assets:	
Capital Assets	121,296
Less: Accumulated Depreciation	<u>52,305</u>
Total Noncurrent Assets	<u>68,991</u>
Total Assets	<u>77,625</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Due to Other Funds	4,841
Deferred Revenues	<u>2,419</u>
Total Liabilities	<u>7,260</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	68,991
Unrestricted	<u>1,374</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 70,365</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUES EXPENSES, AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 71,095
Daily Sales-Nonreimbursable Programs	31,018
Total Operating Revenues	102,113
Other Expenses:	
Cost of Sales	59,923
Salaries	38,614
Employee Benefits	6,120
Management Fee	7,210
Repairs and Maintenance	2,394
Supplies and Materials	6,456
Insurance	3,616
Other Purchased Services	2,144
Depreciation	6,856
Office Expense	864
Total Operating Expenses	134,197
Operating Income (Loss)	(32,084)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	1,107
Federal Sources:	
National School Lunch Program	16,076
Food Donation Program	10,735
Interest Earned on Investments	39
Total Nonoperating Revenues (Expenses)	27,957
Other Financing Sources:	
Operating Transfer In	22,308
Change in Net Position	18,181
Net Position, Beginning	52,184
Net Position, Ending	\$ 70,365

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 102,113
Payments to Food Service Management Co	(113,242)
Payments to Vendors (Net)	(4,553)
Net Cash Provided by (Used For) Operating Activities	(15,682)
Cash Flows from Non-Capital Financing Activities:	
State Sources	1,116
Federal Sources	16,188
Operating Transfer In	22,308
Net Cash Provided by (Used For) Non-Capital Financing Activities	39,612
Cash Flows from Investing Activities:	
Interest Earned on Investments	39
Net Cash Provided by (Used For) Investing Activities	39
Cash Flows from Capital Financing Activities:	
Acquisition of Equipment	(24,236)
Net Cash Provided by (Used For) Capital Financing Activities	(24,236)
Net Increase (Decrease) in Cash and Cash Equivalents	(267)
Cash and Cash Equivalents, Beginning	2,965
Cash and Cash Equivalents, Ending	\$ 2,698
Reconciliation of Operating Income (Loss) to Net Cash Provide by (Used For)	
Operating Activities:	
Operating Income (Loss)	\$ (32,084)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	6,856
Federal Food Donation Program	11,574
(Increase) Decrease in Inventory	(2,028)
Net Cash Provided by (Used For) Operating Activities	\$ (15,682)

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2013

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund
	<u>          </u>	<u>          </u>	<u>          </u>
ASSETS			
Cash & Cash Equivalents	\$ 79,135	\$ 39,073	\$ 9,888
Due from Other Funds	8,294		4,841
	<u>87,429</u>	<u>\$ 39,073</u>	<u>\$ 14,729</u>
TOTAL ASSETS			
LIABILITIES			
Due to Other Funds			\$ 8,294
Due to Student Groups		\$ 39,073	
Payroll Deductions & Withholdings			6,435
	<u>-</u>	<u>\$ 39,073</u>	<u>\$ 14,729</u>
TOTAL LIABILITIES			
NET POSITION	<u>\$ 87,429</u>		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Unemployment Compensation Fund
ADDITIONS	
Employee Contributions	\$ 18,293
Investment Earnings-Interest	248
Total Additions	<u>18,541</u>
DEDUCTIONS	
Unemployment Claims	<u>9,885</u>
Change in Net Position	8,656
Net Position, Beginning of the Year	<u>78,773</u>
Net Position, End of the Year	<u><u>\$ 87,429</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS**

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The Basic Financial Statements Include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts overall financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting Entity

The District is a Type II district located in the County of Hunterdon, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms. The purpose of the district is to educate students in Grades K-8. The District had an approximate enrollment at June 30, 2013 of 560 students.

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

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

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

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and post employment healthcare benefits, are recorded only when payment is due.

Property taxes, tuition and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted, as they are needed.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment, which are classified in the Capital Outlay sub fund.

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

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

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

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

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

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Additionally, the District reports the following fund types:

Proprietary Fund Types

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

Enterprise Fund - The Enterprise Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. 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; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

All proprietary funds are accounted for on a current financial resources measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

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

Equipment	12 Years
Light Trucks & Vehicles	4 Years
Heavy Trucks & Vehicles	6 Years

Fiduciary Fund Types

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/ or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The following is a description of the Trust and Agency Funds of the District.

Unemployment Compensation Trust Fund - This fund is used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the "Benefit Reimbursement Method."

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Fiduciary Fund Types (Cont'd)

Student Activities Agency Fund – This fund is used to account for funds derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

Payroll Agency Fund – This fund accounts for the withholding and remittance of employee salary deductions.

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

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 are submitted to the county office and, if necessary, are voted upon at the annual school election in November. 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 NJAC 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2013 were insignificant.

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

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

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

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

E. Encumbrances

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

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

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

F. Tuition Receivable

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

G. Tuition Payable

Tuition charges for the fiscal years 2012-2013 and 2011-2012 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-Term Interfund Receivables/Payables

Short-Term Interfund receivables/payables represents 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.

I. Inventories and Prepaid Items

Inventories and prepaid items, 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. The commodities inventory value at balance sheet date is reported as a deferred revenue as title does not pass to the school district until the commodities are used. Prepaid items in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

J. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

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

J. Capital Assets (Cont'd)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements & Portable Classroom	50
Land Improvements	20
Furniture	20
Maintenance Equipment	15
Musical Instruments	10
Athletic Equipment	10
Audio Visual Equipment	10
Office Equipment	5 to 10
Computer Equipment	5 to 10
Vehicle	5

K. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by Governmental Accounting Standards Board statement number 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the balance sheet date for which a payment is probable. Salary related payments for the employer's share of social security and medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the fund financial statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

L. Deferred Revenue

Deferred revenue in the General Fund and Special Revenue Fund represents cash, which has been received but not yet earned. See Note 1 (E) regarding the Special Revenue Fund.

Deferred revenue in the Enterprise Fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the Food Service Fund. Prepaid lunch debit card revenue balances at year-end are also included in deferred revenue.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

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

M. Long-Term Obligations

In the government-wide financial statements and in internal service fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during 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 issuance are reported as other financing uses.

N. Fund Balances-Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable—includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted—includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed—includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned—includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- Unassigned—includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

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

O. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

P. Allocation of Indirect Expenses

Certain expenses, which have not been charged to a specific function in the District's fund financial statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF pension contributions, reimbursed TPAF social security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

**NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES**

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the county, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in NJSA 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent per annum on the first \$1,500 of the delinquency and eighteen percent per annum on any amount in excess of \$1,500. Pursuant to Chapter 75, PL 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent of the amount of the delinquency. These interest and penalties are the highest permitted under the New Jersey statutes. Delinquent taxes are annually included in a tax sale in accordance with New Jersey statutes.

School taxes are guaranteed as to amount of collection by the municipality, the collection agency, and are transmitted to the school district in accordance with the schedule of tax installments as certified by the school district's Board of Education on an annual basis.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

**NOTE 3. DEPOSITS AND CASH EQUIVALENTS AND INVESTMENTS**

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

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

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.

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

Deposits at June 30, 2013 appear in the financial statements as summarized below:

Cash		\$ <u>795,218</u>
	<u>Ref.</u>	
Unrestricted Cash:		
Governmental Funds, Balance Sheet	B-1	\$ 295,776
Enterprise Fund, Statement of Net Position	B-4	2,698
Fiduciary Funds, Statement of Net Position	B-7	128,096
Restricted Cash:		
Governmental Funds, Balance Sheet	B-1	<u>368,648</u>
Total Cash		\$ <u>795,218</u>

Deposits – The District's carrying amount of bank deposits at June 30, 2013 is \$795,218 and the bank balance is \$1,032,738. Of the bank balance, \$250,000 is covered by federal depository insurance and \$782,738 is insured by GUDPA.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

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

Deposit and Investment Risk

GASB Statement No. 40 "Deposit and Investment Risk Disclosures" requires state and local governments to communicate key information about deposit and investment risks. Required disclosures are as follows:

1. Custodial credit risk disclosures are required for:
  - deposits that are uninsured and either (a) uncollateralized or (b) collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the government's name
  - Investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name

As the district has no such investments, this disclosure is not applicable.

2. Credit quality ratings for investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. As the district has no such investments, this disclosure is not applicable.
3. Disclosure of investments by amount and issuer for any issuer that represents five percent of more of total investments. This requirement does not apply to investments issued or explicitly guaranteed by the US government and investments in mutual funds or pools. This disclosure is reported below under Concentration of Credit Risk.
4. Interest rate risk disclosures are required for all debt investments and non-money market like pools. As the district has no such investments, this disclosure is not applicable.
5. Investments that are exposed to foreign currency risk should be disclosed. As the district has no such investments this disclosure is not applicable.

Concentration of Credit Risk

The State of New Jersey does not place any limit on the amount that the district may invest with any one issuer. As of June 30, 2013, the district had no investments.

**NOTE 4. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2013 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets, Not Being				
Depreciated:				
Land	\$ 155,364			\$ 155,364
Total	<u>155,364</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>155,364</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

**NOTE 4. CAPITAL ASSETS (Cont'd)**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets, Being Depreciated:				
Land Improvements	\$ 818,584			\$ 818,584
Building & Improvements	13,683,788	\$ 42,726		13,726,514
Furniture & Equipment	660,433	43,206		703,639
Total	<u>15,162,805</u>	<u>85,932</u>	<u>\$ -0-</u>	<u>15,248,737</u>
Accumulated Depreciation:				
Land Improvements	576,536	37,744		614,280
Building & Improvements	4,282,369	268,993		4,551,362
Furniture & Equipment	468,594	61,581		530,175
Total	<u>5,327,499</u>	<u>368,318</u>	<u>-0-</u>	<u>5,695,817</u>
Total Capital Assets, Being Depreciated, Net	<u>9,835,306</u>	<u>(282,386)</u>	<u>-0-</u>	<u>9,552,920</u>
Governmental Activities Capital Assets, Net	<u>\$ 9,990,670</u>	<u>\$ (282,386)</u>	<u>\$ -0-</u>	<u>\$ 9,708,284</u>
Business-Type Activities:				
Furniture & Equipment	\$ 97,060	\$ 24,236		\$ 121,296
Less: Accum Depreciation	<u>45,449</u>	<u>6,856</u>		<u>52,305</u>
Business-Type Activities Capital Assets, Net	<u>\$ 51,611</u>	<u>\$ 17,380</u>	<u>\$ -0-</u>	<u>\$ 68,991</u>

Depreciation expense was charged to governmental functions in the current year as follows:

Instruction:	
Regular	\$ 181,676
Special Education	53,977
Other Special Instruction	5,300
Co-Curricular Activities	3,549
Support Services:	
Student & Instruction	79,013
General & Business Admin	28,528
School Administration	<u>16,275</u>
Total Depreciation Expense, Governmental Activities	<u>\$ 368,318</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

**NOTE 5. LONG-TERM DEBT**

Long-Term Liability Activity for the Year Ended June 30, 2013 is as Follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds Payable	\$ 2,450,000		\$ 370,000	\$ 2,080,000	\$ 385,000
Unamortized Bond Premium	125,018		24,797	100,221	24,797
Compensated Absences Payable	<u>247,575</u>	<u>\$ 9,189</u>	<u>63,602</u>	<u>193,162</u>	<u>13,800</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 2,822,593</u>	<u>\$ 9,189</u>	<u>\$ 458,399</u>	<u>\$ 2,373,383</u>	<u>\$ 423,597</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2013 including interest payments are listed as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 385,000	\$ 73,575	\$ 458,575
2015	395,000	59,900	454,900
2016	415,000	43,700	458,700
2017	430,000	26,800	456,800
2018	<u>455,000</u>	<u>9,100</u>	<u>464,100</u>
	<u>\$ 2,080,000</u>	<u>\$ 213,075</u>	<u>\$ 2,293,075</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

**NOTE 5. GENERAL LONG-TERM DEBT (Cont'd)**

General Obligation Bonds – General obligation school building bonds payable at June 30, 2013, with their outstanding balances are comprised of the following individual issues:

\$2,450,000 – 2011 refunding school building bonds, interest at 2.00% to 4.00% due in annual installments beginning July 15, 2012 to July 15, 2017	<u>\$ 2,080,000</u>
--	---------------------

The general obligation bonded debt of the District is limited by state law to 3.00% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2013 is \$24,406,356. General obligation debt at June 30, 2013 is \$2,080,000, resulting in a legal debt margin of \$22,326,356.

**NOTE 6. PENSION PLANS**

Description of Systems

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey. The DCRP system is administered by Prudential Financial for the Division of Pensions and Benefits. The Teachers' Pension and Annuity Fund retirement system 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 related non-contributing employers. The Public Employees Retirement System and Defined Contribution Retirement Program are considered cost sharing multiple-employer plans.

A. Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund was established in January, 1955 under the provisions of NJSA 18A:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 55 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

**NOTE 6. PENSION PLANS** (Cont'd)

Description of Systems (cont'd)

B. Public Employees' Retirement System - The Public Employees' Retirement System was established in January, 1955 under the provisions of NJSA 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 55 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

C. Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch 92, PL 2007 and expanded under the provisions of Ch 89, PL 2008 and Ch 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$7,700 in 2010) but who earn salary of at least \$5,000 annually are eligible to participate. The program administrator, Prudential Financial, makes information regarding the program available on its New Jersey Defined Contribution Program Web Site: [www.prudential.com/njdcrp](http://www.prudential.com/njdcrp).

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statement and required supplementary information for TPAF and PERS. 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.

Significant Legislation

During the year ended June 30, 1997, legislation was enacted authorizing the New Jersey Economic Development Authority (the "Authority") to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. On June 30, 1997, the Authority issued bonds pursuant to this legislation and \$1,547,688,633 and \$241,106,642 from the proceeds of the bonds were deposited into the investment account of TPAF and PERS, respectively.

As a result of additional legislation enacted during the year ended June 30, 1997 (Ch 115, PL 1997), the asset valuation method was changed from market related value to full market value for the valuation reports dated March 31, 1996. The legislation also provides for a reduction in the normal contributions of the State to the systems from excess assets for FY's 1997 and 1998, and local employers for FY 1999, and, thereafter, authorizes the State Treasurer to reduce the normal contributions of State and local employers to the systems, to the extent possible, from up to 100% of excess assets through FY 2002, and on a declining maximum percentage of excess thereafter.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

**NOTE 6. PENSION PLANS** (Cont'd)

Significant Legislation (cont'd)

Due to the enactment of the legislation described above, the State of New Jersey's portion of the unfunded accrued liability under each retirement system was eliminated except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

Contribution Requirements

The contribution policy is set by state statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Significant legislation which became effective October 1, 2011 will gradually increase the employee contribution rate for PERS and TPAF members. Effective October 1, 2011 the rate increased from 5.50% to 6.50% of annual contractual compensation for employees enrolled in the TPAF and PERS pension plans. The rate will increase each year on the first of July over a seven year phase-in period until the withholding rate reaches 7.50% effective July 1, 2018. Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. Employers are required to contribute at an actuarially determined rate in TPAF, PERS and DCRP. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits and post-retirement medical premiums. Under current statute, the Board is a noncontributing employer of the TPAF.

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

Year Funding	TPAF Benefit Costs	Percentage of APC Contributed
06/30/13	\$ 719,028	100%
06/30/12	492,459	100%
06/30/11	337,905	100%

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed
06/30/13	\$ 72,043	100%
06/30/12	75,138	100%
06/30/11	71,123	100%

During the year ended June 30, 2013, the State of New Jersey contributed \$381,575 to the TPAF for post-retirement medical benefits and \$16,867 for the non-contributory insurance premiums and \$320,586 for TPAF normal costs and accrued liability costs on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$369,381 during the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 27.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

**NOTE 7. POST-RETIREMENT BENEFITS**

Chapter 384 of PL 1987 and Ch 6 of PL 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. PL 2007, Ch 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside 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, 2012, there were 97,661 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Ch 62, PL 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning the fiscal year 1994.

The State is also responsible for the cost attributable to Ch 126, PL 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 \$146.6 million toward Ch 126 benefits for 16,618 eligible retired members.

GASB Statement 45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The District's only material OPEB obligation is for healthcare provided to eligible retirees through the NJ State Health Benefits Program.

**Plan Description-**The School District contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under NJSA 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. The school district adopted a resolution to participate in the SHBP. The State Health Benefits Commission is the executive body established by the statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.nj.gov/treasury/pensions/audit-rpts-2012/shbp-12.pdf](http://www.nj.gov/treasury/pensions/audit-rpts-2012/shbp-12.pdf)

**Funding Policy-**Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Information regarding the State's annual contributions, annual OPEB cost and net OPEB obligations is available through the State as noted in the previous paragraph.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

**NOTE 8. 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:

Metropolitan Life  
 Equitable Life Assurance  
 Waddell and Reed Financial Services

**NOTE 9. INTERFUND RECEIVABLE AND PAYABLES**

Interfund balances as of June 30, 2013 were as follows:

	Receivable	Payable
General Fund	\$ 50,583	
Special Revenue Fund		\$ 50,583
	\$ 50,583	\$ 50,583

The \$50,583 interfund between the General and Special Revenue Funds represents a required loan due to, a delay in receipt of grant funds.

The General Fund transferred \$22,308 to the Food Service Fund to acquire capital assets. .

**NOTE 10. INVENTORY**

Inventory in the Food Service Fund June 30, 2013 consisted of the following:

Food	\$ 3,304
Supplies	1,574
Total	\$ 4,878

**NOTE 11. CONTINGENT LIABILITIES**

The District is involved in various legal proceedings that are incidental to its operations. These legal proceedings are not likely to have a material adverse effect on the financial position of the School District.

**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.

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the NJ 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, and interest earnings, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's unemployment trust fund for the current and previous two years:

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

**NOTE 12. RISK MANAGEMENT (Cont'd)**

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the NJ 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, and interest earnings, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's unemployment trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Board Contrib</u>	<u>Interest Earnings</u>	<u>Employee Contrib</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	\$ -0-	\$ 248	\$ 18,293	\$ 9,885	\$ 87,429
2011-2012		651	31,150	52,918	78,773
2010-2011	130,000	151	-0-	76,640	99,890

**NOTE 13. LEGAL RESERVE ACCOUNTS**

A capital reserve account was established by the District by inclusion of \$1 on September 26, 2000 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 districts approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department of Education, a district may deposit funds into the capital reserve at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to NJAC 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.

Beginning in fiscal year 2008, Districts are allowed as per NJSA 18A:7F-41(a) & 41(b) to deposit to the legal reserves by board resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District deposited \$78,000 to their Capital Reserve account and \$52,000 to their Maintenance Reserve Account by board resolution in June 2013 as summarized in the following schedule.

The following schedule is a summarization of the Legal Reserve Accounts for the current year:

<u>Reserve Type</u>	<u>Beginning Balance</u>	<u>District Contribution</u>	<u>Interest Earnings</u>	<u>Return Unused With drawal</u>	<u>With drawal</u>	<u>Ending Balance</u>
Capital	\$ 157,927	\$ 78,000	\$ 561			\$ 236,488
Maintenance	80,160	52,000				132,160
	<u>\$ 238,087</u>	<u>\$ 130,000</u>	<u>\$ 561</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 368,648</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013  
(Continued)

**NOTE 14. FUND BALANCES-BUDGETARY BASIS**

As described in Note 1 N-Fund Equity (Fund Balance) may be restricted, committed or assigned. An analysis of the General Fund Balance on June 30, 2013 and 2012 is as follows:

Committed:	<u>2013</u>	<u>2012</u>
Capital Reserve Account-Represents funds restricted to capital projects in the District's Long Range Facilities Plan.	\$ 236,488	\$ 157,927
Maintenance Reserve-Represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (18A:76-9)	132,160	80,160
Restricted:		
Excess Surplus-Represents amount in excess of allowable percentage. In accordance with state statute, the excess surplus is designated for utilization in succeeding year's budgets	30,467	27,136
Excess Surplus-Designated for Subsequent Year's Expenditures-represents amount in excess of allowable percentage appropriated in the succeeding year's budget to reduce tax requirements.	27,136	25,555
Assigned:		
Year End Encumbrance-Represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30,	58,575	153,965
Unassigned:		
Undesignated-Represents fund balance which has not been restricted or designated.	<u>304,510</u>	<u>396,353</u>
Total Fund Balance	<u>\$ 789,336</u>	<u>\$ 841,096</u>

**NOTE 15. CALCULATION OF EXCESS SURPLUS**

In accordance with NJSA 18A:7F-7, as amended by PL 2004, Ch 73 (S1701), the designation for Reserved Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund, fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013 is \$30,467.

**NOTE 16: SUBSEQUENT EVENTS**

The District has evaluated subsequent events through August 31, 2013, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

**NOTE 17: RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE**

The following is a list of recent accounting pronouncements which are not yet effective as of the year end date of this report:

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65 "Items Previously Reported as Assets and Liabilities". This statement, which clarifies the reporting requirements related to deferred assets and liabilities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2013  
 (Continued)

**NOTE 17: RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE (Cont'd)**

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 66 "Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62". This statement, which resolves conflicts between Statements No. 10 and No. 54 provides more flexibility in fund classifications for risk based activities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 67 "Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25". This statement, which is effective for fiscal periods beginning after June 15, 2013, is not anticipated to have any effect on the District's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, is not anticipated to have any effect on the District's financial reporting.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations". This statement, which is effective for fiscal periods beginning after December 15, 2013, is not anticipated to have any effect on the District's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Nonexchange Financial Guarantees". This statement, which is effective for fiscal periods beginning after June 15, 2013, is not anticipated to have any effect on the District's financial reporting.

**NOTE 18. RESTATEMENT OF PRIOR YEAR NET POSITION**

During the fiscal year ending June 30, 2013, the District has determined that a restatement of its prior year net position is necessary. Due to changes in accounting principles resulting from the issuance of Government Accounting Standards Board's (GASB) Statement No. 65, debt issuance costs are now recognized as an expense in the period incurred. The following is a summary of the District's restatement of net position as of June 30, 2012:

	<u>Governmental Activities</u>
Net Position, June 30, 2012 as Originally Stated	\$ 7,865,460
Less:	
Expensing of Bond Issuance Costs in Prior Periods	<u>(47,655)</u>
Net Position, June 30, 2012 as Restated	<u>\$ 7,817,805</u>

**REQUIRED SUPPLEMENTARY INFORMATION-PART II**

**BUDGETARY COMPARISON SCHEDULES**

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 7,460,585		\$ 7,460,585	\$ 7,460,585	
Tuition-Individuals	100,000		100,000	207,069	\$ 107,069
Interest on Capital Reserve Funds	2,000		2,000	561	(1,439)
Interest on Investments				5,828	5,828
Miscellaneous-Unrestricted	27,240		27,240	21,321	(5,919)
<b>Total</b>	<b>7,589,825</b>	<b>\$ -</b>	<b>7,589,825</b>	<b>7,695,364</b>	<b>105,539</b>
State Sources:					
Categorical Special Education Aid	336,075		336,075	336,075	
Equalization Aid	627,647		627,647	627,647	
Categorical Security Aid	42,537		42,537	42,537	
Categorical Transportation Aid	250,640		250,640	250,640	
Adjustment Aid	29,191		29,191	29,191	
School Choice Aid	276,672		276,672	276,672	
Extraordinary Special Education Costs Aid				46,407	46,407
Non-Public Transportation Aid				8,103	8,103
On-Behalf TPAF Pension Contribution				337,453	337,453
On-Behalf TPAF Post Retirement Medical Benefits				381,575	381,575
Reimbursed TPAF Social Security Contribution				369,381	369,381
<b>Total</b>	<b>1,562,762</b>	<b>-</b>	<b>1,562,762</b>	<b>2,705,681</b>	<b>1,142,919</b>
<b>TOTAL REVENUES</b>	<b>\$ 9,152,587</b>	<b>\$ -</b>	<b>\$ 9,152,587</b>	<b>\$ 10,401,045</b>	<b>\$ 1,248,458</b>
<b>EXPENDITURES</b>					
Current:					
Instruction-Regular Program:					
Salaries of Teachers:					
Preschool	\$ 56,244	\$ (850)	\$ 55,394	\$ 55,394	
Kindergarten	136,688	68,262	204,950	204,950	
Grades 1-5	1,773,233	(153,372)	1,619,861	1,619,861	
Grades 6-8	814,930	(13,903)	801,027	801,027	
Home Instruction:					
Salaries of Teachers	500	(500)			
Purchased Professional-Educational Services		2,145	2,145	2,145	
Regular Programs-Undistributed Instruction:					
Purchased Professional-Educational Services		1,265	1,265	1,265	
Purchased Technical Services	2,300	(2,300)			
Other Purchased Services	78,287	26,010	104,297	99,257	\$ 5,040
General Supplies	138,141	326,073	464,214	434,108	30,106
Textbooks	14,000	97,485	111,485	111,485	
Other Objects	6,000	114	6,114	6,114	
<b>Total</b>	<b>3,020,323</b>	<b>350,429</b>	<b>3,370,752</b>	<b>3,335,606</b>	<b>35,146</b>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Special Education:					
Multiple Disabilities:					
Salaries of Teachers	\$ 89,819	\$ 331	\$ 90,150	\$ 90,150	
Other Salaries for Instruction	36,441	(27,009)	9,432	9,432	
General Supplies	2,000	(134)	1,866	1,866	
Other Objects	2,000	(2,000)			
Total	130,260	(28,812)	101,448	101,448	\$ -
Resource Room/Resource Center:					
Salaries of Teachers	617,037	(1,802)	615,235	615,235	
Other Purchased Services	4,000	(4,000)			
General Supplies	68	9,989	10,057	9,507	550
Total	621,105	4,187	625,292	624,742	550
Preschool Disabilities-Full-Time:					
Salaries of Teachers	87,280	61,748	149,028	149,028	
Other Salaries for Instruction	4,631	(363)	4,268	4,268	
Other Purchased Services		1,209	1,209	1,209	
General Supplies	500	2,913	3,413	3,317	96
Total	92,411	65,507	157,918	157,822	96
Home Instruction:					
Salaries of Teachers	3,000	(1,012)	1,988	1,988	
Purchased Professional-Education Services	1,000	(604)	396	396	
Other Purchased Services	500	(500)			
Total	4,500	(2,116)	2,384	2,384	-
Total Special Education	848,276	38,766	887,042	886,396	646
Basic Skills/Remedial:					
Salaries of Teachers	82,339	(425)	81,914	81,914	
Purchased Technical Services	18,000	(11,400)	6,600	6,600	
General Supplies	6,000	(6,000)			
Total	106,339	(17,825)	88,514	88,514	-
School Sponsored Co Curricular Activities:					
Salaries	25,059	(3,356)	21,703	21,703	
Purchased Services		750	750	750	
Supplies & Materials	2,000	(612)	1,388	1,021	367
Other Objects	300	(300)			
Total	27,359	(3,518)	23,841	23,474	367

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
School Sponsored Athletics:					
Salaries	\$ 25,649	\$ 76	\$ 25,725	\$ 25,725	
Purchased Services	4,000	441	4,441	4,441	
Supplies & Materials	15,056	(1,142)	13,914	12,727	\$ 1,187
Other Objects	2,000	(2,000)			
Total	46,705	(2,625)	44,080	42,893	1,187
Total Instruction Regular	\$ 4,049,002	\$ 365,227	\$ 4,414,229	\$ 4,376,883	\$ 37,346
Undistributed Expenditures:					
Instruction Tuition:					
Tuition to Priv Sch for Disabled W/I State	\$ 96,270	\$ (79,460)	\$ 16,810	\$ 16,810	
Total	96,270	(79,460)	16,810	16,810	\$ -
Health Services:					
Salaries	169,188	(14,625)	154,563	154,563	
Purch Professional and Technical Services	6,000	557	6,557	6,557	
Other Purchased Services	2,500	(949)	1,551	1,523	28
Supplies & Materials	3,000	11,703	14,703	14,703	
Other Objects	50	(50)			
Total	180,738	(3,364)	177,374	177,346	28
Speech, OT, PT & Related Services:					
Salaries	163,168	1,839	165,007	165,006	1
Purch Professional Educational Services	31,500	(11,861)	19,639	19,639	
Supplies & Materials	5,200	(5,180)	20	20	
Other Objects	200	1,916	2,116	2,116	
Total	200,068	(13,286)	186,782	186,781	1
Guidance:					
Salaries of Other Professional Staff	83,089		83,089	83,089	
Purchased Professional & Tech Services	750	(225)	525	525	
Other Purchased Services	3,600	(3,442)	158	158	
Supplies & Materials	2,000	574	2,574	2,574	
Total	89,439	(3,093)	86,346	86,346	-
Child Study Teams:					
Salaries of Other Professional Staff	230,057	(1,705)	228,352	228,352	
Salaries of Secretarial & Clerical Assist	34,537	(209)	34,328	34,310	18
Other Purchased Professional Tech Serv	6,000	(4,460)	1,540	1,450	90
Miscellaneous Purchased Services	6,015	502	6,517	6,367	150
Supplies & Materials	4,173	(1,285)	2,888	2,888	
Other Objects	2,500	(1,294)	1,206	1,118	88
Total	283,282	(8,451)	274,831	274,485	346

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	\$ 134,227		\$ 134,227	\$ 134,227	
Salaries of Other Professional Staff		\$ 594	594	594	
Salaries of Secretarial and Clerical Assistants	13,674		13,674	13,674	
Salaries of Facilitators, Math & Literacy Coaches	225,047	1,914	226,961	226,961	
Other Purchased Services	2,600	(1,209)	1,391	991	\$ 400
Supplies and Materials	173	1,204	1,377	442	935
Other Objects		800	800	800	
Total	375,721	3,303	379,024	377,689	1,335
Educational Media Services-School Library:					
Salaries	71,035	(16,098)	54,937	54,937	
Salaries of Technology Coordinators	80,264	39,736	120,000	120,000	
Purchased Professional & Technical Services	56,100	1,400	57,500	57,500	
Other Purchased Services	5,500	(140)	5,360	5,360	
Supplies & Materials	31,000	(3,202)	27,798	25,305	2,493
Total	243,899	21,696	265,595	263,102	2,493
Instructional Staff Training Services:					
Salaries of Other Professional Staff	5,000	(5,000)			
Other Salaries	30,000	(19,492)	10,508	10,508	
Purchased Professional Educational Services	54,664	1,802	56,466	50,016	6,450
Other Purchased Services	6,000	(72)	5,928	4,866	1,062
Supplies & Materials		2,667	2,667	2,371	296
Total	95,664	(20,095)	75,569	67,761	7,808
Support Services General Administration:					
Salaries	197,364	1	197,365	197,365	
Legal Services	10,000	3,267	13,267	11,255	2,012
Audit Fees	16,000		16,000	16,000	
Other Purchased Professional Services	11,000	6,278	17,278	17,278	
Purchased Technical Services	2,800	764	3,564	3,564	
Communications/Telephone	14,500	(3,040)	11,460	11,460	
BOE Other Purchased Services	6,000	(879)	5,121	4,881	240
Miscellaneous Purchased Services	23,412	(2,068)	21,344	20,698	646
General Supplies	3,173	5,320	8,493	8,193	300
BOE In-House Training/Meeting Supplies	500	25	525	525	
Miscellaneous Expenditures	2,700	(204)	2,496	2,496	
BOE Membership Dues and Fees	5,500	(263)	5,237	5,237	
Total	292,949	9,201	302,150	298,952	3,198
Support Services School Administration:					
Salaries of Principals/Asst Principals/Program Dir	172,665		172,665	172,665	
Salaries of Secretarial & Clerical Assistants	113,264	5,342	118,606	118,606	
Other Purchased Services	4,500	(2,077)	2,423	1,515	908
Supplies & Materials	4,498	1,707	6,205	6,097	108
Other Objects	5,000	447	5,447	5,442	5
Totals	299,927	5,419	305,346	304,325	1,021
Central Services:					
Salaries	208,155		208,155	208,154	1
Purchased Professional Services	6,800	2,800	9,600	9,600	
Purchased Technical Services	12,025	(1,522)	10,503	10,503	
Miscellaneous Purchased Services	8,100	(5,549)	2,551	1,482	1,069
Supplies & Materials	1,873	1,778	3,651	3,202	449
Miscellaneous Expenditures	1,700	(129)	1,571	1,571	
Total	238,653	(2,622)	236,031	234,512	1,519

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Required Maintenance for School Facilities:					
Cleaning, Repair & Maintenance Services	\$ 111,190	\$ (6,267)	\$ 104,923	\$ 88,939	\$ 15,984
General Supplies	3,500	(3,500)			
Other Objects	1,300	(1,000)	300	300	
Total	115,990	(10,767)	105,223	89,239	15,984
Custodial Services:					
Salaries	280,052	19,988	300,040	298,564	1,476
Purchased Professional & Technical Services	38,800	(765)	38,035	35,705	2,330
Cleaning, Repair, & Maintenance Services	13,500	8,684	22,184	22,077	107
Other Purchased Property Services	1,500	1,218	2,718	2,718	
Insurance	37,578	1,690	39,268	39,268	
Miscellaneous Purchased Services	700	(572)	128	128	
General Supplies	42,914	13,382	56,296	54,835	1,461
Energy (Electricity)	144,000	(53,800)	90,200	90,099	101
Energy (Oil)	126,500	8,064	134,564	134,564	
Energy (Gasoline)	1,500		1,500	1,205	295
Other Objects	700	(368)	332	332	
Total	687,744	(2,479)	685,265	679,495	5,770
Care and Upkeep of Grounds:					
Salaries	14,000	(6,644)	7,356	7,356	
Purchased Professional and Technical Services		7,726	7,726	7,726	
Total	14,000	1,082	15,082	15,082	-
Security:					
Salaries					
Purchased Professional & Technical Services	8,500	(5,399)	3,101	3,101	
Cleaning, Repair, & Maintenance Services		19,290	19,290	19,290	
General Supplies		3,054	3,054	3,054	
Total	8,500	16,945	25,445	25,445	-
Student Transportation Services:					
Salaries for Pupil Transportation (Between Home & School)-Regular	13,619		13,619	13,619	
Management Fee-ESC & CSTA Trans Program	500	(500)			
Contracted Services (Other Than Between Home & School)-Vendors	9,000	1,856	10,856	10,085	771
Contracted Services (Between Home & School)-Joint Agreements	342,298	(6,924)	335,374	331,397	3,977
Contracted Service (Special Education Students)-Joint Agreements	97,000	(18,851)	78,149	78,149	
Total	462,417	(24,419)	437,998	433,250	4,748
Unallocated Benefits-Employee Benefits:					
Social Security Contribution	80,000	4,766	84,766	84,766	
Other Retirement Contributions-PERS	80,000	(4,942)	75,058	73,442	1,616
Unemployment Compensation	40,000	(40,000)			
Workmen's Compensation	46,000	(970)	45,030	45,030	
Health Benefits	1,265,368	(191,873)	1,073,495	1,044,645	28,850
Tuition Reimbursement	20,000	14,600	34,600	34,600	
Other Employee Benefits	14,696	37,214	51,910	51,910	
Total	1,546,064	(181,205)	1,364,859	1,334,393	30,466

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
On-Behalf TPAF Pension Contribution				\$ 337,453	\$ (337,453)
On-Behalf TPAF Post Retirement Medical Benefits				381,575	(381,575)
Reimb TPAF Social Security Contribution				369,381	(369,381)
Total	\$ -	\$ -	\$ -	1,088,409	(1,088,409)
Total Undistributed Expenditures	\$ 5,231,325	\$ (291,595)	\$ 4,939,730	\$ 5,953,422	\$ (1,013,692)
TOTAL CURRENT	\$ 9,280,327	\$ 73,632	\$ 9,353,959	\$ 10,330,305	\$ (976,346)
CAPITAL OUTLAY					
Equipment:					
Regular Instruction	\$ 3,400	\$ 10,579	\$ 13,979	\$ 13,979	
Operations and Maintenance	32,120	39,833	71,953	71,953	
Total	35,520	50,412	85,932	85,932	\$ -
Facilities Acquisition & Construction Services:					
Assessment for Debt Service on SDA Funding	14,260		14,260	14,260	
Total	14,260	-	14,260	14,260	-
TOTAL CAPITAL OUTLAY	\$ 49,780	\$ 50,412	\$ 100,192	\$ 100,192	\$ -
TOTAL EXPENDITURES	\$ 9,330,107	\$ 124,044	\$ 9,454,151	\$ 10,430,497	\$ (976,346)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (177,520)	\$ (124,044)	\$ (301,564)	\$ (29,452)	\$ 272,112
Other Financing Sources (Uses):					
Operating Transfers Out-Cafeteria		(22,308)	(22,308)	(22,308)	
Total Other Financing Sources (Uses)	-	(22,308)	(22,308)	(22,308)	-
Excess (Deficiency) of Revenues & Other Financing Sources Over (Under) Expenditures & Other Financing Uses	(177,520)	(146,352)	(323,872)	(51,760)	272,112
Fund Balances, July 1	841,096	-	841,096	841,096	
Fund Balances, June 30	\$ 663,576	\$ (146,352)	\$ 517,224	\$ 789,336	\$ 272,112
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	\$ (153,965)		\$ (153,965)	\$ (153,965)	
Increase in Capital Reserve	2,000	\$ 78,000	80,000	78,561	\$ (1,439)
Increase in Maintenance Reserve		52,000	52,000	52,000	
Budgeted Fund Balance	(25,555)	(276,352)	(301,907)	(28,356)	273,551
TOTAL	\$ (177,520)	\$ (146,352)	\$ (323,872)	\$ (51,760)	\$ 272,112

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:		
Excess Surplus:		
Prior Year-Designated for 2013-2014 Budget	\$ 27,136	
Current Year-Designated for 2014-2015 Budget	<u>30,467</u>	\$ 57,603
Committed Fund Balance:		
Capital Reserve	236,488	
Maintenance Reserve	<u>132,160</u>	368,648
Assigned Fund Balance		
Year-End Encumbrances		58,575
Unassigned Fund Balance		<u>304,510</u>
		789,336
Reconciliation to Governmental Statements (GAAP):		
Last State Aid Payments not Recognized on GAAP Basis		<u>(154,852)</u>
Fund Balance Per Governmental Funds (GAAP)		<u>\$ 634,484</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Federal Sources	\$ 220,701	\$ 30,249	\$ 250,950	\$ 236,567	\$ 14,383
TOTAL REVENUES	<u>\$ 220,701</u>	<u>\$ 30,249</u>	<u>\$ 250,950</u>	<u>\$ 236,567</u>	<u>\$ 14,383</u>
EXPENDITURES					
Instruction:					
Salaries of Teachers	\$ 2,538	\$ 33,264	\$ 35,802	\$ 24,848	\$ 10,954
Other Salaries for Instruction	122,941		122,941	122,941	
General Supplies	54,620	(8,263)	46,357	46,357	
Totals	<u>180,099</u>	<u>25,001</u>	<u>205,100</u>	<u>194,146</u>	<u>10,954</u>
Support Services:					
Purchased Professional Educational Services	7,844		7,844	7,844	
Purchased Professional & Technical Services	22,000	4,360	26,360	25,750	610
Other Purchased Services	4,900	734	5,634	2,979	2,655
General Supplies	5,858	154	6,012	5,848	164
Total	<u>40,602</u>	<u>5,248</u>	<u>45,850</u>	<u>42,421</u>	<u>3,429</u>
TOTAL EXPENDITURES	<u>\$ 220,701</u>	<u>\$ 30,249</u>	<u>\$ 250,950</u>	<u>\$ 236,567</u>	<u>\$ 14,383</u>

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION  
BUDGETARY COMPARISON SCHEDULE

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

	General Fund	Special Revenue Fund
	<u>                    </u>	<u>                    </u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 10,401,045	\$ 236,567
Difference-Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding Encumbrances Prior Year		2,563
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33):		
State Aid Receivable Prior Year	151,612	
State Aid Receivable Current Year	<u>(154,852)</u>	
Total Revenues (GAAP Basis)	<u>\$ 10,397,805</u>	<u>\$ 239,130</u>
<u>Uses/Outflows of Resources</u>		
Actual Amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 10,430,497	\$ 236,567
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:		
Outstanding Encumbrances Prior Year		<u>2,563</u>
Total Expenditures (GAAP Basis)	<u>\$ 10,430,497</u>	<u>\$ 239,130</u>

**OTHER SUPPLEMENTAL INFORMATION**

**SCHOOL LEVEL SCHEDULES**

(NOT APPLICABLE TO THIS REPORT)

## **SPECIAL REVENUE FUND**

### **DETAIL STATEMENTS**

The special revenue fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Excellent Educator For NJ	Principal Evaluation	NCLB Title IA	NCLB Title IIA	IDEA Basic	IDEA Pre School	REAP	Total
REVENUES								
Federal Sources	\$ 10,360	\$ 18,969	\$ 9,595	\$ 7,844	\$ 117,703	\$ 5,238	\$ 66,858	\$ 236,567
TOTAL REVENUES	<u>\$ 10,360</u>	<u>\$ 18,969</u>	<u>\$ 9,595</u>	<u>\$ 7,844</u>	<u>\$ 117,703</u>	<u>\$ 5,238</u>	<u>\$ 66,858</u>	<u>\$ 236,567</u>
EXPENDITURES								
Instruction:								
Salaries of Teachers			\$ 3,789				\$ 21,059	\$ 24,848
Other Salaries for Instruction					\$ 117,703	\$ 5,238		122,941
General Supplies			5,806				40,551	46,357
Total	<u>\$ -</u>	<u>\$ -</u>	<u>9,595</u>	<u>\$ -</u>	<u>117,703</u>	<u>5,238</u>	<u>61,610</u>	<u>194,146</u>
Support Services:								
Purchased Professional Educational Services				7,844				7,844
Purchased Professional & Technical Services	10,360	15,390						25,750
Other Purchased Services		2,979						2,979
General Supplies		600					5,248	5,848
Total	<u>10,360</u>	<u>18,969</u>	<u>-</u>	<u>7,844</u>	<u>-</u>	<u>-</u>	<u>5,248</u>	<u>42,421</u>
TOTAL EXPENDITURES	<u>\$ 10,360</u>	<u>\$ 18,969</u>	<u>\$ 9,595</u>	<u>\$ 7,844</u>	<u>\$ 117,703</u>	<u>\$ 5,238</u>	<u>\$ 66,858</u>	<u>\$ 236,567</u>

## **CAPITAL PROJECTS FUND**

### **DETAIL STATEMENTS**

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

(NOT APPLICABLE TO THIS REPORT)

## **PROPRIETARY FUND**

### **DETAIL STATEMENTS**

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

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF FUND NET POSITION  
FOOD SERVICE ENTERPRISE FUND  
JUNE 30, 2013

	<u>Food Service Fund</u>
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 2,698
Receivables from Other Governments:	
State	71
Federal	987
Inventory	4,878
Total Current Assets	<u>8,634</u>
Noncurrent Assets:	
Capital Assets	121,296
Less: Accumulated Depreciation	<u>52,305</u>
Total Noncurrent Assets	<u>68,991</u>
Total Assets	<u>77,625</u>
LIABILITIES	
Current Liabilities:	
Due to Other Funds	4,841
Deferred Revenues	<u>2,419</u>
Total Liabilities	<u>7,260</u>
NET POSITION	
Net Investment in Capital Assets	68,991
Unrestricted	<u>1,374</u>
TOTAL NET POSITION	<u>\$ 70,365</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUES EXPENSES, AND  
CHANGES IN FUND NET POSITION  
FOOD SERVICE ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2013

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 71,095
Daily Sales-Nonreimbursable Programs	31,018
Total Operating Revenues	102,113
Other Expenses:	
Cost of Sales	59,923
Salaries	38,614
Employee Benefits	6,120
Management Fee	7,210
Repairs and Maintenance	2,394
Supplies and Materials	6,456
Insurance	3,616
Other Purchased Services	2,144
Depreciation	6,856
Office Expense	864
Total Operating Expenses	134,197
Operating Income (Loss)	(32,084)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	1,107
Federal Sources:	
National School Lunch Program	16,076
Food Donation Program	10,735
Interest Earned on Investments	39
Total Nonoperating Revenues (Expenses)	27,957
Other Financing Sources:	
Operating Transfer In	22,308
Change in Net Position	18,181
Net Position, Beginning	52,184
Net Position, Ending	\$ 70,365

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
FOOD SERVICE ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2013

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 102,113
Payments to Food Service Management Co	(113,242)
Payments to Vendors (Net)	(4,553)
Net Cash Provided by (Used For) Operating Activities	<u>(15,682)</u>
Cash Flows from Non-Capital Financing Activities:	
State Sources	1,116
Federal Sources	16,188
Operating Transfer In	22,308
Net Cash Provided by (Used For) Non-Capital Financing Activities	<u>39,612</u>
Cash Flows from Investing Activities:	
Interest Earned on Investments	39
Net Cash Provided by (Used For) Investing Activities	<u>39</u>
Cash Flows from Capital Financing Activities:	
Acquisition of Equipment	(24,236)
Net Cash Provided by (Used For) Capital Financing Activities	<u>(24,236)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(267)
Cash and Cash Equivalents, Beginning	<u>2,965</u>
Cash and Cash Equivalents, Ending	<u>\$ 2,698</u>
Reconciliation of Operating Income (Loss) to Net Cash Provide by (Used For)	
Operating Activities:	
Operating Income (Loss)	\$ (32,084)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	6,856
Federal Food Donation Program	11,574
(Increase) Decrease in Inventory	(2,028)
Net Cash Provided by (Used For) Operating Activities	<u>\$ (15,682)</u>

**FIDUCIARY FUND**

**DETAIL STATEMENTS**

Fiduciary Fund are used to account for funds received by the school district as an agent for individuals, private organizations, other governments and/or other funds.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2013

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund	Total
<b>ASSETS</b>				
Cash & Cash Equivalents	\$ 79,135	\$ 39,073	\$ 9,888	\$ 128,096
Due from Other Funds	8,294		4,841	13,135
<b>TOTAL ASSETS</b>	<b>87,429</b>	<b>39,073</b>	<b>14,729</b>	<b>141,231</b>
<b>LIABILITIES</b>				
Due to Other Funds			8,294	8,294
Due to Student Groups		39,073		39,073
Payroll Deductions & Withholdings			6,435	6,435
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>39,073</b>	<b>14,729</b>	<b>53,802</b>
<b>NET POSITION</b>				
Held in Trust for Unemployment Claims & Other Purposes	\$ 87,429	\$ -	\$ -	\$ 87,429

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2013

	Unemployment Compensation Fund
ADDITIONS	
Employee Contributions	\$ 18,293
Investment Earnings-Interest	248
Total Additions	<u>18,541</u>
DEDUCTIONS	
Unemployment Claims	<u>9,885</u>
Change in Net Position	8,656
Net Position, Beginning of the Year	<u>78,773</u>
Net Position, End of the Year	<u><u>\$ 87,429</u></u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Balance 07/01/12	Additions	Deletions	Balance 06/30/13
<b>ASSETS</b>				
Cash & Cash Equivalents	\$ 27,077	\$ 99,010	\$ 87,014	\$ 39,073
<b>TOTAL ASSETS</b>	<b>\$ 27,077</b>	<b>\$ 99,010</b>	<b>\$ 87,014</b>	<b>\$ 39,073</b>
<b>LIABILITIES</b>				
Alexandria Middle School	\$ 23,608	\$ 88,972	\$ 77,612	\$ 34,968
Lester D Wilson School	3,469	10,038	9,402	4,105
<b>TOTAL LIABILITIES</b>	<b>\$ 27,077</b>	<b>\$ 99,010</b>	<b>\$ 87,014</b>	<b>\$ 39,073</b>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Balance 07/01/12	Additions	Deletions	Balance 06/30/13
<b>ASSETS</b>				
Cash & Cash Equivalents	\$ 131,603	\$ 6,666,467	\$ 6,788,182	\$ 9,888
Due from Other Funds	4,841			4,841
<b>TOTAL ASSETS</b>	<b>\$ 136,444</b>	<b>\$ 6,666,467</b>	<b>\$ 6,788,182</b>	<b>\$ 14,729</b>
<b>LIABILITIES</b>				
Due to Other Funds	\$ 9,151	\$ 15,931	\$ 16,788	\$ 8,294
Payroll Deductions & Withholdings	126,976	3,017,164	3,138,176	5,964
Net Payroll	317	3,633,372	3,633,218	471
<b>TOTAL LIABILITIES</b>	<b>\$ 136,444</b>	<b>\$ 6,666,467</b>	<b>\$ 6,788,182</b>	<b>\$ 14,729</b>

## **LONG-TERM DEBT SCHEDULES**

The long-term debt schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding, obligations under capital leases, and early retirement program.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
JUNE 30, 2013

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance 07/15/12	Issued	Retired	Balance 06/30/13
			Date	Amount					
Refunding School Bonds of 2011	03/15/2011	2,450,000	07/15/13	\$ 385,000	3.00%	\$ 2,450,000		\$ 370,000	\$ 2,080,000
			07/15/14	395,000	4.00%				
			07/15/15	415,000	4.00%				
			07/15/16	430,000	4.00%				
			07/15/17	455,000	4.00%				
						\$ 2,450,000	\$ -	\$ 370,000	\$ 2,080,000

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 DEBT SERVICE FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 484,379		\$ 484,379	\$ 484,379	
Total Revenues	<u>484,379</u>	<u>\$ -</u>	<u>484,379</u>	<u>484,379</u>	<u>\$ -</u>
EXPENDITURES					
Regular Debt Service:					
Interest	99,379		99,379	83,050	16,329
Redemption of Principal	385,000		385,000	370,000	15,000
Total Expenditures	<u>484,379</u>	<u>-</u>	<u>484,379</u>	<u>453,050</u>	<u>31,329</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	31,329	31,329
Fund Balance, July 1	<u>4</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 31,333</u>	<u>\$ 31,329</u>
Recapitulation of Excess (Deficiency) of Revenue Over (Under) Expenditures:					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,329</u>	<u>\$ 31,329</u>

**STATISTICAL SECTION**

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
STATISTICAL SECTION J SERIES

CONTENTS	PAGE
<b>FINANCIAL TRENDS</b>	
These Schedules Contain Trend Information to Help the Reader Understand how the District's Financial Performance and Well Being have Changed Over Time.	J-1 to J-5
<b>REVENUE CAPACITY</b>	
These Schedules Contain Trend Information to Help the Reader Assess the District's most Significant Local Revenue Sources, the Property Tax.	J-6 to J-9
<b>DEBT CAPACITY</b>	
These Schedules Contain Trend 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.	J-10 to J-13
<b>DEMOGRAPHIC AND ECONOMIC INFORMATION</b>	
These Schedules Offer Demographic and Economic Indicators to Help the Reader Understand the Environment Within Which the District's Financial Activities Take Place.	J-14 to J-15
<b>OPERATING INFORMATION</b>	
These Schedules Contain Service and Infrastructure Data to Help the Reader Understand how the Information in the District's Financial Report Relates to the Services the District Provides and the Activities it Performs.	J-16 to J-20

Sources: Unless Otherwise noted, the Information in these Schedules is Derived from the Comprehensive Annual Financial Reports (CAFR) for the Relevant Year. The District Implemented GASB Statement 34 in the Fiscal Year Ending June 30, 2004; Schedules Presenting District-Wide Information Include Information Beginning in That Year.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>GOVERNMENT ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 6,309,017	\$ 6,583,917	\$ 6,466,989	\$ 6,374,839	\$ 6,384,157	\$ 7,059,599	\$ 7,277,361	\$ 7,460,425	\$ 7,540,670	\$ 7,628,284
Restricted	542,302	410,961	474,126	481,108	547,442	90,609	(49)	216,654	238,091	399,981
Unrestricted	123,477	176,218	68,807	104,444	165,640	(48,510)	(60,029)	46,270	39,044	(63,916)
<b>TOTAL GOVERNMENTAL ACTIVITIES NET ASSET</b>	<b>\$ 6,974,796</b>	<b>\$ 7,171,096</b>	<b>\$ 7,009,922</b>	<b>\$ 6,960,391</b>	<b>\$ 7,097,239</b>	<b>\$ 7,101,698</b>	<b>\$ 7,217,283</b>	<b>\$ 7,723,349</b>	<b>\$ 7,817,805</b>	<b>\$ 7,964,349</b>
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 10,276	\$ 8,653	\$ 7,244	\$ 10,884	\$ 9,037	\$ 7,188	\$ 5,879	\$ 47,827	\$ 51,611	\$ 68,991
Unrestricted	11,414	9,150	5,774	11,290	4,677	1,185	904	4,207	573	1,374
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 21,690</b>	<b>\$ 17,803</b>	<b>\$ 13,018</b>	<b>\$ 22,174</b>	<b>\$ 13,714</b>	<b>\$ 8,373</b>	<b>\$ 6,783</b>	<b>\$ 52,034</b>	<b>\$ 52,184</b>	<b>\$ 70,365</b>
<b>DISTRICT-WIDE</b>										
Net Investment in Capital Assets	\$ 6,319,293	\$ 6,592,570	\$ 6,474,233	\$ 6,385,723	\$ 6,393,194	\$ 7,066,787	\$ 7,283,240	\$ 7,508,252	\$ 7,592,281	\$ 7,697,275
Restricted	542,302	410,961	474,126	481,108	547,442	90,609	(49)	216,654	238,091	399,981
Unrestricted	134,891	185,368	74,581	115,734	170,317	(47,325)	(59,125)	50,477	39,617	(62,542)
<b>TOTAL DISTRICT-WIDE</b>	<b>\$ 6,996,486</b>	<b>\$ 7,188,899</b>	<b>\$ 7,022,940</b>	<b>\$ 6,982,565</b>	<b>\$ 7,110,953</b>	<b>\$ 7,110,071</b>	<b>\$ 7,224,066</b>	<b>\$ 7,775,383</b>	<b>\$ 7,869,989</b>	<b>\$ 8,034,714</b>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>EXPENSES</b>										
<b>Governmental Activities:</b>										
<b>Instruction:</b>										
Regular	\$ 3,336,667	\$ 3,309,813	\$ 3,689,253	\$ 3,912,455	\$ 4,248,229	\$ 4,492,213	\$ 4,449,627	\$ 4,361,371	\$ 4,376,757	\$ 4,690,541
Special Education	1,046,211	1,139,511	1,365,414	1,524,807	1,456,569	1,267,120	1,397,665	1,289,417	1,403,943	1,404,078
Other Special Education	188,623	123,731	136,361	10,726	30,656	98,714	71,827	48,627	253,603	215,178
Other Instruction	89,697	71,979	81,146	80,519	68,567	75,589	72,989	51,285	59,418	69,916
<b>Support Services:</b>										
Tuition	231,313	273,953	182,251	237,322	222,635	94,794	89,070	16,400	48,400	16,810
Student & Instruction Related Services	954,849	1,065,008	1,123,380	1,286,243	1,203,586	1,374,958	1,488,258	1,584,972	1,944,408	1,991,621
General & Business Administrative Services	726,396	612,804	637,897	663,152	645,922	696,074	675,936	724,906	730,177	694,724
School Administrative Services	341,237	353,885	355,005	430,108	416,900	411,842	418,987	418,778	432,326	446,206
Plant Operations & Maintenance	745,902	720,371	795,018	795,264	935,556	891,761	883,064	826,757	900,618	916,043
Pupil Transportation	485,369	516,215	516,758	603,432	613,766	590,391	483,088	428,720	453,349	438,223
Interest on Long-Term Debt	223,771	201,873	181,525	170,486	179,781	176,716	153,579	127,760	89,603	69,122
<b>Total Governmental Activities Expenses</b>	<u>8,370,035</u>	<u>8,389,143</u>	<u>9,064,008</u>	<u>9,714,514</u>	<u>10,022,167</u>	<u>10,170,172</u>	<u>10,184,090</u>	<u>9,878,993</u>	<u>10,692,602</u>	<u>10,952,462</u>
<b>Business-Type Activities:</b>										
Food Services	144,579	154,120	157,402	154,545	156,949	157,756	155,533	147,046	139,171	134,197
<b>Total Business-Type Activities</b>	<u>144,579</u>	<u>154,120</u>	<u>157,402</u>	<u>154,545</u>	<u>156,949</u>	<u>157,756</u>	<u>155,533</u>	<u>147,046</u>	<u>139,171</u>	<u>134,197</u>
<b>TOTAL DISTRICT EXPENSES</b>	<u>\$ 8,514,614</u>	<u>\$ 8,543,263</u>	<u>\$ 9,221,410</u>	<u>\$ 9,869,059</u>	<u>\$ 10,179,116</u>	<u>\$ 10,327,928</u>	<u>\$ 10,339,623</u>	<u>\$ 10,026,039</u>	<u>\$ 10,831,773</u>	<u>\$ 11,086,659</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(Continued)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
Regular Instruction	\$ 581	\$ 103		\$ 80				\$ 85,100	\$ 93,109	\$ 207,069
Other Instruction								1,505		1,980
Student and Instruction Related Services		123								2,625
General Administration			\$ 230	20						
Plant Operations and Maintenance						\$ 15,508	\$ 6,878	7,240		13,040
Pupil Transportation Services				2,115						
Operating Grants & Contributions	149,811	149,512	141,132	149,402	\$ 137,140	161,578	183,078	223,490	226,555	239,130
Capital Grants & Contributions	282,582	88,722					43,520			
Total Governmental Activities Program Revenues	<u>432,974</u>	<u>238,460</u>	<u>141,362</u>	<u>151,617</u>	<u>137,140</u>	<u>177,086</u>	<u>233,476</u>	<u>317,335</u>	<u>319,664</u>	<u>463,844</u>
Business-Type Activities:										
Charges for Services:										
Food Service	123,079	124,658	122,380	132,017	146,018	147,347	145,405	134,212	104,486	102,113
Operating Grants & Contributions	22,643	25,344	26,842	26,205	2,147				25,734	27,918
Total Business-Type Activities Program Revenues	<u>145,722</u>	<u>150,002</u>	<u>149,222</u>	<u>158,222</u>	<u>148,165</u>	<u>147,347</u>	<u>145,405</u>	<u>134,212</u>	<u>130,220</u>	<u>130,031</u>
<b>TOTAL DISTRICT-PROGRAM REVENUES</b>	<u>\$ 578,696</u>	<u>\$ 388,462</u>	<u>\$ 290,584</u>	<u>\$ 309,839</u>	<u>\$ 285,305</u>	<u>\$ 324,433</u>	<u>\$ 378,881</u>	<u>\$ 451,547</u>	<u>\$ 449,884</u>	<u>\$ 593,875</u>
<b>NET (EXPENSE) REVENUES</b>										
Governmental Activities	\$ (7,937,061)	\$ (8,150,683)	\$ (8,922,646)	\$ (9,562,897)	\$ (9,885,027)	\$ (9,993,086)	\$ (9,950,614)	\$ (9,561,658)	\$ (10,372,938)	\$ (10,488,618)
Business-Type Activities	1,143	(4,118)	(8,180)	3,677	(8,784)	(10,409)	(10,128)	(12,834)	(8,951)	(4,166)
<b>TOTAL DISTRICT-WIDE NET EXPENSES</b>	<u>\$ (7,935,918)</u>	<u>\$ (8,154,801)</u>	<u>\$ (8,930,826)</u>	<u>\$ (9,559,220)</u>	<u>\$ (9,893,811)</u>	<u>\$ (10,003,495)</u>	<u>\$ (9,960,742)</u>	<u>\$ (9,574,492)</u>	<u>\$ (10,381,889)</u>	<u>\$ (10,492,784)</u>
<b>GENERAL REVENUES &amp; OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 5,363,880	\$ 5,567,025	\$ 5,940,523	\$ 6,405,579	\$ 6,692,749	\$ 6,858,922	\$ 6,987,661	\$ 7,270,045	\$ 7,373,799	\$ 7,460,585
Taxes Levied for Debt Service	499,944	479,707	397,913	366,366	405,687	555,492	564,723	598,987	386,289	484,379
Unrestricted Grants & Contributions	2,261,542	2,242,116	2,281,567	2,590,898	2,790,526	2,494,381	2,494,559	2,299,729	2,678,027	2,702,441
Tuition Received	3,149	16,500	14,700	17,744	19,757	49,348				
Investment Earnings	15,091	38,435	102,670	116,535	107,049	36,691	16,174	8,945	12,302	6,389
Miscellaneous Income	31,269	9,047	27,099	27,942	6,107	4,711	10,082	245	26,007	3,676
Loss on Disposal of Capital Assets		(15,157)		(6,698)						
Special Item-Payment to Refunding Bond Agent								(52,183)		
Operating Transfers			(3,000)	(5,000)		(5,000)	(7,000)	(58,044)	(9,030)	(22,308)
Total Governmental Activities	<u>8,174,875</u>	<u>8,337,673</u>	<u>8,761,472</u>	<u>9,513,366</u>	<u>10,021,875</u>	<u>9,994,545</u>	<u>10,066,199</u>	<u>10,067,724</u>	<u>10,467,394</u>	<u>10,635,162</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(Continued)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GENERAL REVENUES & OTHER CHANGES IN NET POSITION (Cont'd)										
Business-Type Activities:										
Investment Earnings	\$ 37	\$ 231	\$ 395	\$ 479	\$ 324	\$ 68	\$ 46	\$ 41	\$ 71	\$ 39
Miscellaneous Income							1,492			
Operating Transfers			3,000	5,000		5,000	7,000	58,044	9,030	22,308
Total Business-Type Activities	<u>37</u>	<u>231</u>	<u>3,395</u>	<u>5,479</u>	<u>324</u>	<u>5,068</u>	<u>8,538</u>	<u>58,085</u>	<u>9,101</u>	<u>22,347</u>
TOTAL DISTRICT-WIDE	<u>\$ 8,174,912</u>	<u>\$ 8,337,904</u>	<u>\$ 8,764,867</u>	<u>\$ 9,518,845</u>	<u>\$ 10,022,199</u>	<u>\$ 9,999,613</u>	<u>\$ 10,074,737</u>	<u>\$ 10,125,809</u>	<u>\$ 10,476,495</u>	<u>\$ 10,657,509</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 237,814	\$ 186,990	\$ (161,174)	\$ (49,531)	\$ 136,848	\$ 1,459	\$ 115,585	\$ 506,066	\$ 94,456	\$ 146,544
Business-Type Activities	<u>1,180</u>	<u>(3,887)</u>	<u>(4,785)</u>	<u>9,156</u>	<u>(8,460)</u>	<u>(5,341)</u>	<u>(1,590)</u>	<u>45,251</u>	<u>150</u>	<u>18,181</u>
TOTAL DISTRICT	<u>\$ 238,994</u>	<u>\$ 183,103</u>	<u>\$ (165,959)</u>	<u>\$ (40,375)</u>	<u>\$ 128,388</u>	<u>\$ (3,882)</u>	<u>\$ 113,995</u>	<u>\$ 551,317</u>	<u>\$ 94,606</u>	<u>\$ 164,725</u>

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 FUND BALANCES, GOVERNMENTAL FUNDS,  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund:										
Restricted	\$ 126,359	\$ 197,052	\$ 106,629	\$ 48,467	\$ 46,185	\$ 53,291	\$ 44,625	\$ 50,543	\$ 52,691	\$ 57,603
Committed	325,592	381,057	372,819	322,543	428,255	465,912	353,315	216,121	238,087	368,648
Assigned	81,893	117,911	81,581	95,858	143,389	63,384	54,152	125,614	153,965	58,575
Unassigned	132,843	58,737	78,349	169,819	193,739	105,513	108,055	214,023	244,741	149,658
Total General Fund	<u>\$ 666,687</u>	<u>\$ 754,757</u>	<u>\$ 639,378</u>	<u>\$ 636,687</u>	<u>\$ 811,568</u>	<u>\$ 688,100</u>	<u>\$ 560,147</u>	<u>\$ 606,301</u>	<u>\$ 689,484</u>	<u>\$ 634,484</u>
All Other Governmental Funds:										
Restricted, Reported In:										
Capital Projects Fund	\$ 24,725	\$ 38,782								
Debt Service Fund	28,125									
Assigned, Reported In:										
Capital Projects Fund	461,135	502,088	\$ 495,104	\$ 285,125	\$ 82,310	\$ (394,688)	\$ (357,000)			
Debt Service Fund	99,803	4,192	22,717	36,264	38,357	19,385	3,636	\$ 533	\$ 4	\$ 31,333
Total All Other Governmental Funds	<u>\$ 613,788</u>	<u>\$ 545,062</u>	<u>\$ 517,821</u>	<u>\$ 321,389</u>	<u>\$ 120,667</u>	<u>\$ (375,303)</u>	<u>\$ (353,364)</u>	<u>\$ 533</u>	<u>\$ 4</u>	<u>\$ 31,333</u>

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

	Fiscal Year Ending June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Tax Levy	\$ 5,863,824	\$ 6,046,732	\$ 6,338,436	\$ 6,771,945	\$ 7,098,436	\$ 7,414,414	\$ 7,552,384	\$ 7,869,032	\$ 7,760,088	\$ 7,944,964
Tuition Charges	3,149	16,500	14,700	17,744	19,757	52,348		85,100	93,109	207,069
Interest Earnings	15,091	38,435	102,670	116,535	107,049	36,691	16,174	8,945	12,302	6,389
Miscellaneous	29,787	7,087	25,266	25,979	6,107	20,219	16,960	8,990	26,007	21,321
State Sources	2,284,773	2,244,258	2,284,413	2,594,413	2,791,300	2,494,381	2,299,401	2,299,729	2,615,705	2,702,441
State Sources-Capital Projects	282,582	88,722								
Federal Sources	129,517	147,370	138,286	145,887	136,366	161,578	421,756	223,490	288,877	239,130
<b>Total Revenues</b>	<b>8,608,723</b>	<b>8,589,104</b>	<b>8,903,771</b>	<b>9,672,503</b>	<b>10,159,015</b>	<b>10,179,631</b>	<b>10,306,675</b>	<b>10,495,286</b>	<b>10,796,088</b>	<b>11,121,314</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	2,457,698	2,494,106	2,785,559	2,770,336	3,016,189	3,223,066	3,358,251	3,158,030	3,097,495	3,335,606
Special Education Instruction	664,087	752,550	925,108	997,654	928,020	845,228	969,669	813,377	901,669	886,396
Other Special Instruction	139,774	91,978	101,130	7,422	22,342	58,234	27,457	27,423	113,691	88,514
Other Instruction	47,242	56,247	64,256	62,276	64,937	71,812	69,598	48,688	56,471	66,367
<b>Support Services:</b>										
Tuition	227,798	270,293	178,296	232,440	217,174	6,399	670	16,400	29,848	16,810
Student & Instruction Related Services	791,546	826,319	867,378	939,436	886,401	1,000,538	1,105,083	1,147,988	1,345,568	1,433,510
General Administration	411,810	289,002	297,412	293,353	294,341	323,364	310,792	306,956	287,883	298,952
School Administration Services	262,810	253,947	267,773	302,084	308,395	303,621	316,708	302,032	305,820	304,325
Central Services	185,695	186,714	201,235	202,939	210,633	216,463	223,387	233,626	225,458	234,512
Plant Operations & Maintenance	649,846	629,912	711,387	700,906	848,939	785,507	779,710	719,174	781,234	809,261
Pupil Transportation	485,369	516,215	516,758	598,343	613,766	590,391	483,088	428,676	447,956	433,250
Employee Benefits	840,210	917,875	955,312	1,107,055	981,038	1,281,211	1,155,683	1,148,622	1,516,811	1,334,393
On-Behalf TPAF Pension & Social Security Contribution	420,254	415,044	521,676	829,428	962,049	680,124	700,513	709,047	861,470	1,088,409
Capital Outlay	21,034	12,862	9,460	93,017	53,735	36,823	41,711	35,707	57,245	85,932
Capital Projects Fund	1,414,814	35,127	33,181	109,979	140,544	629,518	116,312			
Special Revenue Funds	152,748	149,512	141,132	149,402	137,140	161,578	226,598	223,490	226,555	239,130
<b>Debt Service:</b>										
Principal	340,000	460,000	280,000	295,000	310,000	474,000	594,000	807,000	370,000	370,000
Interest & Other Charges	231,487	212,057	186,338	175,556	164,213	181,863	165,459	137,955	79,230	97,310
<b>Total Expenditures</b>	<b>9,744,222</b>	<b>8,569,760</b>	<b>9,043,391</b>	<b>9,866,626</b>	<b>10,159,856</b>	<b>10,869,740</b>	<b>10,644,689</b>	<b>10,264,191</b>	<b>10,704,404</b>	<b>11,122,677</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,135,499)</b>	<b>19,344</b>	<b>(139,620)</b>	<b>(194,123)</b>	<b>(841)</b>	<b>(690,109)</b>	<b>(338,014)</b>	<b>231,095</b>	<b>91,684</b>	<b>(1,363)</b>
<b>Other Financing Sources (Uses):</b>										
Temporary Notes Paid in Debt Service Fund						154,000	259,000	357,000		
Transfers Out-Unemployment Compensation Fund					(25,000)	(78,229)	(20,000)	(130,000)		
Transfers Out-Food Service Fund			(3,000)	(5,000)		(5,000)	(7,000)	(58,044)	(9,030)	(22,308)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>(5,000)</b>	<b>(25,000)</b>	<b>70,771</b>	<b>232,000</b>	<b>168,956</b>	<b>(9,030)</b>	<b>(22,308)</b>
<b>Net Change in Fund Balances</b>	<b>\$ (1,135,499)</b>	<b>\$ 19,344</b>	<b>\$ (142,620)</b>	<b>\$ (199,123)</b>	<b>\$ (25,841)</b>	<b>\$ (619,338)</b>	<b>\$ (106,014)</b>	<b>\$ 400,051</b>	<b>\$ 82,654</b>	<b>\$ (23,671)</b>
<b>Debt Service as a Percentage of Non- capital Expenditures</b>	<b>7.39%</b>	<b>8.56%</b>	<b>5.46%</b>	<b>5.12%</b>	<b>5.00%</b>	<b>6.87%</b>	<b>7.81%</b>	<b>10.18%</b>	<b>4.41%</b>	<b>4.42%</b>

Source: District Records

NOTE: Noncapital expenditures are total expenditures less capital projects fund and debt service.  
 Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005  
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

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

Description	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Interest Income	\$ 10,728	\$ 32,830	\$ 88,645	\$ 98,798	\$ 107,049	\$ 36,691	\$ 14,048	\$ 8,945	\$ 12,302	\$ 6,389
Tuition	3,149	16,500	14,700	17,744	19,757	52,348		85,100	93,109	207,069
Book Fines	471	103	668	80			87		39	
Prior Year Accounts Payable Canceled	13,381		8,403	4,284	1,850	1,280	5,039			1,402
Insurance Dividends	3,016		6,762							
Prior Year Refunds	8,100	6,967	7,747	4,580	4,174	3,046	78	129	3,711	159
Miscellaneous		17	540	20	6	385	114	46		38
Donations				16,982				70		
Premium Received on Sale of Temporary Notes					77					
Outstanding Checks Voided	4,819		1,146	33					5,973	2,077
Safety Grant							2,475			
Sale of Surplus Equipment							2,164			
Building Use Fees						15,508	6,878	7,240	7,240	7,240
Sale of Books									192	
School Boards Association Grant									5,600	5,800
Training Fees										2,625
Activity Fees								1,505	1,530	1,980
<b>Annual Totals</b>	<b>\$ 43,664</b>	<b>\$ 56,417</b>	<b>\$ 128,611</b>	<b>\$ 142,521</b>	<b>\$ 132,913</b>	<b>\$ 109,258</b>	<b>\$ 30,883</b>	<b>\$ 103,035</b>	<b>\$ 129,696</b>	<b>\$ 234,779</b>

Source: District Records

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
 LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Vacant Land	\$ 19,513,914	\$ 36,947,000	\$ 42,729,100	\$ 33,421,700	\$ 27,780,400	\$ 23,145,300	\$ 19,873,200	\$ 14,932,700	\$ 13,406,100	\$ 12,754,400
Residential	570,932,700	580,220,100	591,260,800	613,108,800	644,944,300	653,844,600	661,048,700	670,392,500	661,932,700	654,129,600
Farm Regular	92,534,800	93,233,700	102,581,300	110,104,700	114,371,300	119,772,700	120,545,600	121,687,600	122,866,700	123,550,900
Qualified Farm	4,190,318	4,063,271	4,053,249	3,972,780	3,864,670	3,962,339	3,957,181	4,037,633	4,082,151	4,052,732
Commercial	21,808,288	22,067,188	21,353,888	21,479,488	21,719,788	21,679,788	21,720,188	21,752,488	21,045,588	20,957,488
Industrial	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	1,034,800
Apartment	418,900	418,900	418,900	418,900	418,900	418,900	418,900	418,900	418,900	418,900
<b>Total Assessed Value</b>	<b>711,933,720</b>	<b>739,484,959</b>	<b>764,932,037</b>	<b>785,041,168</b>	<b>815,634,158</b>	<b>825,358,427</b>	<b>830,098,569</b>	<b>835,756,621</b>	<b>826,286,939</b>	<b>816,898,820</b>
Public Utilities (a)	1,882,252	1,934,337	1,952,128	2,004,605	1,769,750	1,515,311	1,960,839	2,175,745	2,293,602	2,109,187
<b>Net Valuation Taxable</b>	<b>\$ 713,815,972</b>	<b>\$ 741,419,296</b>	<b>\$ 766,884,165</b>	<b>\$ 787,045,773</b>	<b>\$ 817,403,908</b>	<b>\$ 826,873,738</b>	<b>\$ 832,059,408</b>	<b>\$ 837,932,366</b>	<b>\$ 828,580,541</b>	<b>\$ 819,008,007</b>
Estimated Actual County Equalized Value	\$ 642,283,188	\$ 706,071,605	\$ 835,122,231	\$ 893,908,093	\$ 916,853,752	\$ 900,393,499	\$ 884,510,905	\$ 855,451,114	\$ 802,261,594	\$ 777,229,047
Percentage of Net Valuation to Estimated Actual County Equalized Value	111.14%	105.01%	91.83%	88.05%	89.15%	91.83%	94.07%	97.95%	103.28%	105.38%
Total Direct School Tax Rate (b)	\$ 0.85	\$ 0.85	\$ 0.88	\$ 0.90	\$ 0.91	\$ 0.91	\$ 0.95	\$ 0.93	\$ 0.96	\$ 0.97

Source: Municipal Tax Assessor

- NOTE** Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.  
 Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment
- (a) Taxable Value of Machinery, Implements and Equipments of Telephone and Messenger System Companies
  - (b) Tax rates are per \$100
  - \* Revalued/Reassessed

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

Assessment Year	School District Direct Rate						Overlapping Rates		Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Regional School Rate	Municipality	County		
			Total Direct School Tax Rate						
2004	\$ 0.78	\$ 0.07	\$ 0.85		\$ 0.44	\$ 0.19	\$ 0.36	\$ 1.84	
2005	0.78	0.07	0.85		0.48	0.19	0.36	1.88	
2006	0.83	0.05	0.88		0.52	0.21	0.39	2.00	
2007	0.85	0.05	0.90		0.56	0.21	0.38	2.05	
2008	0.84	0.07	0.91		0.55	0.21	0.37	2.04	
2009	0.84	0.07	0.91		0.57	0.21	0.38	2.07	
2010	0.88	0.07	0.95		0.53	0.21	0.36	2.05	
2011	0.88	0.05	0.93		0.52	0.21	0.35	2.01	
2012	0.90	0.06	0.96		0.57	0.21	0.34	2.08	
2013	0.92	0.05	0.97		0.59	0.21	0.34	2.11	

Sources: Municipal Tax Collector

**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 by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

(a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

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

\* Revalued/Reassessed

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAXPAYERS,  
 CURRENT YEAR AND NINE YEARS AGO

	2013			2004		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Individual Property Owner #1	\$ 6,569,500	1	0.80%	\$ 6,182,300	1	0.87%
Sky Manor Airport Partners LLC	2,661,900	2	0.33%			
Columbia Gas Transmission	2,571,488	3	0.31%	2,571,488	3	0.36%
United Telephone Company	1,930,413	4	0.24%	1,841,283	4	0.26%
Abplanalp c/o J Veneruso, Esq	1,686,300	5	0.21%			
Manchada Shapiro Rauch LLC	1,541,000	6	0.19%	1,541,000	5	0.22%
DeSapio Properties #Six	1,486,900	7	0.18%			
Individual Property Owner #2	1,387,100	8	0.17%	3,561,300	2	0.50%
Individual Property Owner #3	1,359,200	9	0.17%	1,235,400	8	0.17%
Individual Property Owner #4	1,341,500	10	0.16%	1,229,700	9	0.17%
Saphire Inc c/o Riverside Jeans				1,486,900	6	0.21%
Toll NJ II LP				1,263,400	7	0.18%
Individual Property Owner #5				1,207,300	10	0.17%
	<u>\$ 22,535,301</u>		<u>2.75%</u>	<u>\$ 22,120,071</u>		<u>3.10%</u>

Source: Municipal Tax Assessor

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2003	\$ 12,223,629	\$ 11,942,207	97.70%
2004	13,397,029	13,068,375	97.55%
2005	14,437,176	14,044,869	97.69%
2006	15,931,698	15,474,906	97.13%
2007	16,649,297	16,157,347	97.05%
2008	16,864,974	16,357,947	96.99%
2009	17,244,150	16,796,794	97.41%
2010	17,108,149	16,736,531	97.83%
2011	16,814,218	16,484,702	98.04%
2012	17,240,449	16,920,099	98.14%

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

School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is (a) 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.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,	Governmental Activities			Business-Type Activities		Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2004	\$ 5,315,000					\$ 5,315,000	1.84%	\$ 1,084
2005	4,855,000					4,855,000	1.64%	988
2006	4,575,000					4,575,000	1.54%	925
2007	4,280,000					4,280,000	1.32%	851
2008	3,970,000			\$ 770,000		4,740,000	1.35%	926
2009	3,650,000			616,000		4,266,000	1.19%	831
2010	3,315,000			357,000		3,672,000	1.09%	714
2011	2,820,000					2,820,000	0.85%	571
2012	2,450,000					2,450,000	N/A	497
2013	2,080,000					2,080,000	N/A	427

**NOTE** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

- (a) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- (b) Includes Early Retirement Incentive Plan (ERIP) refunding

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,	General Bonded Debt Outstanding			% of Actual Taxable Value (a) of Property	Per Capita (a)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
	2004	\$ 5,315,000			
2005	4,855,000		4,855,000	0.65%	981
2006	4,575,000		4,575,000	0.60%	910
2007	4,280,000		4,280,000	0.54%	836
2008	3,970,000		3,970,000	0.49%	773
2009	3,650,000		3,650,000	0.44%	709
2010	3,315,000		3,315,000	0.44%	714
2011	2,820,000		2,820,000	0.34%	572
2012	2,450,000		2,450,000	0.30%	503
2013	2,080,000		2,080,000	0.25%	427

**NOTE** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

- (a) See Exhibit NJ J-6 for property tax data.
- (b) Population data can be found in Exhibit NJ J-14.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2012

GOVERNMENTAL UNIT	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Municipality	\$ 5,950,000	100.00%	\$ 5,950,000
Regional High School	3,535,000	32.65%	1,154,241
County General Obligation Debt	69,903,571	3.67%	<u>2,460,606</u>
Subtotal, Overlapping Debt			9,564,847
School District Direct Debt			<u>2,080,000</u>
Total Direct and Overlapping Debt			<u>\$ 11,644,847</u>

Sources: Assessed Value Data Used to Estimate Applicable Percentages  
 Provided by the County Board of Taxation. Debt Outstanding Data  
 Provided by Each Governmental Unit.

Note: Overlapping Governments are those that Coincide, at least in Part, with the Geographic Boundaries of the District. This Schedule Estimates the Portion of the Outstanding Debt of Those Overlapping Governments that is Borne by the Residents and Businesses of the Municipality. This Process Recognizes that, when Considering the District's Ability to Issue and Repay Long-Term Debt, the Entire Debt Burden Borne by the Residents and Businesses Should be Taken into Account. However this Does Not Imply that Every Taxpayer is a resident, and Therefore Responsible for Repaying the Debt, of Each Overlapping Payment.

(a) For Debt Repaid with Property Taxes, the Percentage of Overlapping Debt Applicable is Estimated Using Taxable Assessed Property Values. Applicable Percentages were Estimated by Determining the Portion of Another Governmental Unit's Taxable Value that is Within the District's Boundaries and Dividing it by Each Unit's Total Taxable Value.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION,  
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2013

	Equalized Valuation Basis	
		2012 784,027,839
		2011 809,136,045
		2010 847,471,740
		<u>\$ 2,440,635,624</u>
	Average Equalized Valuation of Taxable Property	\$ 813,545,208
	Debt Limit (3.0% of Average Equalization Value)	24,406,356 (a)
	Total Net Debt Applicable to Limit	<u>2,080,000</u>
	Legal Debt Margin	<u>\$ 22,326,356</u>

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	\$ 15,457,950	\$ 17,377,526	\$ 19,601,282	\$ 22,352,717	\$ 24,994,255	\$ 26,753,797	\$ 27,051,970	\$ 26,408,904	\$ 25,339,953	\$ 24,406,356
Total Net Debt Applicable	<u>5,315,000</u>	<u>4,855,000</u>	<u>4,575,000</u>	<u>4,280,000</u>	<u>4,740,000</u>	<u>4,266,000</u>	<u>3,672,000</u>	<u>2,820,000</u>	<u>2,450,000</u>	<u>2,080,000</u>
Legal Debt Margin	<u>\$ 10,142,950</u>	<u>\$ 12,522,526</u>	<u>\$ 15,026,282</u>	<u>\$ 18,072,717</u>	<u>\$ 20,254,255</u>	<u>\$ 22,487,797</u>	<u>\$ 23,379,970</u>	<u>\$ 23,588,904</u>	<u>\$ 22,889,953</u>	<u>\$ 22,326,356</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	34.38%	27.94%	23.34%	19.15%	18.96%	15.95%	13.57%	10.68%	9.67%	8.52%

Source: Equalized Valuation Bases were Obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

(a) Limit Set by NJSA 18A:24-19

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population ( a )</u>	<u>Personal Income ( b )</u>	<u>Per Capita Personal Income ( c )</u>	<u>Unemployment Rate ( d )</u>
2003	4,901	\$ 288,355,236	\$ 58,836	5.3%
2004	4,912	295,501,008	60,159	4.4%
2005	4,947	296,226,360	59,880	4.6%
2006	5,029	325,305,894	64,686	5.7%
2007	5,118	350,009,784	68,388	4.9%
2008	5,134	358,183,778	69,767	6.4%
2009	5,145	338,360,925	65,765	11.4%
2010	4,939	331,174,767	67,053	11.7%
2011	4,926	333,539,460	67,710	11.5%
2012	4,869	N/A	N/A	11.8%
2013	4,869	N/A	N/A	N/A

Sources:

- ( a ) Population Information Provided by the NJ Dept of Labor and Workforce Development
- ( b ) Personal Income has Been Estimated Based Upon the Municipal Population and Per Capita Personal Income Presented
- ( c ) Per Capita Personal Income by County Estimated Based Upon the 2000 Census Published by the US Bureau of Economic Analysis.
- ( d ) Unemployment Data Provided by the NJ Dept of Labor and Workforce Development

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS AGO

Employer	2013			2004		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST EIGHT FISCAL YEARS

FUNCTION/PROGRAM	2006	2007	2008	2009	2010	2011	2012	2013
Instruction:								
Regular	45.0	46.4	46.0	46.1	46.8	45.5	41.7	40.0
Special Education	21.0	29.5	24.0	19.0	19.0	16.5	16.3	18.0
Other Instruction	1.0	0.1	0.3	0.4	0.2	0.2	1.0	1.0
Support Services:								
Student and Instruction Related Services	14.0	10.4	10.0	11.6	14.7	14.0	16.6	16.3
General Administration	2.0	2.0	2.0	2.0	2.0	2.0	1.8	1.8
School Administration Services	6.0	6.0	6.0	6.0	6.0	6.0	5.8	5.8
Central Services	3.0	3.0	3.0	3.0	3.0	3.0	2.7	2.8
Plant Operations and Maintenance	8.0	7.0	3.0	6.5	6.4	5.8	5.2	5.7
Total	100.0	104.4	94.3	94.6	98.1	93.0	91.0	91.3

Sources: District Personnel Records

Information prior to 2006 is unavailable

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures ( a )	Cost Per Pupil	Percentage Change	Teaching Staff ( b )	Teacher Ratio	Average Daily Enrollment (ADE) ( c )	Average Daily Attendance (ADA) ( c )	% Change in Average Daily Enrollment	Student Attendance Percentage
2004	648	\$ 7,736,887	\$ 11,940	12.61%	58.8	1 to 11.02	647.9	618.5	-1.55%	95.46%
2005	670	7,849,714	11,716	-1.87%	64.4	1 to 10.40	670.2	641.7	3.44%	95.75%
2006	656	8,534,412	13,010	11.04%	67.5	1 to 9.72	656.1	625.7	-2.10%	95.37%
2007	659	9,193,074	13,950	7.23%	69.9	1 to 10.61	659.3	632.4	0.49%	95.92%
2008	633	9,491,364	14,994	7.49%	66.8	1 to 9.47	633.3	609.2	-3.94%	96.19%
2009	624	9,547,536	15,301	2.04%	70.1	1 to 8.90	624.8	599.8	-1.34%	96.00%
2010	616	9,727,207	15,791	3.20%	73.6	1 to 6.5	615.6	590.2	-1.47%	95.87%
2011	589	9,283,529	15,762	-0.19%	68.9	1 to 6.60	589.2	563.3	-4.29%	95.60%
2012	563	10,197,929	18,114	14.92%	68.6	1 to 6.5	562.6	541.2	-4.51%	96.20%
2013	560	10,569,435	18,874	4.20%	63.8	1 to 6.6	559.9	535.1	-0.48%	95.57%

Source: District Records

( a ) Operating Expenditures Equal Total Expenditures Less Debt Service and Capital Outlay.

( b ) Teaching Staff Includes Only Full-Time Equivalents or Certificated Staff.

( c ) Average Daily Enrollment and Average Daily Attendance are Obtained from the School Register Summary (SRS).

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 SCHOOL BUILDING INFORMATION  
 LAST TEN FISCAL YEARS

DISTRICT BUILDING	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Alexandria Middle School (1980)</u>										
Square Feet	75,873	75,873	75,873	75,873	74,106	74,106	74,106	74,106	74,106	74,106
Capacity (Students)	564	564	564	519	519	519	519	519	519	519
Enrollment	384	382	381	375	371	377	373	367	352	326
<u>Lester D Wilson Elementary School (1900)</u>										
Square Feet	34,800	34,800	34,800	34,800	36,301	36,301	36,301	36,301	36,301	36,301
Capacity (Students)	287	287	287	263	263	263	263	263	263	263
Enrollment	264	288	275	279	262	247	243	222	211	241
Number of Schools at June 30, 2013:										
Elementary	1									
Middle School	1									
High School										
Other										

District Facilities Office

Year of Original Construction is shown in Parentheses. Increase in Square Footage and Capacity are the Result of Renovations and Additions. Enrollment is Based on the Annual October District Court.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS

UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES

	*School Facilities		Total
	Alexandria Middle School	Lester D. Wilson School	
2004	\$ 33,417	\$ 97,604	\$ 131,021
2005	61,642	46,741	108,383
2006	49,635	54,529	104,164
2007	26,136	38,451	64,587
2008	107,329	1,200	108,529
2009	92,963	380	93,343
2010	95,820	2,221	98,041
2011	52,936	3,545	56,481
2012	121,133	1,645	122,778
2013	88,939	300	89,239
Total School Facilities	<u>\$ 729,950</u>	<u>\$ 246,616</u>	<u>\$ 976,566</u>

\* School Facilities as Defined Under EFCFA.  
(NJAC 6A:26-1.2 and NJAC 6A:26A-1.3)

Source: District Records

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2013  
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy-NJ School Boards Assoc:		
Property-Blanket Building & Contents (Policy Limit)	\$ 500,000,000	\$ 5,000
Comprehensive General Liability (Policy Limit)	16,000,000	1,000
Comprehensive Automobile Liability (Policy Limit)	16,000,000	1,000
School Board Legal Liability-NJ School Boards Assoc:		
Directors and Officers Policy (Policy Limit)	16,000,000	5,000
Worker's Compensation-NJ School Boards Assoc:		
Per Accident, Disease and Disease Limit	2,000,000	
Public Employees' Faithful Performance-NJ School Boards Assoc:		
Blanket Position Bond	500,000	500
Treasurer of School Monies Bond	250,000	1,000
School Board Secretary Bond	250,000	1,000
Underground Storage Tank Liability-ACE American Insurance Company:		
All Claims	2,000,000	25,000

Source: District Records

**SINGLE AUDIT SECTION**

Certified Public Accountant  
Public School Accountant  
Registered Municipal Accountant

100 Route 31 North  
Washington, NJ 07882 - 1530  
Fax # (908) 689-8388  
(908) 689-5002

## INDEPENDENT AUDITOR'S REPORT

August 31, 2013

Honorable President and  
Members of the Board of Education  
Alexandria Township School District  
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, 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 Alexandria Township School District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements, and have issued our report thereon dated August 31, 2013.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Board of Education's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Education's internal control.

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

Our consideration of internal control 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education's financial statements are free from 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.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
William M. Colantano, Jr.  
Public School Accountant  
No. CS 0128

Certified Public Accountant  
Public School Accountant  
Registered Municipal Accountant

100 Route 31 North  
Washington, NJ 07882 - 1530  
Fax # (908) 689-8388  
(908) 689-5002

## INDEPENDENT AUDITOR'S REPORT

August 31, 2013

Honorable President and  
Members of the Board of Education  
Alexandria Township School District  
County of Hunterdon, New Jersey

### **Report on Compliance for Each Major Federal and State Program**

We have audited the Board of Education of the Alexandria Township School District's (the District) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey OMB State Grant Compliance Supplement that could have a direct and material effect on each of the Board of Education's major federal and state programs for the year ended June 30, 2013. The Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB 04-04. Those standards, OMB Circular A-133 and NJ OMB 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 of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Board of Education's compliance.

## Opinion on Each Major Federal and State Program

In our opinion, the Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2013.

## Report on Internal Control Over Compliance

Management of The Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedules of Expenditures of Federal Awards Required by OMB Circular A-133  
and Expenditures of State Financial Assistance Required by NJ OMB 04-04**

We have audited the financial statements of the District as of and for the year ended June 30, 2013, and have issued our report thereon dated August 31, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and NJ Circular 04-04 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 schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



William M. Colantano, Jr.  
Public School Accountant  
No. CS 0128

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS-SCHEDULE A  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Grantor/Program Title	Federal CFDA Number	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2012	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repay of Prior Year Balance	Balance June 30, 2013		
											Accounts Receivable	Deferred Revenue	Due to Grantor
US Department of Education Passed Through State Department of Education: Special Revenue Fund:													
NCLB Title I A	84.010A	NCLB-002013	\$ 8,344	09/01/12-08/31/13			\$ 8,344	\$ 8,344					
NCLB Title I A	84.010A	NCLB-002012	9,835	09/01/11-08/31/12	\$ (4,750)		6,000	1,250					
NCLB Title II A	84.367A	NCLB-002013	7,844	09/01/12-08/31/13			7,844	7,844					
NCLB Title II A	84.367A	NCLB-002012	11,186	09/01/11-08/31/12	(11,186)		11,186						
NCLB Title IV	84.186A	NCLB-002010	877	09/01/09-08/31/10	1			1					
Rural Education Achievement Program	84.358B	S358A127757	48,814	07/01/12-09/30/13			37,860	37,860			\$ (10,954)	\$ 10,954	
Rural Education Achievement Program	84.358B	S358A117757	47,785	07/01/11-09/30/12	3,968		25,030	28,998					
IDEA Basic	84.027	IDEA-002013	117,703	09/01/12-08/31/13			94,162	117,703			(23,541)		
IDEA Basic	84.027	IDEA-002012	119,512	09/01/11-08/31/12	(20,125)		20,125						
IDEA Pre School	84.173	IDEA-002013	5,238	09/01/12-08/31/13			4,191	5,238			(1,047)		
IDEA Pre School	84.173	IDEA-002012	5,267	09/01/11-08/31/12	(1,694)		1,694						
Pilot Program-Principal Evaluation	84.413A	13000005	22,398	08/01/12-10/31/13				18,969			(22,398)	3,429	
Excellent Educator for New Jersey-Supplemental	84.367A	13000061	10,360	10/01/12-09/30/13				10,360			(10,360)		
Excellent Educator for New Jersey	84.367A	12000020	51,800	09/01/11-09/30/12	(24,300)		24,300						
<b>Total Special Revenue Fund</b>					<b>(58,086)</b>	<b>\$ -</b>	<b>240,736</b>	<b>236,567</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(68,300)</b>	<b>14,383</b>	<b>\$ -</b>
US Department of Agriculture Passed Through State Department of Education: Enterprise Fund:													
Food Donation Program	10.550	N/A	11,574	07/01/12-06/30/13			11,574	9,155				2,419	
Food Donation Program	10.550	N/A	7,881	07/01/11-06/30/12	1,580			1,580					
National School Lunch Program	10.555	N/A	16,076	07/01/12-06/30/13			15,089	16,076			(987)		
National School Lunch Program	10.555	N/A	18,161	07/01/11-06/30/12	(1,100)		1,100						
<b>Total Enterprise Fund</b>					<b>480</b>	<b>-</b>	<b>27,763</b>	<b>26,811</b>	<b>-</b>	<b>-</b>	<b>(987)</b>	<b>2,419</b>	<b>-</b>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>					<b>\$ (57,606)</b>	<b>\$ -</b>	<b>\$ 268,499</b>	<b>\$ 263,378</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (69,287)</b>	<b>\$ 16,802</b>	<b>\$ -</b>

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE-SCHEDULE B  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2012	Cash Received	Budgetary Expenditure	Adjustment	Balance June 30, 2013			Memo	
								Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
<b>State Department of Education</b>												
<b>General Fund:</b>												
Special Education Categorical Aid	13-495-034	\$ 336,075	07/01/12-06/30/13		\$ 302,774	\$ 336,075		\$ (33,301)			\$ (33,301)	\$ 336,075
Special Education Categorical Aid	12-495-034	324,068	07/01/11-06/30/12	\$ (31,544)	31,544							
Equalization Aid	13-495-034	627,647	07/01/12-06/30/13		565,454	627,647		(62,193)			(62,193)	627,647
Equalization Aid	12-495-034	768,616	07/01/11-06/30/12	(74,816)	74,816							
Security Aid	13-495-034	42,537	07/01/12-06/30/13		38,322	42,537		(4,215)			(4,215)	42,537
Security Aid	12-495-034	43,553	07/01/11-06/30/12	(4,240)	4,240							
Adjustment Aid	13-495-034	29,191	07/01/12-06/30/13		26,299	29,191		(2,892)			(2,892)	29,191
Adjustment Aid	12-495-034	20,590	07/01/11-06/30/12	(2,004)	2,004							
Transportation Aid	13-495-034	250,640	07/01/12-06/30/13		225,804	250,640		(24,836)			(24,836)	250,640
Transportation Aid	12-495-034	256,195	07/01/11-06/30/12	(24,938)	24,938							
School Choice Aid	13-495-034	276,672	07/01/12-06/30/13		249,257	276,672		(27,415)			(27,415)	276,672
School Choice Aid	12-495-034	144,550	07/01/11-06/30/12	(14,070)	14,070							
Extraordinary Special Education Costs Aid	13-100-034	46,407	07/01/12-06/30/13		-	46,407		(46,407)			(46,407)	46,407
Extraordinary Special Education Costs Aid	12-495-034	139,632	07/01/11-06/30/12	(139,632)	139,632							
Non-Public Transportation Aid	13-495-034	8,103	07/01/12-06/30/13		-	8,103		(8,103)			(8,103)	8,103
Non-Public Transportation Aid	12-495-034	11,400	07/01/11-06/30/12	(6,721)	6,721							
On-Behalf TPAF Pension Contribution-Teachers' Pension and Annuity Fund	13-495-034	320,586	07/01/12-06/30/13		320,586	320,586						320,586
On-Behalf TPAF Pension Contribution-Non-Contributory Insurance	13-495-034	16,867	07/01/12-06/30/13		16,867	16,867						16,867
On-Behalf TPAF Pension Contribution-Post Retirement Medical	13-495-034	381,575	07/01/12-06/30/13		381,575	381,575						381,575
Reimbursed TPAF Social Security Contribution	13-495-034	369,381	07/01/12-06/30/13		351,011	369,381		(18,370)			(18,370)	369,381
Reimbursed TPAF Social Security Contribution	12-495-034	369,011	07/01/11-06/30/12	(18,106)	18,106							
<b>Total General Fund</b>				<u>(316,071)</u>	<u>2,794,020</u>	<u>2,705,681</u>	<u>\$ -</u>	<u>(227,732)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(227,732)</u>	<u>2,705,681</u>
<b>State Department of Agriculture Enterprise Fund:</b>												
National School Lunch Program (St Share)	13-100-010	1,107	07/01/12-06/30/13		1,036	1,107		(71)				
National School Lunch Program (St Share)	12-100-010	1,272	07/01/11-06/30/12	(79)	79							
<b>Total Enterprise Fund</b>				<u>(79)</u>	<u>79</u>	<u>1,107</u>	<u>-</u>	<u>(71)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>				<u>\$ (316,150)</u>	<u>\$ 2,795,135</u>	<u>\$ 2,706,788</u>	<u>\$ -</u>	<u>\$ (227,803)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (227,732)</u>	<u>\$ 2,705,681</u>

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE  
JUNE 30, 2013

**NOTE 1. GENERAL**

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Alexandria Township School District. The Board of Education is defined in Note 1 (A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the schedule of federal financial assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedules of financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the Board's general-purpose financial statements.

**NOTE 3. RELATIONSHIP OF FINANCIAL STATEMENTS**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to PL 2004, Ch 97 (A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferred and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$3,240) for the general fund and \$2,563 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.

Financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	Federal	State	Total
General Fund		\$ 2,702,441	\$ 2,702,441
Special Revenue Fund	\$ 239,130		239,130
Enterprise Fund	26,811	1,107	27,918
	\$ 265,941	\$ 2,703,548	\$ 2,969,489

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE  
JUNE 30, 2013  
(Continued)

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5. OTHER**

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2013. TPAF Social Security Contribution represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2013.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued: Unqualified

Internal Control Over Financial Reporting:

1. Material weakness(es) identified?        Yes   X   No  
2. Reportable conditions identified  
that are not considered to be material  
weaknesses?        Yes   X   No

Noncompliance Material to General Purpose  
Financial Statements Noted?        Yes   X   No

Federal Awards NOT APPLICABLE

Internal Control Over Major Programs:

1. Material weakness(es) identified?        Yes        No  
2. Reportable conditions identified  
that are not considered to be material  
weaknesses?        Yes        No

Type of Auditor's Report Issued on Compliance  
for Major Programs?       

Any Audit Findings Disclosed that are Required  
to be Reported in Accordance with Section .510  
(a) of Circular A-133        Yes        No

Identification of Major Programs:

CFDA Numbers Amount Name of Federal Program

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Continued)

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Federal Awards (Cont'd) NOT APPLICABLE

Dollar Threshold used to Distinguish Between  
Type A and Type B Programs: \_\_\_\_\_

Auditee qualified as a low-risk auditee        Yes        No

State Awards

Dollar Threshold used to Distinguish Between  
Type A and Type B Programs:        \$300,000

Auditee Qualified as low-risk auditee   X   Yes        No

Type of Auditor's Report Issued on Compliance  
for Major Programs:        Unqualified

Internal Control Over Major Programs:  
1. Material weakness(es) identified?        Yes   X   No

2. Reportable conditions identified  
that are not considered to be material  
weaknesses?        Yes   X   No

Any Audit Findings Disclosed That are Required  
to be Reported in Accordance with NJ OMB  
Circular Letter 98-07?        Yes   X   No

Identification of Major Programs:

<u>GMIS Numbers</u>	<u>Amount</u>	<u>Name of State Program</u>
13-495-034-5120-068	\$ 276,672	School Choice Aid
13-495-034-5120-089	356,075	Special Education Aid
13-495-034-5120-078	627,647	Equalization Aid
13-495-034-5095-002	369,381	TPAF Social Security

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SECTION II-FINANCIAL STATEMENT FINDINGS

There were no findings or questioned costs for the year ended June 30, 2013.

SECTION III-FEDERAL AWARDS AND STATE FINANCIAL  
ASSISTANCE FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for the year ended June 30, 2013.

ALEXANDRIA TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior year findings or questioned costs.