

BARNEGAT TOWNSHIP SCHOOL DISTRICT

Barnegat, New Jersey
County of Ocean

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

BARNEGAT TOWNSHIP SCHOOL DISTRICT

BARNEGAT, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Prepared by

Business Office – Lourdes LaGuardia, Business Administrator/Board Secretary

OUTLINE OF CAFR - GASB #34

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INTRODUCTORY SECTION

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BARNEGAT TOWNSHIP SCHOOL DISTRICT

550 BARNEGAT BOULEVARD NORTH
BARNEGAT, NEW JERSEY 08005
(609) 698-5800 FAX (609) 660-5974

Karen M. Wood
Superintendent

Lourdes LaGuardia
Business Administrator/Board Secretary

October 25, 2013

Honorable President and
Members of the Barnegat Township Board of Education
Barnegat, New Jersey 08005

Dear Board Members:

The Comprehensive Annual Financial Report of the Barnegat Township Board of Education for the fiscal year ended June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Barnegat 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 fairly present the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this transmittal letter, the district's organizational chart and a list of principal officials. The Financial Section includes the management's discussion and analysis, the basic financial statements and schedules, as well as the auditor's report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of the 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04MB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Barnegat Township Board of Education is an independent reporting entity within the criteria adopted by the GASB Statement No. 14 as established by NCGA Statement No. 3. All funds of the district are included in this report. The Barnegat Township Board of Education and all of its schools constitute the District's reporting entity.

The District provides a full-range of educational services appropriate to grade levels K-12. These include regular, as well as special education for mentally and physically challenged students.

BOARD OF EDUCATION



BARNEGAT TOWNSHIP SCHOOL DISTRICT

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BARNEGAT, NEW JERSEY 08005

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Karen M. Wood
Superintendent

Lourdes LaGuardia
Business Administrator/Board Secretary

2. **ECONOMIC CONDITION AND OUTLOOK:** As long as state aid is not decreased and the district receives additional aid for new students who are moving into the district, the local tax levy is expected to be fairly stable. Except for 2010-11 when the State of NJ reduced the district's state aid by over \$2.3 million and deducted another \$882,000 for a School Development Authority debt service assessment, the tax levy has been essentially flat for three of the last four years. The tax levy for 2012-2013 was reduced by over \$467,000. An influx of students with special needs, however, under the proposed CEIFA formula, could lead to an increase in out of district tuition that would drive up property taxes. Also, any mandate to establish regular preschool without full funding from the state will also put upward pressure on the local tax. All in all, how the state funds school districts in the ensuing years will have a major impact on the local tax rate in Barnegat due to the significant percentage of state funding the District receives relative to property tax funding.

3. **MAJOR INITIATIVES:** Beginning in 2009-10, the district initiated major efforts to reduce its future energy usage through energy conservation education resulting in a savings in electrical and natural gas usage by over \$900,000 in the last two years. Initiated in 2011-2012, and continuing into 2012-13, continued energy savings will be achieved via building and automatic building control system upgrades under the NJ Energy Savings Improvement Program (ESIP), and the implementation of large scale solar electric panel installations on school roofs. In addition, the Safe Routes to School program and subsequent redistricting resulted in continuing annual savings in bus transportation costs since the 2010-2011 school year. Using American Reinvestment and Recovery federal funding and other budget savings, the district completed major new classroom technology investments in all schools between 2009 and 2012, and followed through with upgrades in the computer server infrastructure between buildings in 2010-2011 and in 2011-2012. Finally, improved security access and security camera systems were installed in all schools using grants from the SDA in 2009-10 and security recorders were installed in 2011-12. These have resulted in reduced vandalism and improved facility control in 2011-12. In 2011-12, the district experienced a significant mold issue in the Cecil S. Collins Elementary School with the district deciding to close the school from September 2011 through January 2012 to completely remediate the mold, and to refit and repaint the interior of the entire building. A new central HVAC system with dehumidification safeguards has been installed in the summer of 2012 under the ESIP program to ensure no further future problems of this nature. The district continues to further achieve energy savings by replacing windows at the Lillian M. Dunfee School. The health and safety of all children is paramount the district made various floor replacement renovations as well as continued district wide upgrades to the security system in 2012-2013.

BOARD OF EDUCATION

Lauren Sarno, *President* Denise Pilovsky, *Vice President*

Lisa Becker. Frank P. Caputo Joseph Cloke Kim Murphy Grace Paulus Kelly Sawicki Arthur Shieken



BARNEGAT TOWNSHIP SCHOOL DISTRICT

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Business Administrator/Board Secretary

The district has also been preparing to meet accountability requirements for Partnership for Assessment of Readiness for College and Careers (PARCC) this is a standard set of K-12 assessments in math and English. PARCC requires computer-adaptive diagnostic testing using online platform. As such, the district will continue to make enhancements and upgrades to the infrastructure; broadband; as well as to tablets and/or computer accessibility for students.

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

As part of the District's single audit described earlier, tests are made in each annual audit to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs. The audit also tests to determine if the District has complied with applicable laws and regulations.

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance as of June, 2013.

BOARD OF EDUCATION



BARNEGAT TOWNSHIP SCHOOL DISTRICT

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Karen M. Wood
Superintendent

Lourdes LaGuardia
Business Administrator/Board Secretary

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in the "Notes to the Financial Statements", Note 1.
7. DEBT ADMINISTRATION: At June 30, 2013, the District's principal outstanding debt issues totaled \$36,370,000. \$6,105,000 of outstanding bonds originally issued in 2004 was refinanced with a 2012 refunding issue. This refinance will reduce future debt service payments, saving over \$311,000 in interest between 2012 and 2025, or an average of \$24,000 for each of the 13 years. Scheduled debt due within one year \$1,285,000.
8. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to Financial Statement", Note 2. 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. The law requires governmental units to deposit funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
9. RISK MANAGEMENT: Barnegat Township Board of Education 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.
10. OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison of Toms River was selected by the Board to perform the annual audit. In addition to meeting the requirements set forth in state statutes, the audit also is designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04OMB. The auditor's report on the basic financial statements, including 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.

BOARD OF EDUCATION



BARNEGAT TOWNSHIP SCHOOL DISTRICT

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Karen M. Wood
Superintendent

Lourdes LaGuardia
Business Administrator/Board Secretary

11. **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Barnegat Township Board of Education for their commitment to a quality education for all students in Barnegat, balanced by their concern in providing fiscal accountability to the citizens and taxpayers of the school district. Those philosophies demonstrate their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting personnel.

Sincerely,



Karen M. Wood

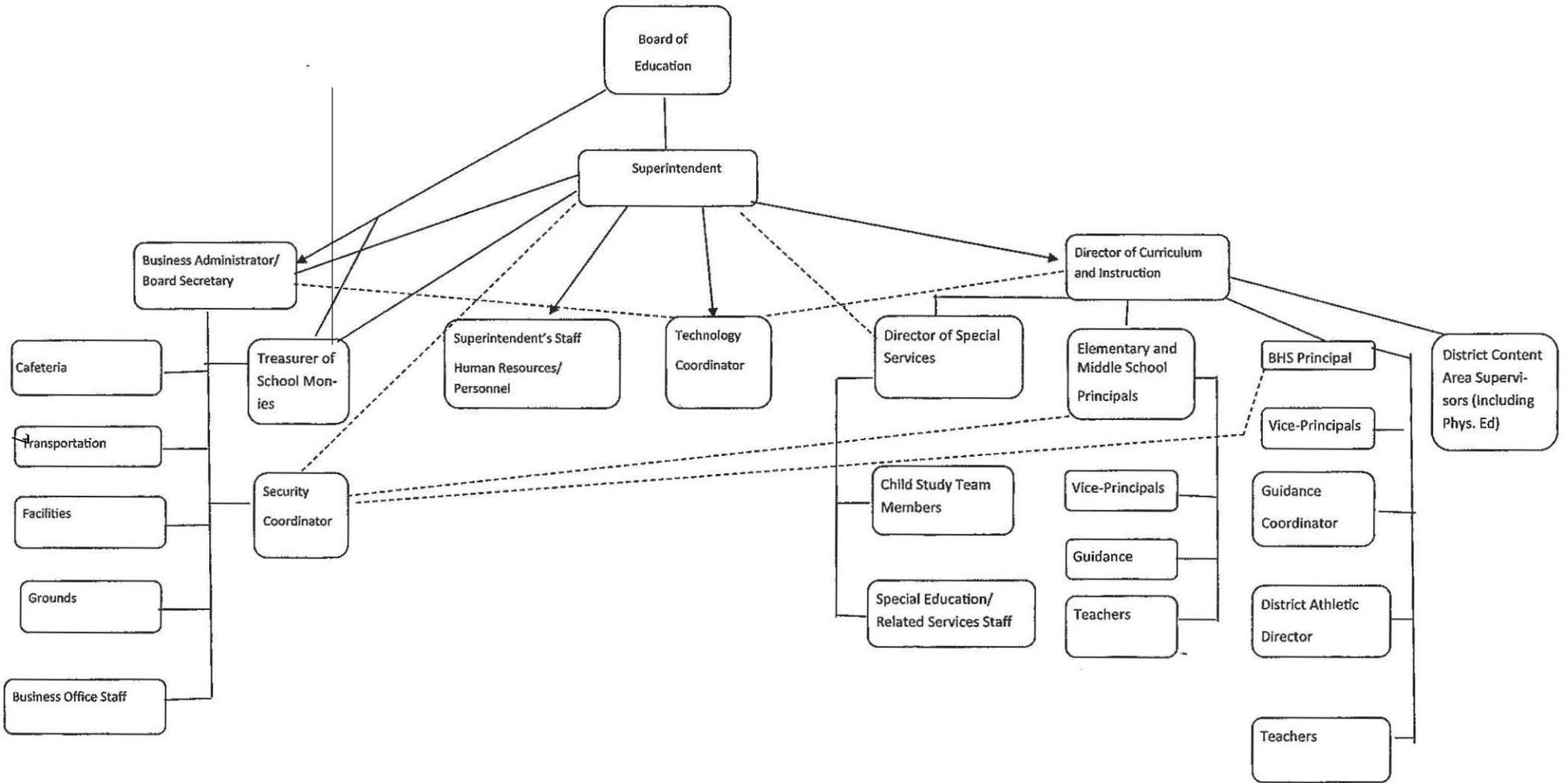


Lourdes LaGuardia

BOARD OF EDUCATION

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BARNEGAT TOWNSHIP SCHOOL DISTRICT



Primary Authority _____
 Communications/Cooperation - - - - -

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BARNEGAT TOWNSHIP SCHOOL DISTRICT
550 Barnegat Boulevard North
Barnegat, New Jersey 08005

ROSTER OF OFFICIALS

JUNE 30, 2013

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Lisa Sarno, President	2013
Denise Pilovsky, Vice President	2014
Lauren Becker	2014
Frank P. Caputo	2015
Joseph Cloke	2013
Kim Murphy	2015
Grace Paulhus	2015
Kelly Sawicki	2013
Arthur Sheiken	2013

OTHER OFFICIALS

Karen Wood, Superintendent

Lourdes LaGuardia, Business Administrator/Board Secretary

Patricia Christopher, Treasurer of School Funds

BARNEGAT TOWNSHIP SCHOOL DISTRICT

**550 Barnegat Boulevard North
Barnegat, New Jersey 08005**

CONSULTANTS AND ADVISORS

ATTORNEY

Benjamin Montenegro
Montenegro, Thompson, Montenegro & Genz
531 Burnt Tavern Road
P.O. Box 1049
Brick, New Jersey 08724

AUDIT FIRM

Frank B. Holman, III, CPA, PSA
Holman Frenia Allison, P. C.
10 Allen Street, Suite 2B
Toms River, New Jersey 08753

BOND COUNSEL

William R. Mayer
DeCotiis, Fitzpatrick & Cole LLC
500 Frank W. Burn Blvd, Suite 3
Teaneck, New Jersey 07666

OFFICIAL DEPOSITORY

Ocean First Bank
State of New Jersey Cash Management Fund

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Barnegat Township School District
County of Ocean
Barnegat, New Jersey 08005

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 Barnegat Township School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financials, which collectively comprise the District'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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 that 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 Board of Education of the Barnegat Township School District, County of Ocean, State of New Jersey, 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 on pages 18 through 27 and 84 through 96 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 Barnegat Township Board of Education's basic financial statements. The accompanying introductory section, comparative totals for June 30, 2012, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements.

The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of federal and state financial assistance 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 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 fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of federal and state financial assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section, comparative totals for June 30, 2012, and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2013 on our consideration of the Board of Education of the Barnegat Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Board of Education of the Barnegat Township School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Frank B. Holman, III
Certified Public Accountant
Public School Accountant
No. 783

Toms River, New Jersey
October 25, 2013

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

The discussion and analysis of Barnegat Township School District's financial performance provides an overall review of the School District's financial activities for the year ended 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 basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999.

Financial Highlights

Key financial highlights for 2013 are as follows:

- General revenues accounted for \$48,883,966 or 87.4% percent of total operating revenues. Program specific revenues in the form of federal and state operating grants and contributions, accounted for \$7,077,722 or 12.6% of total operating revenues of \$55,961,688.
- Local tax levy of \$28,238,440 accounts for 50.4% of general operating budget with a 4.7% decrease of local contribution totaling \$462,687.
- The school district had \$ 58,986,556 in expenses; \$7,077,722 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$48,849,730 were adequate to provide for these programs.
- Among governmental funds per Exhibit B-2, the General Fund had \$50,327,378 in revenues and \$54,145,786 in expenditures. The General Fund's fund balance decreased \$(274,615) from 2012. Energy Savings Improvement (ESIP) bond proceeds were spent in 2012-2013, and reductions in utility and other operating expenses through targeted savings initiatives will be reflected in future years.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Barnegat Township School District as a financial whole, an entire operating entity. The statements subsequent to the A and B summary Exhibits provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The B Exhibit fund financial statements identify the School district's most significant funds, the Governmental Funds. In the case of Barnegat Township School District, the General Fund is by far the most significant fund representing over 92% of governmental expenditures.

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the pages to follow in this extensive document contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and answers the question, “How did we do financially during the 2012/2013 school year? The **Statement of Net Position, Exhibit A-1**, and the **Statement of Activities, Exhibit A-2**, answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These A-1 and A-2 statements report the School District’s Net Position and changes in those assets. This change in Net Position is important because it tells the reader that for the school district as a whole, the financial position of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District’s property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position A-1 and the Statement of Activities A-2, the School District is divided into two distinct kinds of activities:

- Governmental activities – All of the School District’s programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activity – These activities are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service school breakfast and lunch program is the major enterprise fund reported as a business activity. While there is a small residual of funds left and reported for the Community Education program, this program has been inactive since 2010. There was no fiscal activity in the Community Education fund except for accrued interest on the residual reserve remaining from the prior year.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District’s funds. The School District uses many funds to account for a multitude of financial transaction. The School District’s governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

measures cash and all other financial assets that can readily be converted to cash. These funds cover the government operations and the basic services provided for the education of the district's students. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the notes to the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The National School Lunch Program is the major enterprise operation within the district.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and Fund financial statements.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net Position may serve over time as a useful indicator of government'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.

Table 1 provides a summary of the School District's Net Position for 2013 and 2012. [Source: Exhibit A-1]

**Table 1
Net Position**

	2013	2012
Assets:		
Current and Other Assets	\$ 6,403,279	\$ 9,516,933
Capital Assets	135,276,471	136,527,400
Total Assets	141,679,750	146,044,333
Liabilities:		
Current Liabilities	1,015,952	806,132
Long-Term Liabilities	42,854,142	44,369,441
Total Liabilities	43,870,094	45,175,573
Net Position:		
Invested in Capital Assets, Net of Debt	94,205,800	97,032,111
Restricted	4,695,761	4,170,817
Unrestricted – (Deficit)	(1,091,905)	(334,168)
Total Net Position	\$ 97,809,656	\$100,868,760

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

The School District as a Whole (Continued)

Table 2 shows changes in Net Position for year 2013 and 2012. [Source: Exhibit A-2]

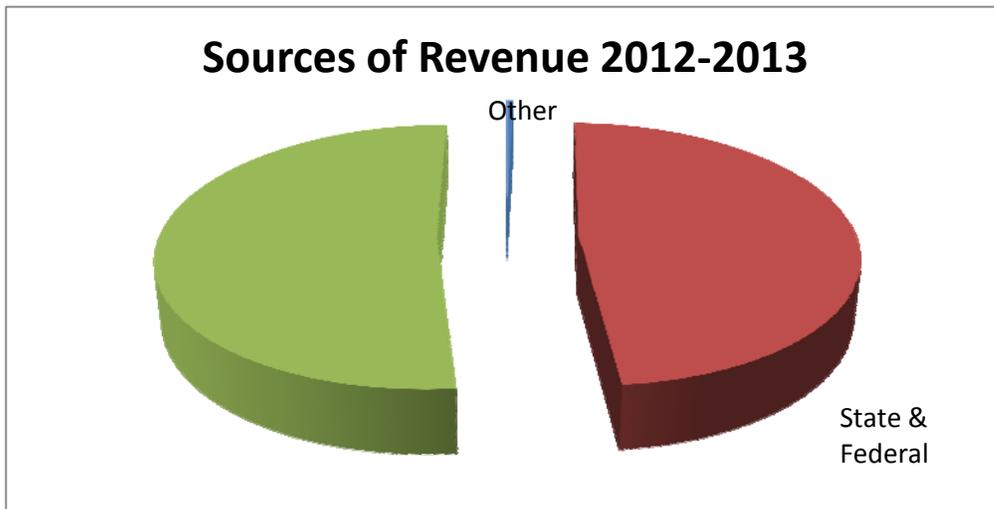
**Table 2
Changes in Net Position**

	2013		2012
Revenues			
Program Revenues:			
Charges for Services	\$ 549,974	\$	668,041
Operating Grants and Contributions	\$ 6,527,748	\$	2,393,821
General Revenues:			
Property Taxes	\$ 28,238,440	\$	28,701,127
State Aid	\$ 20,427,004	\$	24,275,797
Other	\$ 184,286	\$	170,478
Total Revenues	\$ 55,927,452	\$	\$ 56,209,264
Program Expenses			
Instruction	\$ 21,182,103	\$	20,856,739
Support Services:			
Tuition	\$ 1,206,492	\$	1,420,914
Student & Instruction Related Services	\$ 4,227,395	\$	3,905,059
General & School Administration	\$ 2,097,886	\$	2,066,235
Business Operations and Maintenance of Facilities	\$ 4,309,656	\$	5,512,326
Pupil Transportation	\$ 3,016,676	\$	2,915,158
Unallocated Employee Benefits	\$ 13,063,771	\$	11,799,339
Increase/(Decrease) of Capital Assets	\$ 4,130,896	\$	(201,997)
Interest on Long Term Debt	\$ 1,574,335	\$	1,662,516
Food Service	\$ 1,192,627	\$	1,214,875
Community Education	\$ 389	\$	-
Unallocated Depreciation	\$ 2,984,330	\$	2,668,756
Total Expenses	\$ 58,986,556	\$	\$ 53,819,920
(Decrease)/Increase in Net Position	\$ (3,059,104)	\$	\$ 2,389,344

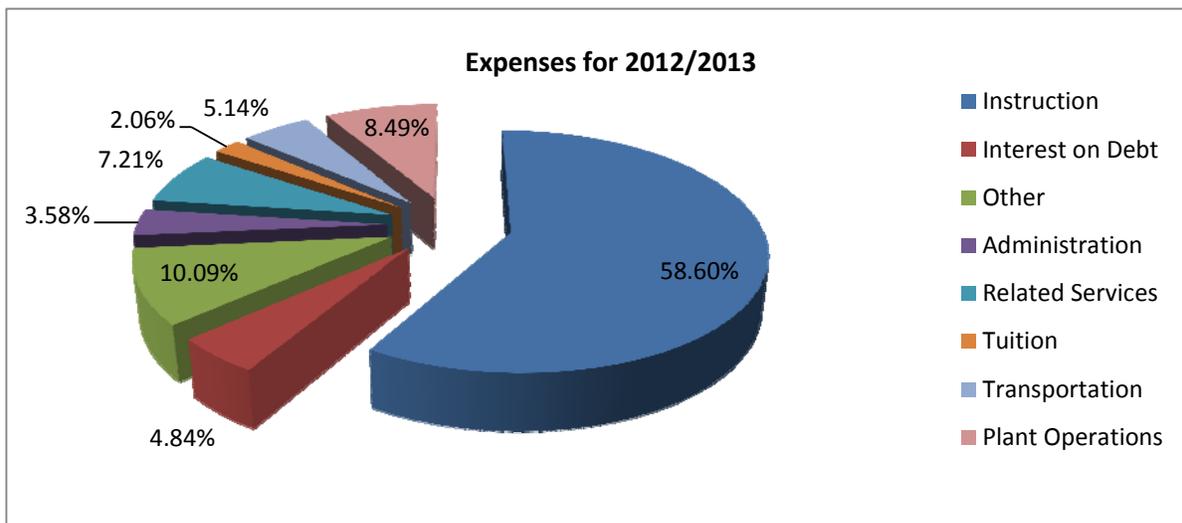
**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

Governmental Activities [Source: B-2]

The unique nature of property taxes in New Jersey creates legal requirements to annually seek voter approval for the School District operations prior to 2012. Per legislation enacted in 2012, the Board Of Education approved the move of the school election to November. This eliminated the requirement for voter approval on the budget if the proposed tax levy increase did not exceed 2%. Property taxes made up 51.5 % of revenues for governmental activities for the Barnegat Township School District for year 2012-2013. The District's total revenues were \$54,817,569 for the year ended June 30, 2013. Federal, state and local grants accounted for another 47% of revenue.



The total cost of all programs and services was \$58,654,812. Instruction including allocated benefits comprises 58.6 percent of District expenses.



**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

Business-Type Activities [Source: A-2]

Revenues for the District's business-type activities were comprised of charges for services and federal and state reimbursements.

- Food service expenses exceeded revenues by \$(60,358). Community Education expenses exceeded revenues by \$(22,775).
- Charges for services represent \$549,974 of revenue. This represents amounts paid by students and staff for daily food service.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$594,145.

Governmental Activities

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

**Table 3
Statement of Total & Net Costs**

	<u>Total Cost of Services 2013</u>	<u>Net Cost of Services 2013</u>	<u>Total Cost of Services 2012</u>	<u>Net Cost of Services 2012</u>
Instruction	\$ 21,182,103	\$ 19,877,963	\$ 20,856,739	\$ 19,556,244
Support Services:				
Tuition	1,206,492	1,206,492	1,420,914	1,420,914
Pupils & Instructional Staff	4,227,395	4,227,395	3,905,059	3,905,059
General & School Administration	2,097,886	2,097,886	2,066,235	2,066,235
Central Services & Maintenance of Facilities	4,309,656	4,309,656	5,512,326	5,512,326
Pupil Transportation	3,016,676	2,825,165	2,915,158	2,915,158
Interest & Finance Charges	1,574,335	1,251,866	1,662,516	1,123,966
Other Including Employee Benefits	20,178,997	16,063,514	14,266,098	14,266,098
Total Expenses	<u>\$ 57,793,540</u>	<u>\$ 51,859,937</u>	<u>\$ 52,605,045</u>	<u>\$ 50,766,000</u>

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

Tuition is predominantly made up of charges for out of district special education placements.

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

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

Governmental Activities (continued)

General and school administration includes expenses associated with administrative supervision of the District.

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

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.

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

“Other” includes special schools, and unallocated benefits, depreciation and absence liabilities.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. See Exhibit B-2. Total revenues amounted to \$54,817,569 and expenditures were \$58,654,812. The net change in fund balance for the year was a decrease of \$(274,615) including the change in the capital projects fund.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the year ended June 30, 2013, and the amount and percentage of increases and decreases in relation to prior year revenues.

Sources of Revenue & Other Funding

<u>Revenue</u>	<u>2012-2013 Amount</u>	<u>Percent of Total</u>	<u>2011-2012 Amount</u>	<u>Increase (Decrease) From 2010</u>	<u>Percent of Increase or Decrease</u>
Property Taxes	\$28,238,440	51.51%	\$ 28,701,127	\$ (462,687)	4.70%
Other Local Sources	218,522	0.40%	170,056	48,466	28.50%
State Sources	25,018,642	45.64%	24,124,164	894,478	2.80%
Federal Sources	1,341,965	2.45%	1,990,678	(648,713)	-7.50%
Total	<u>\$54,817,569</u>	<u>100.00%</u>	<u>\$ 54,986,025</u>	<u>\$ (168,456)</u>	<u>28.50%</u>

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

The School District's Funds (Continued)

Local revenues decreased by \$414,443. The decrease in local sources was due to a property tax decrease.

The increase in State Aid revenue is attributable to the state's increase in categorical aid.

The decrease in Federal revenue sources is due primarily to the expiration of the large allocation of American Reinvestment and Recovery (ARRA) funding to the district.

The following schedule represents a summary of general fund, special revenue fund, capital project fund and debt service fund expenditures for the year ended June 30, 2013, and the percentage of increases and decreases in relation to prior year amounts.

Summary of Expenditures

<u>Expenditures</u>	<u>2012-2013 Amount</u>	<u>Percent of Total</u>	<u>2011-2012 Amount</u>	<u>Increase (Decrease) from 2012</u>	<u>Percent of Increase or Decrease</u>
Current Expense:					
Instruction	\$21,182,103	36.11%	\$20,856,739	\$ 325,364	0.55%
Undistributed Expenditures	28,717,175	48.96%	28,068,528	648,647	1.11%
Capital Outlay	5,915,541	10.09%	2,785,987	3,129,554	5.34%
Special Revenue	-	0.00%	-	-	0.00%
Debt Service	2,839,993	4.84%	2,859,990	(19,997)	-0.03%
Total	<u>\$58,654,812</u>	<u>100.00%</u>	<u>\$54,571,244</u>	<u>\$ 4,083,568</u>	<u>6.96%</u>

Changes in expenditures for capital outlay were due to the ESIP expense in 2013. Operating expenses were slightly up due to pending contract negotiations and increased health benefit premiums, costs and savings in other operational areas maintained the minimal change.

General Fund Budgeting Highlights

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

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

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

Capital Assets

At the end of the year 2013, the School District had \$ 135,000,983 invested in governmental land, building, furniture and equipment, and vehicles. Table 4 shows year 2013 balances compared to 2012.

**Table 4
Capital Assets at June 30, 2013 (Net of Depreciation)**

	<u>2013</u>	<u>2012</u>
Land	\$ 11,696,706	\$ 11,752,406
Land Improvements	8,195,823	2,526,766
Construction In Progress	63,014,715	62,649,822
Building & Building Improvements	80,147,869	80,283,054
Machinery and Equipment	10,835,618	12,849,921
Total Asset Book Value	<u>173,890,731</u>	<u>170,061,969</u>
Less Accumulated Depreciation	<u>(38,889,748)</u>	<u>(33,861,301)</u>
Net Capital Assets	<u>\$ 135,000,983</u>	<u>\$ 136,200,668</u>

Overall capital assets decreased \$(1,199,685) from year 2012 to year 2013. The decrease in capital assets is due to depreciation charges exceeding new capital construction and purchases. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2013, the School District had \$41,844,938 of outstanding debt. Of this amount, \$1,598,908 is for compensated absences; \$4,885,234 for various capital leases; and \$36,370,000 of serial bonds for school construction.

**Table 5
Bonded Debt Outstanding at June 30, 2013**

	<u>2013</u>	<u>2012</u>
2004 Issue Bonds	\$ 8,690,000	\$ 8,980,000
2004 Issue Refunding Bonds	920,000	1,350,000
2007 Issue Bonds	20,750,000	21,255,000
2012 Issue Refunding Bonds	6,010,000	6,105,000
Total Net Assets	<u>\$ 36,370,000</u>	<u>\$ 37,690,000</u>

At June 30, 2013, the School District was within its legal debt margin. For more detailed information, please refer to Note 7 of the Notes to the Financial Statements and Schedule I-1.

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED**

For the Future

The Barnegat Township School District is in good financial condition. The School district has significant community support of the public schools.

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

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Lourdes LaGuardia at Barnegat Township School District, 550 Barnegat Blvd. North, Barnegat, NJ 08005. Please visit our website at <http://www.barnegatschools.com>.

BASIC FINANCIAL STATEMENTS

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A. District-Wide Financial Statements

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
			JUNE 30, 2013	(MEMORANDUM ONLY) JUNE 30, 2012
Cash & Cash Equivalents	\$ 984,423	\$ 79,171	\$ 1,063,594	\$ 1,574,965
Receivables, Net	1,980,743	35,609	2,016,352	1,916,203
Inventory	-	18,205	18,205	16,485
Restricted Assets:				
Cash Held by the State of New Jersey - SCC	361,864	-	361,864	353,517
Cash Reserves	2,687,262	-	2,687,262	2,437,136
Capital Projects	256,002	-	256,002	3,218,627
Capital Assets, Net (Note 6)	135,000,983	275,488	135,276,471	136,527,400
Total Assets	141,271,277	408,473	141,679,750	146,044,333
LIABILITIES				
Accounts Payable	158,513	52,535	211,048	70,529
Due to Grantor	17,105	-	17,105	-
Unearned Revenue	307,529	-	307,529	309,675
Accrued Interest Payable	480,270	-	480,270	425,928
Long-Term Obligations (Note 7):				
Due Within One Year	1,861,418	-	1,861,418	1,863,857
Due Beyond One Year	40,992,724	-	40,992,724	42,505,584
Total Liabilities	43,817,559	52,535	43,870,094	45,175,573
NET POSITION				
Invested in Capital Assets, Net of Related Debt	93,930,312	275,488	94,205,800	97,032,111
Restricted For:				
Other Purposes	3,291,246	-	3,291,246	2,722,402
Capital Projects	1,404,515	-	1,404,515	1,448,415
Unrestricted	(1,172,355)	80,450	(1,091,905)	(334,168)
Total Net Position	\$ 97,453,718	\$ 355,938	\$ 97,809,656	\$ 100,868,760

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

FUNCTIONS/PROGRAMS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION					
	PROGRAM REVENUES			TOTALS		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	(MEMORANDUM ONLY) JUNE 30, 2012
Governmental Activities:						
Instruction:						
Regular	\$ 15,212,116	\$ -	\$ 1,304,140	\$ (13,907,976)	\$ -	\$ (13,907,976)
Special Education	4,158,217	-	-	(4,158,217)	-	(4,074,599)
Other Special Instruction	1,811,770	-	-	(1,811,770)	-	(1,867,639)
Support Services & Undistributed Costs:						
Tuition	1,206,492	-	-	(1,206,492)	-	(1,420,914)
Student & Instruction Related Services	4,227,395	-	-	(4,227,395)	-	(3,905,059)
General Administrative Services	664,145	-	-	(664,145)	-	(615,632)
School Administrative Services	1,433,741	-	-	(1,433,741)	-	(1,450,603)
Central Services	460,563	-	-	(460,563)	-	(426,851)
Administrative Information Technology	254,131	-	-	(254,131)	-	(221,236)
Plant Operations & Maintenance	3,594,962	-	-	(3,594,962)	-	(4,864,239)
Pupil Transportation	3,016,676	-	191,511	(2,825,165)	-	(2,915,158)
Unallocated Employee Benefits	13,063,771	-	4,115,483	(8,948,288)	-	(11,799,339)
Interest on Long-Term Debt	1,574,335	-	322,469	(1,251,866)	-	(1,123,966)
Unallocated Adjustment to Fixed Assets	4,130,896	-	-	(4,130,896)	-	201,997
Unallocated Depreciation	2,984,330	-	-	(2,984,330)	-	(2,668,756)
Total Governmental Activities	57,793,540	-	5,933,603	(51,859,937)	-	(50,766,000)

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS	
	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	JUNE 30, 2013	JUNE 30, 2012
Business-Type Activities:						
Food Service	1,192,627	548,824	-	(49,658)	(49,658)	7,942
Community Education	389	1,150	-	761	761	-
Total Business-Type Activities	1,193,016	549,974	594,145	(48,897)	(48,897)	7,942
Total Primary Government	\$ 58,986,556	\$ 549,974	\$ 6,527,748	(51,859,937)	(51,908,834)	(50,758,058)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net			25,696,073	-	25,696,073	26,379,687
Taxes Levied for Debt Service			2,542,367	-	2,542,367	2,321,440
Federal & State Aid Not Restricted			20,427,004	-	20,427,004	24,275,797
Tuition			68,598	-	68,598	42,199
Miscellaneous Income			149,924	15,921	165,845	128,279
Interest Earnings			-	39	39	-
Adjustment to Fixed Assets			-	(26,621)	(26,621)	-
Transfer Out			-	(23,575)	(23,575)	-
Total General Revenues, Special Items, Extraordinary Items & Transfers			48,883,966	(34,236)	48,849,730	53,147,402
Change In Net Position			(2,975,971)	(83,133)	(3,059,104)	2,389,344
Net Position - Beginning			100,429,689	439,071	100,868,760	98,479,416
Net Position - Ending			\$ 97,453,718	\$ 355,938	\$ 97,809,656	\$ 100,868,760

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

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B. Fund Financial Statements

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Governmental Funds

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					JUNE 30, 2013	JUNE 30, 2012
Cash & Cash Equivalents	\$ 1,120,271	\$ -	\$ 256,002	\$ 24,843	\$ 1,401,116	\$ 4,800,640
Cash Held by the State of New Jersey - SDA	-	-	361,864	-	361,864	353,517
Receivables, Net	62,117	-	-	-	62,117	37,217
Due From Other Funds	487,266	4,612	-	-	491,878	3,448,384
Receivables from Other Governments	464,946	179,765	1,272,627	-	1,917,338	1,939,945
Restricted Cash	2,687,262	-	-	-	2,687,262	2,437,136
Total Assets	\$ 4,821,862	\$184,377	\$ 1,890,493	\$ 24,843	\$ 6,921,575	\$ 13,016,839
LIABILITIES & FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 158,513	\$ -	\$ -	\$ -	\$ 158,513	\$ 70,529
Cash Overdraft	-	160,691	-	-	160,691	84,960
Due to Other Funds	4,612	-	485,978	-	490,590	3,527,285
Due to Grantor	-	17,105	-	-	17,105	-
Unearned Revenue	485,511	6,581	-	-	492,092	3,456,866
Total Liabilities	648,636	184,377	485,978	-	1,318,991	7,139,640
Fund Balances:						
Restricted for:						
Capital Reserve	1,579,190	-	-	-	1,579,190	1,529,187
Maintenance Reserve	1,108,072	-	-	-	1,108,072	907,949
Excess Surplus	318,718	-	-	-	318,718	285,266
Excess Surplus Designated for Subsequent Year's Expenditures	285,266	-	-	-	285,266	-
Committed for:						
Other Purposes	526,551	-	1,385	-	527,936	615,931
Assigned for:						
Designated for Subsequent Year's Expenditures	-	-	-	-	-	1,914,742
Other Purposes	355,429	-	-	-	355,429	38,082
Unassigned	-	-	1,403,130	24,843	1,427,973	586,042
Total Fund Balances	4,173,226	-	1,404,515	24,843	5,602,584	5,877,199
Total Liabilities & Fund Balances	\$ 4,821,862	\$184,377	\$ 1,890,493	\$ 24,843		

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$173,890,731 and the accumulated depreciation is \$38,889,748.	135,000,983	136,200,668
Accrued interest not recorded in current financial statements.	(480,270)	(425,928)
Unexpended capital lease proceeds	184,563	3,147,191
Long-term liabilities, including bonds payable, and capital leases payable are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Illustrative Note 7)	(42,854,142)	(44,369,441)
Net position of Governmental Activities	\$ 97,453,718	\$ 100,429,689

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					(MEMORANDUM ONLY)	
					JUNE 30, 2013	JUNE 30, 2012
Revenues:						
Local Tax Levy	\$ 25,696,073	\$ -	\$ -	\$ 2,542,367	\$ 28,238,440	\$ 28,701,127
Tuition	68,598	-	-	-	68,598	42,199
Miscellaneous	117,360	32,342	222	-	149,924	127,857
Total Local Sources	25,882,031	32,342	222	2,542,367	28,456,962	28,871,183
State Sources	24,375,180	-	320,993	322,469	25,018,642	24,124,164
Federal Sources	70,167	1,271,798	-	-	1,341,965	1,990,678
Total Revenues	50,327,378	1,304,140	321,215	2,864,836	54,817,569	54,986,025
Expenditures:						
Current:						
Regular Instruction	13,950,680	1,261,436	-	-	15,212,116	14,914,501
Special Education Instruction	4,158,217	-	-	-	4,158,217	4,074,599
Other Special Instruction	1,811,770	-	-	-	1,811,770	1,867,639
Support Services & Undistributed Costs:						
Tuition	1,163,788	42,704	-	-	1,206,492	1,420,914
Student & Instruction Related Services	4,227,395	-	-	-	4,227,395	3,905,059
General Administrative Services	664,145	-	-	-	664,145	615,632
School Administrative Services	1,433,741	-	-	-	1,433,741	1,450,603
Central Services	460,563	-	-	-	460,563	426,851
Administrative Information Technology	254,131	-	-	-	254,131	221,236
Plant Operations & Maintenance	4,262,208	-	-	-	4,262,208	5,367,042
Pupil Transportation	3,016,676	-	-	-	3,016,676	2,915,158
Employee Benefits	13,191,824	-	-	-	13,191,824	11,746,033
Debt Service:						
Principal	-	-	-	1,320,000	1,320,000	1,161,000
Interest & Other Charges	-	-	-	1,519,993	1,519,993	1,698,990
Capital Outlay	5,550,648	-	364,893	-	5,915,541	2,785,987
Total Expenditures	54,145,786	1,304,140	364,893	2,839,993	58,654,812	54,571,244
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(3,818,408)	-	(43,678)	24,843	(3,837,243)	414,781
Other Financing Sources/(Uses):						
Transfers In	222	-	-	-	222	246
Capital Leases (Nonbudgeted)	3,562,628	-	-	-	3,562,628	987,809
Transfers Out	-	-	(222)	-	(222)	(246)
Total Other Financing Sources & Uses	3,562,850	-	(222)	-	3,562,628	987,809
Net Change in Fund Balances	(255,558)	-	(43,900)	24,843	(274,615)	1,402,590
Fund Balance - July 1	4,428,784	-	1,448,415	-	5,877,199	4,474,609
Fund Balance - June 30	\$ 4,173,226	\$ -	\$ 1,404,515	\$ 24,843	\$ 5,602,584	\$ 5,877,199

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

BARNEGAT TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
GOVERNMENTAL FUNDS
JUNE 30, 2013

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (274,615)

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 expense. This is the amount by which capital outlays exceeded depreciation in the period:

Depreciation Expense	(2,984,330)	
Adjustment to Fixed Assets	(4,130,896)	
Capital Outlay	<u>5,915,541</u>	(1,199,685)

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Bonds	1,320,000	
Capital Leases	<u>667,246</u>	1,987,246

In the governmental funds, Bond Proceeds and Capital Leases are reported as an other financing source. These leases are liabilities and are a reduction to the reconciliation.

Capital Lease Proceeds	(600,000)	
Unspent Capital Lease Proceeds	<u>(2,962,628)</u>	(3,562,628)

Repayment of compensated absences is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

Prior Year	1,726,961	
Current Year	<u>(1,598,908)</u>	128,053

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).

Prior Year	425,928	
Current Year	<u>(480,270)</u>	(54,342)

Change in Net Position of Governmental Activities \$ (2,975,971)

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

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Proprietary Funds

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTALS	
	FOOD SERVICE	COMMUNITY EDUCATION	JUNE 30, 2013	JUNE 30, 2012
			(MEMORANDUM ONLY)	
Current Assets:				
Cash	\$ 39,588	\$ 39,583	\$ 79,171	\$ 77,912
Accounts Receivable:				
State	814	-	814	484
Federal	34,795	-	34,795	17,458
Inventories	18,205	-	18,205	16,485
Total Current Assets	<u>93,402</u>	<u>39,583</u>	<u>132,985</u>	<u>112,339</u>
Noncurrent Assets:				
Furniture, Machinery & Equipment	763,170	-	763,170	904,707
Less: Accumulated Depreciation	(487,682)	-	(487,682)	(577,975)
Total Noncurrent Assets	<u>275,488</u>	<u>-</u>	<u>275,488</u>	<u>326,732</u>
Total Assets	<u>368,890</u>	<u>39,583</u>	<u>408,473</u>	<u>439,071</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	52,535	-	52,535	-
Total Current Liabilities	<u>52,535</u>	<u>-</u>	<u>52,535</u>	<u>-</u>
NET POSITION				
Invested in Capital Assets, Net of Related Debt	275,488	-	275,488	326,732
Unrestricted	40,867	39,583	80,450	112,339
Total Net Position	<u>\$ 316,355</u>	<u>\$ 39,583</u>	<u>\$ 355,938</u>	<u>\$ 439,071</u>

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

BARNEGAT TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY EDUCATION	JUNE 30, 2013	JUNE 30, 2012
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$ 352,075	\$ -	\$ 352,075	\$ 459,057
Daily Sales - Non-Reimbursable Programs:				
School Lunch Program	196,749	-	196,749	208,984
Program Revenues	-	1,150	1,150	-
Total Operating Revenues	548,824	1,150	549,974	668,041
Operating Expenses:				
Cost of Sales	541,412	-	541,412	576,995
Salaries & Benefits	431,627	-	431,627	412,994
Management & Administrative Fees	117,960	-	117,960	122,694
Other Purchased Services	22,077	389	22,466	21,271
Cleaning, Repair & Maintenance Services	41,601	-	41,601	45,668
Depreciation	37,950	-	37,950	35,253
Total Operating Expenses	1,192,627	389	1,193,016	1,214,875
Operating Income/(Loss)	(643,803)	761	(643,042)	(546,834)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	12,247	-	12,247	13,818
Federal Sources:				
National School Lunch Program	393,837	-	393,837	396,172
National School Performance Based Program	6,404	-	6,404	-
National School Breakfast Program	91,032	-	91,032	82,888
Food Distribution Program	90,625	-	90,625	61,898
Interest & Investment Revenue	-	39	39	-
Miscellaneous Revenue	15,921	-	15,921	422
Adjustment to Fixed Assets	(26,621)	-	(26,621)	-
Transfer Out	-	(23,575)	(23,575)	-
Total Nonoperating Revenues/(Expenses)	583,445	(23,536)	559,909	555,198
Change in Net Position	(60,358)	(22,775)	(83,133)	8,364
Total Net Position - Beginning	376,713	62,358	439,071	430,707
Total Net Position - Ending	\$ 316,355	\$ 39,583	\$ 355,938	\$ 439,071

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

	BUSINESS-TYPE		TOTALS	
	ACTIVITIES -		(MEMORANDUM ONLY)	
	ENTERPRISE FUNDS		JUNE 30,	JUNE 30,
	FOOD	COMMUNITY	2013	2012
	SERVICE	EDUCATION		
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 548,824	\$ 1,150	\$ 549,974	\$ 668,041
Payments for Operations	(1,013,237)	(389)	(1,013,626)	(1,116,806)
Net Cash Provided/(Used) by Operating Activities	(464,413)	761	(463,652)	(448,765)
Cash Flows From Capital Financing Activities:				
Purchase of Capital Assets	13,294	-	13,294	(68,772)
Adjustment to Fixed Assets	(26,621)	-	(26,621)	-
Net Cash Provided/(Used) by Capital Financing Activities	(13,327)	-	(13,327)	(68,772)
Cash Flows From Noncapital Financing Activities:				
State Sources	11,917	-	11,917	14,107
Federal Sources	473,936	-	473,936	485,191
Miscellaneous Revenue	15,921	-	15,921	422
Net Cash Provided/(Used) by Noncapital Financing Activities	501,774	-	501,774	499,720
Cash Flows From Investing Activities:				
Interest & Dividends	-	39	39	-
Transfer out	-	(23,575)	(23,575)	-
Net Cash Provided/(Used) by Investing Activities	-	(23,536)	(23,536)	-
Net Increase/(Decrease) in Cash & Cash Equivalents				
Balances - Beginning of Year	24,034	(22,775)	1,259	(17,767)
Balances - End of Year	15,554	62,358	77,912	95,679
	\$ 39,588	\$ 39,583	\$ 79,171	\$ 77,912
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Operating Income/(Loss)	\$ (643,803)	\$ 761	\$ (643,042)	\$ (546,834)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Food Distribution Program	90,625	-	90,625	61,898
Depreciation & Net Amortization	37,950	-	37,950	35,253
(Increase)/Decrease in Inventories	(1,720)	-	(1,720)	918
Increase/(Decrease) in Accounts Payable	52,535	-	52,535	-
Total Adjustments	179,390	-	179,390	98,069
Net Cash Provided/(Used) by Operating Activities	\$ (464,413)	\$ 761	\$ (463,652)	\$ (448,765)

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

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Fiduciary Fund

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

ASSETS	PRIVATE PURPOSE			TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST	AGENCY PAYROLL FUND	STUDENT ACTIVITIES	JUNE 30, 2013	(MEMORANDUM ONLY) JUNE 30, 2012
Cash & Cash Equivalents	\$ 355,998	\$ 1,132,835	\$ 140,172	\$ 1,629,005	\$ 1,222,795
Interfund Receivable	67,981	-	-	67,981	90,527
Total Assets	423,979	1,132,835	140,172	1,696,986	1,313,322
LIABILITIES					
Payable to Student Groups	-	-	140,172	140,172	136,828
Claims Payable	3,481	-	-	3,481	48,808
Payroll Deductions & Withholdings	-	1,063,566	-	1,063,566	951,124
Interfund Payable	-	69,269	-	69,269	11,626
Total Liabilities	3,481	1,132,835	140,172	1,276,488	1,148,386
NET POSITION					
Held in Reserve for Unemployment Claims	420,498	-	-	420,498	164,936
Total Net Position	\$ 420,498	\$ -	\$ -	\$ 420,498	\$ 164,936

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

	PRIVATE PURPOSE		TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST	JUNE 30, 2013	(MEMORANDUM ONLY) JUNE 30, 2012	
ADDITIONS				
Contributions:				
Plan Members	\$ 384,701	\$ 384,701	\$	195,307
Interest Earned	271	271		-
Total Additions	<u>384,972</u>	<u>384,972</u>		<u>195,307</u>
DEDUCTIONS				
Unemployment Claims	<u>129,410</u>	<u>129,410</u>		<u>195,826</u>
Total Deductions	<u>129,410</u>	<u>129,410</u>		<u>195,826</u>
Change in Net Position	255,562	255,562		(519)
Net Position - Beginning of the Year	<u>164,936</u>	<u>164,936</u>		<u>165,455</u>
Net Position - End of the Year	<u>\$ 420,498</u>	<u>\$ 420,498</u>	<u>\$</u>	<u>164,936</u>

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

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

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies

The accompanying financial statements of the Barnegat Township School District have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999 the GASB issued Statement 34 Basic *Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This statement established new financial reporting requirements for state and local governmental entities throughout the United States. They require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

The District has implemented these standards for the fiscal year-ending June 30, 2003, with the implementation of GASB Statement 34; the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. The District has implemented the following GASB Statements in the current fiscal year: Statement 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

In March 2012, the GASB issued Statement No. 65, Items Previously Reported as Assets and Liabilities. GASB Statement No.65 reclassifies, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Management is currently evaluating the impact of the adoption of this Statement but it is expected to have a material impact on the financial statements for the year ended June 30, 2013.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2013 and for the year then ended with comparative totals as of and for the year ended June 30, 2012 (Memorandum Only).

A. Reporting Entity

The Barnegat Township Board of Education is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 12. The District operates four elementary schools, one Middle School and a High School. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The Barnegat Township Board of Education has an approximate enrollment at June 30, 2013 of 3,237 students.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

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

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

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

B. District-Wide and Fund Financial Statements

The district-wide financial statements (the statement of net assets and the statement of activities) report information of all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies (continued)

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

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 – The 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 year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Fund Accounting

The accounts of the Barnegat Township Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds:

General Fund - The general fund is the general operating fund of the Barnegat Township Board of Education 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.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013**

Note 1: Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued)

Governmental Funds (continued):

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

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

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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.

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 - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed 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.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies (continued):

Proprietary Fund (continued):

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

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

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

Food Service Fund:	
Equipment	10 Years

Fiduciary Fund:

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds

E. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies (continued)

E. Basis of Accounting (continued)

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

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

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

F. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Effective January 17, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

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.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013**

Note 1: Summary of Significant Accounting Policies (continued)

F. Budgets/Budgetary Control (continued)

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

The budget, as detailed on Exhibit C-1, includes all amendments to the adopted budget, if any.

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

**Notes to Required Supplementary Information.
Budgetary Comparison Schedule**

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) “revenues” from the budgetary comparison schedules	\$50,327,697	\$1,388,880
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		
Current Year	-	(85,835)
Prior Year	-	1,095
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	1,867,219	-
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(1,867,538)</u>	<u>-</u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$50,327,378</u>	<u>\$1,304,140</u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013**

Note 1: Summary of Significant Accounting Policies (continued)

F. Budgets/Budgetary Control (continued)

	General Fund	Special Revenue Fund
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$54,145,786	\$1,388,880
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		
Current Year	-	(85,835)
Prior Year	<u>-</u>	<u>1,095</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$54,145,786</u>	<u>\$1,304,140</u>

G. Encumbrances

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

Open encumbrances in the special revenue fund for which the Barnegat Township Board of Education 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.

H. Cash & Cash Equivalents

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

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies (continued)

H. Cash & Cash Equivalents (continued)

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.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 loss of funds on deposit with a failed banking institution in New Jersey.

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

I. Tuition Receivable/Payable

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.

These adjustments are recorded upon certification by the State Board of Education, which is normally two years following the contract year. The cumulative adjustments through June 30, 2013, which have not been recorded, are not determinable.

The tuition rate adjustment for the year 2010-2011 has been established and the District has billed/paid the school boards that have adjustments.

J. Inventories & Prepaid Expenses

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies (continued)

K. Short-Term Interfund Receivables/Payables

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

L. Fixed Assets

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Machinery & Equipment	3 – 20 Years
Building & Other Improvements	7 – 60 Years

M. Compensated Absences

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

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

N. Unearned Revenue

Unearned revenue in the general and special revenue fund represents cash, which has been received but not yet earned.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 1: Summary of Significant Accounting Policies (continued)

O. Long-Term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

P. Fund Equity

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Barnegat Township Board of Education classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds

The Barnegat Township School District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the Barnegat Township School District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Q. Subsequent Events

Barnegat Township Board of Education has evaluated subsequent events occurring after June 30, 2013 through the date of October 25, 2013, which is the date the financial statements were available to be issued.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013**

Note 2: Cash & Cash Equivalents

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2013, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$5,997,727</u>
Total Deposits	<u>\$5,997,727</u>
The District's Cash and Cash Equivalents are Reported as Follows:	
Governmental Activities	\$4,289,551
Business-Type Activities	79,171
Fiduciary Funds	<u>1,629,005</u>
Total Cash and Cash Equivalents	<u>\$5,997,727</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$7,696,501 at June 30, 2013 and was insured, uninsured or collateralized as follows:

Insured	\$ 254,312
Uninsured	355,998
Collateralized in the District's Name Under GUDPA (see Note 3)	<u>7,086,191</u>
Total	<u>\$7,696,501</u>

New Jersey Cash Management Fund - All investments in the fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investments existence, the Division has never suffered a default of principal or interest on any short term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council Regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of June 30, 2013, the District had \$4,312 on deposit with the New Jersey Cash Management Fund.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 3: Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2013 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 JUNE 30, 2013**

Note 3: Governmental Unit Deposit Protection Act (GUDPA) (continued)

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4: Reserve Accounts

A. Capital Reserve Account

Barnegat Township Board of Education established a Capital Reserve Account on September 25, 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 District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2012 to June 30, 2013 fiscal year is as follows:

Beginning Balance, July 1, 2012	\$1,529,187
Increase per Resolution Passed June 14, 2013	50,000
Interest Earned	<u>3</u>
Ending Balance, June 30, 2013	<u>\$1,579,190</u>

The June 30, 2013 LRFP balance of local support costs of uncompleted Capital Projects at June 30, 2013 is \$16,115,598.

B. Maintenance Reserve Account

Barnegat Township Board of Education established a Maintenance Reserve Account on June 9, 2009 for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The Maintenance Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 4: Reserve Accounts (continued)

B. Maintenance Reserve Account (continued)

The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (*N.J.S.A.18A:7G-9*) as amended by P.L. 2004, c. 73 (\$1701). Districts may only increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (*N.J.A.C. 6A:23A-14.2*) or by deposit of any unanticipated revenue or unexpended line-item appropriation by board resolution at year end. The board resolution for deposit at year end into a maintenance reserve account must be made between June 1 and June 30 of the budget year. EFCFA requires that upon District completion of a school facilities project, the district must submit a plan for the maintenance of that facility. Auditors and District staff should refer to the regulations, *N.J.A.C.6A:26A*, for further guidance. A separate line is provided in the Audsum for this reserve account.

The activity of the maintenance reserve for the July 1, 2012 to June 30, 2013 fiscal year is as follows:

Beginning Balance, July 1, 2012	\$ 907,949
Increase per Resolution Passed June 14, 2013	200,000
Interest Earned	<u>123</u>
Ending Balance, June 30, 2013	<u>\$1,108,072</u>

Note 5: Transfers to Capital Outlay

During the year ending June 30, 2013, the District transferred \$-0- to the capital outlay accounts.

Note 6: Capital Assets

Capital assets activity for the fiscal year ended June 30, 2013 was as follows:

Governmental Activities:	June 30,	Additions	Deletions	Adjustment	June 30,
	2012				2013
Land	\$ 11,752,406	\$ -	\$ -	\$ (55,700)	\$ 11,696,706
Site Improvements	2,526,766	-	-	5,669,057	8,195,823
Buildings	80,283,054	5,107,981	-	(5,243,166)	80,147,869
Construction in Progress	62,649,822	364,893	-	-	63,014,715
Machinery & Equipment	<u>12,849,921</u>	<u>442,667</u>	<u>-</u>	<u>(2,456,970)</u>	<u>10,835,618</u>
Subtotal	170,061,969	5,915,541	-	(2,086,779)	173,890,731
Accumulated Depreciation	<u>(33,861,301)</u>	<u>(2,984,330)</u>	<u>-</u>	<u>(2,044,117)</u>	<u>(38,889,748)</u>
Total	<u>\$136,200,668</u>	<u>\$ 2,931,211</u>	<u>\$ -</u>	<u>\$ (4,130,896)</u>	<u>\$ 135,000,983</u>

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 6: Capital Assets (continued)

Business Type Activities:

Equipment	\$ 904,707	\$ 13,327	\$ -	\$ (154,864)	\$ 763,170
Accumulated Depreciation	<u>(577,975)</u>	<u>(37,950)</u>	<u>-</u>	<u>128,243</u>	<u>(487,682)</u>
Total	<u>\$ 326,732</u>	<u>\$ (24,623)</u>	<u>\$ -</u>	<u>\$ (26,621)</u>	<u>\$ 275,488</u>

Note 7: Long-Term Obligations

During the fiscal year ended June 30, 2013 the following changes occurred in liabilities reported in the long-term debt:

Governmental Activities:	Balance 6/30/12	Accrued/ Issued	Retired/ Decreases	Balance 6/30/13	Due Within One Year
Compensated Absences Payable	\$ 1,726,961	\$ -	\$ 128,053	\$ 1,598,908	\$ -
Capital Leases	4,952,480	600,000	667,246	4,885,234	576,418
Bonds Payable	<u>37,690,000</u>	<u>-</u>	<u>1,320,000</u>	<u>36,370,000</u>	<u>1,285,000</u>
Total	<u>\$44,369,441</u>	<u>\$ 600,000</u>	<u>\$ 2,115,300</u>	<u>\$42,854,142</u>	<u>\$1,861,418</u>

A. Bonds Payable

The voters of the municipality, through referendums, authorize bonds in accordance with state law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

Description of Bonds Payable

At June 30, 2013, Bonds payable consisted of the following issues:

\$8,296,000 School Bonds dated June 15, 1988, due in annual installments through June 15, 2012, bearing interest at the rate of 7.40% per annum. The balance remaining as of June 30, 2012 is \$0.

\$10,310,000 Refunding School Bonds dated January 15, 2005, due in annual installments through April 1, 2025, bearing interest at various rates from 2.00% to 4.35% per annum. The balance remaining as of June 30, 2013 is \$8,690,000.

\$9,139,000 School Bonds dated July 1, 2004, originally due in annual installments through July 15, 2024, with amended annual installments due through July 15, 2014 after the 2012 refunding. All installments bear interest rates of 4.375% per annum. In 2012, District refinanced \$6,084,000 of this bond into the new 2012 Refunding School Bond. The balance remaining as of June 30, 2013 is \$920,000.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 7: Long-Term Obligations (continued)

A. Bonds Payable (continued)

\$22,000,000 School Bonds dated November 6, 2007, due in annual installments through April 15, 2032, bearing interest at various rates from 4.375% to 4.500% per annum. The balance remaining as of June 30, 2013 is \$20,750,000.

\$6,105,000 Refunding School Bonds dated April 24, 2012, due in annual installments through July 15, 2024, bearing interest at various rates from 2.00% to 5.00% per annum. The balance remaining as of June 30, 2013 is \$6,010,000.

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 1,285,000	1,555,541	2,840,541
2015	1,335,000	1,506,885	2,841,885
2016	1,390,000	1,454,948	2,844,948
2017	1,445,000	1,397,460	2,842,460
2018	1,505,000	1,340,198	2,845,198
2019-2023	8,505,000	5,712,968	14,217,968
2024-2028	10,585,000	3,733,698	14,318,698
2029-2032	<u>10,320,000</u>	<u>1,186,873</u>	<u>11,506,873</u>
Total	<u>\$36,370,000</u>	<u>\$17,888,571</u>	<u>\$54,258,571</u>

B. Obligations Under Capital Leases

The District is leasing equipment and vehicles totaling \$7,157,909 under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2013:

Year-ending June 30,	Amount
2014	\$ 716,187
2015	438,646
2016	423,640
2017	453,054
2018	343,049
2019-2023	1,871,910
2024-2027	<u>1,710,540</u>
Total Minimum Lease Payments	5,957,026
Less: Amount Representing Interest	<u>(1,071,792)</u>
Present Value of Lease Payments	<u>\$4,885,234</u>

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 8: Accounts Receivable

Accounts receivable at June 30, 2013 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Capital Projects Fund	Proprietary Fund	Total
Intergovernmental	\$ 464,946	\$ 179,765	\$ 1,272,627	\$ 35,609	\$ 1,952,947
Other	62,117	-	-	-	62,117
Total	<u>\$ 527,063</u>	<u>\$ 179,765</u>	<u>\$ 1,272,627</u>	<u>\$ 35,609</u>	<u>\$ 2,015,064</u>

Note 9: Pension Plans

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

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

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

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 9: Pension Plans (continued)

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A.43:15A* and *43.3B* and *N.J.S.A.18A:66* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior

to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced. New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Contribution Requirements – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 9: Pension Plans (continued)

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/13	\$599,190	100%	\$ -0-
6/30/12	692,278	100%	-0-
6/30/11	721,574	100%	-0-

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/13	\$2,636,361	100%	\$ -0-
6/30/12	1,826,624	100%	-0-
6/30/11	1,297,107	100%	-0-

During the year ended June 30, 2013 the State of New Jersey contributed \$2,636,361 to the TPAF for normal and post-retirement medical benefits on behalf of the District. Also in accordance with *N.J.S.A.18A:66-66* the State of New Jersey reimbursed the District \$1,479,122 for the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 10: Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 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 P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 10: Post-Retirement Benefits (continued)

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$146.6 million toward Chapter 126 benefits for 16,618 eligible retired members in Fiscal Year 2012.

The State will set the contribution rate based on the *annual required contribution of the employers* (ARC), an amount actuarially determined in accordance with parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State’s contributions to the State Health Benefits Program Fund for TPAF retirees’ 2011 were \$945,166, \$812,671, and \$806,404, respectively, which equaled the required contributions for each year. The State’s contributions to the State Health Benefits Program Fund for PERS retirees’ post-retirement benefits on-behalf of the District was not determined or made available by the State of New Jersey.

Note 11: Risk Management

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

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

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

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2012-2013	\$384,701	\$271	\$129,410	\$420,498
2011-2012	195,307	-	195,826	164,936
2010-2011	600,303	767	487,666	165,455

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 12: Fund Balance

General Fund – Of the \$4,173,226 General Fund fund balance at June 30, 2013, \$1,579,190 has been restricted for the capital reserve account; \$1,108,072 has been restricted for the maintenance reserve account; \$318,718 has been restricted for the excess surplus; \$285,266 has been restricted for the excess surplus designated for subsequent year’s expenditures; \$526,551 has been committed for other purposes; \$355,429 has been assigned for other purposes; and \$-0- is unassigned.

Capital Projects Fund – Of the \$1,404,515 Capital Projects Fund fund balance at June 30, 2013, \$1,385 has been committed for other purposes; and \$1,403,130 is unassigned.

Debt Service Fund – All of the \$24,843 Debt Service Fund fund balance at June 30, 2013 is unassigned.

Note 13: Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2013 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Note 14: Economic Dependency

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

Note 15: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2013:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$487,266	\$ 4,612
Special Revenue Fund	4,612	-
Capital Projects Fund	-	485,978
Agency Fund	<u>-</u>	<u>1,288</u>
Total	<u>\$491,878</u>	<u>\$491,878</u>

The purpose of these interfunds are for short-term borrowings.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 16: 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, permits participants to defer a portion of their salary until future years. Amount deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Siracusa	Lincoln Investment	Equitable Life
Valic	Vanguard	Travelers' Insurance
Prudential		

Note 17: Compensated Absences

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2013 is \$1,598,908.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2013 no liability existed for compensated absences in the proprietary fund types.

Note 17: Calculation of Excess Surplus

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District has excess fund balance of \$318,718 at June 30, 2013.

BARNEGAT TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2013

Note 18: Interest on Capital Projects

Interest earnings on such local share of School Facilities Projects will be returned to the District by the New Jersey School Development Authority upon completion of the projects to be deposited into the District's general fund or debt service fund, as required under *N.J.S.A.18A* and *N.J.A.C.6A:26-4.2*. These earnings have been recorded in the Capital Projects Fund as deferred revenue until such time that the School Facilities Project is complete.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:							
Local Sources:							
Local Tax Levy	\$ 25,696,073	\$ -	\$ 25,696,073	\$ 25,696,073	\$ -	\$ 26,379,687	\$ 26,379,687
Tuition from Other LEA's Within State	-	-	68,598	-	-	-	42,199
Interest Earned on Capital Reserve Funds	1,500	-	1,500	2,250	-	2,250	1,363
Interest Earned on Maintenance Reserve Funds	1,000	-	1,000	3,000	-	3,000	968
Unrestricted Miscellaneous Revenues	85,000	-	85,000	84,680	-	84,680	95,463
Total Local Sources	25,783,573	-	25,783,573	25,882,031	-	26,469,617	26,519,680
State Sources:							
Extraordinary Aid	200,000	-	200,000	356,561	-	175,000	257,566
Categorical Special Education Aid	1,824,872	-	1,824,872	1,824,872	-	1,744,120	1,744,120
Equalization Aid	17,743,285	-	17,743,285	17,743,285	-	17,485,468	17,953,001
Categorical Security Aid	92,366	-	92,366	92,366	-	-	-
Categorical Transportation Aid	182,291	-	182,291	182,291	-	-	-
Nonpublic Transportation Aid	-	-	-	9,220	-	-	9,218
Homeless Tuition Reimbursement	-	-	-	51,421	-	-	-
Nonbudgeted:							
On-Behalf TPAF Pension Contributions	-	-	-	1,237,294	-	-	606,799
On-Behalf TPAF Post-Retirement Medical	-	-	-	1,399,067	-	-	1,219,825
Reimbursed TPAF Social Security	-	-	-	1,479,122	-	-	1,367,153
Total State Sources	20,042,814	-	20,042,814	24,375,499	-	19,404,588	23,157,482
Federal Sources:							
SEMI Program	14,637	-	14,637	68,367	-	44,260	48,813
Education Jobs Fund Program	-	1,800	1,800	1,800	21,904	671,433	671,433
Total Federal Sources	14,637	1,800	16,437	70,167	21,904	715,693	720,246
Total Revenues	45,841,024	1,800	45,842,824	50,327,697	4,484,873	46,567,994	50,397,408
Expenditures:							
Current Expense:							
Instruction - Regular Programs:							
Salaries of Teachers:							
Kindergarten	816,747	2,326	819,073	756,947	(37,445)	753,459	753,459
Grades 1 - 5	4,946,238	(68,242)	4,877,996	4,857,188	(64,792)	4,469,463	4,465,605
Grades 6 - 8	3,035,425	(36,886)	2,998,539	2,969,724	(161,357)	2,807,618	2,800,654
Grades 9 - 12	3,715,672	(132,261)	3,583,411	3,514,319	40,557	3,618,815	3,614,991
Total Expenditures	12,513,082	(132,261)	12,380,821	12,038,178	(162,135)	11,876,667	11,876,667
Total	58,354,106	1,800	58,355,906	62,705,894	4,322,738	63,444,661	62,221,074

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
11-150-100-101	38,950	44,319	83,269	72,878	10,391	36,400	96,366
11-150-100-320	-	48,149	48,149	36,949	11,200	-	-
11-190-100-320	89,600	(27,105)	62,495	52,862	9,633	190,650	169,485
11-190-100-340	353,700	10,747	364,447	356,699	7,748	359,447	423,068
11-190-100-500	436,267	188,710	624,977	564,872	60,105	388,700	496,239
11-190-100-610	906,048	(118,564)	787,484	710,756	76,728	924,154	895,741
11-190-100-640	194,400	(152,620)	41,780	41,415	365	148,400	4,464
11-190-100-800	23,000	6,302	29,302	16,071	13,231	23,000	22,703
	14,556,047	(235,125)	14,320,922	13,950,680	370,242	13,943,143	13,737,055
					(7,759)		198,329
Total Regular Programs - Instruction							
Special Education:							
Learning and/or Language Disabilities:							
11-204-100-101	1,379,697	113,577	1,493,274	1,475,558	17,716	1,456,641	1,320,522
11-204-100-106	838,301	4,205	842,506	834,720	7,786	704,930	815,636
11-204-100-610	14,000	(6,800)	7,200	2,805	4,395	13,850	2,689
	2,231,998	110,982	2,342,980	2,313,083	29,897	2,175,421	2,138,847
Total Learning and/or Language Disabilities							
Behavioral Disabilities:							
11-209-100-101	223,540	1,641	225,181	222,965	2,216	219,598	218,940
11-209-100-106	101,423	(44,373)	57,050	45,225	11,825	81,208	63,837
11-209-100-610	5,000	(3,000)	2,000	-	2,000	5,000	2,951
11-209-100-800	5,000	(2,000)	3,000	775	2,225	5,000	980
	334,963	(47,732)	287,231	268,965	18,266	310,806	288,496
Total Behavioral Disabilities							
Multiple Disabilities:							
11-212-100-101	186,589	-	186,589	185,580	1,009	180,025	179,347
11-212-100-610	5,000	6,299	11,299	8,309	2,990	5,000	5,431
	191,589	6,299	197,888	193,889	3,999	185,025	184,778
Total Multiple Disabilities							
Resource Room/Resource Center:							
11-213-100-101	1,142,549	-	1,142,549	1,121,096	21,453	1,166,486	1,210,538
11-213-100-610	10,700	(3,600)	7,100	4,783	2,317	9,900	4,550
	1,153,249	(3,600)	1,149,649	1,125,879	23,770	1,176,386	1,215,088
Total Resource Room							

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Expenditures (continued):							
Preschool Disabilities - Full-Time:							
Salaries of Teachers	163,471	(24,957)	138,514	113,071	25,443	138,514	111,637
Other Salaries for Instruction	128,004	15,204	143,208	143,208	-	142,732	141,314
General Supplies	1,500	(400)	1,100	122	978	1,900	1,614
Total Preschool Disabilities - Full-Time	292,975	(10,153)	282,822	256,401	26,421	277,772	254,565
Total Special Education	4,204,774	55,796	4,260,570	4,158,217	102,353	4,210,417	4,074,599
Instruction:							
Basic Skills/Remedial:							
Salaries of Teachers	808,357	(142,574)	665,783	659,110	6,673	741,960	741,273
Other Salaries for Instruction	126,856	6,521	133,377	133,377	-	100,348	100,348
General Supplies	12,300	(2,200)	10,100	6,498	3,602	11,420	5,104
Total Basic Skills/Remedial	947,513	(138,253)	809,260	798,985	10,275	853,728	846,725
School Sponsored Co-curricular Activities:							
Salaries	221,000	-	221,000	179,649	41,351	193,120	164,176
Purchased Services (300-500 Series)	10,200	(5,541)	4,659	3,964	695	15,200	8,113
Supplies and Materials	32,000	(9,164)	22,836	18,266	4,570	23,441	17,810
Other Objects	4,000	378	4,378	3,920	458	7,000	4,919
Total School Sponsored Co-curricular Activities	267,200	(14,327)	252,873	205,799	47,074	238,761	195,018
School Sponsored Athletics:							
Salaries	586,470	3,865	590,335	565,011	25,324	590,713	579,517
Purchased Services (300-500 Series)	135,700	(12,260)	123,440	114,599	8,841	123,727	120,049
Supplies and Materials	90,200	4,386	94,586	82,893	11,693	87,710	81,774
Other Objects	41,900	1,500	43,400	43,100	300	39,627	38,355
Total School Sponsored Athletics	854,270	(2,509)	851,761	805,603	46,158	841,777	819,695
Other Instructional Programs:							
Salaries	-	-	-	-	-	6,640	2,794
Supplies and Materials	4,400	-	4,400	195	4,205	3,850	-
Other Objects	5,000	3,715	8,715	1,188	7,527	5,000	1,027
Total Instructional Programs - Instruction	9,400	3,715	13,115	1,383	11,732	15,490	3,821
Total Instructional Programs - Instruction							11,669

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Expenditures (continued):							
Other Support Services - Students - Related Services:							
Salaries	363,075	(3,300)	359,775	356,375	3,400	319,435	300,061
Purchased Professional - Educational Services	10,000	18,200	28,200	28,200	-	10,000	29,900
Supplies and Materials	5,000	(350)	4,650	3,628	1,022	5,000	1,938
Total Other Support Services - Students - Related Services	378,075	14,550	392,625	388,203	4,422	334,435	331,899
Other Support Services - Students - Regular:							
Salaries of Other Professional Staff	769,061	(10,745)	758,316	757,640	676	710,115	753,704
Salaries of Secretarial & Clerical Assistants	66,995	(362)	66,633	66,633	-	65,586	65,361
Purchased Professional - Educational Services	13,000	-	13,000	1,886	11,114	24,000	9,704
Supplies & Materials	32,900	(4,850)	28,050	27,168	882	31,900	28,828
Total Other Support Services - Students - Regular	881,956	(15,957)	865,999	853,327	12,672	831,601	857,597
Other Support Services - Students - Special:							
Salaries of Other Professional Staff	1,057,949	16,479	1,074,428	1,063,291	11,137	1,053,615	1,051,949
Salaries of Secretarial & Clerical Assistants	99,328	-	99,328	96,588	2,740	97,251	96,905
Purchased Professional - Educational Services	59,500	(41,819)	17,681	5,724	11,957	53,500	23,279
Other Purchased Professional & Technical Services	226,431	5,993	232,424	217,106	15,318	204,600	143,893
Supplies & Materials	32,600	(17,500)	15,100	11,519	3,581	32,600	58,234
Other Objects	5,000	(1,000)	4,000	3,577	423	5,000	3,057
Total Other Support Services - Students - Special	1,480,808	(37,847)	1,442,961	1,397,805	45,156	1,446,566	1,377,317
Improvement of Instruction Services/Other Support Services - Instruction Staff:							
Salaries of Supervisors of Instruction	690,720	(67,800)	622,920	582,145	40,775	629,026	431,909
Salaries of Secretarial & Clerical Aides - Summer	-	10,490	10,490	5,076	5,414	-	20,800
Aides - Normal School Year	70,073	-	70,073	66,369	3,704	80,676	60,444
Total Other Support Services - Students - Special	760,793	10,490	771,283	653,590	9,593	710,702	612,753

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Expenditures (continued):							
Other Purchased Professional & Technical Services	67,000	(14,050)	52,950	46,748	6,202	7,000	2,400
Supplies and Materials	2,700	7,000	9,700	1,752	7,948	2,700	999
Other Objects	22,400	(7,000)	15,400	8,849	6,551	10,031	8,461
Total Improvement of Instruction Services/Other Support Services - Instructional Staff	852,893	(71,360)	781,533	710,939	70,594	727,402	525,013
Educational Media Services/School Library:							
Salaries	290,400	(43,342)	247,058	222,061	24,997	278,568	231,207
Purchased Professional & Technical Services	4,000	-	4,000	2,007	1,993	3,600	1,778
Supplies and Materials	59,175	(6,720)	52,455	50,218	2,237	54,000	43,199
Total Educational Media Services/School Library	353,575	(50,062)	303,513	274,286	29,227	336,168	276,184
Instructional Staff Training Services:							
Purchased Professional - Educational Services	46,000	(20,500)	25,500	2,815	22,685	10,000	450
Other Purchased Professional & Technical Services	-	6,350	6,350	5,550	800	4,000	834
Other Purchased Services (400-500 Series)	8,300	(3,300)	5,000	1,276	3,724	8,300	1,259
Supplies and Materials	5,295	(2,000)	3,295	653	2,642	4,000	2,000
Total Instructional Staff Training Services	59,595	(19,450)	40,145	10,294	29,851	26,300	4,543
Support Services General Administration:							
Salaries	187,676	6,553	194,229	186,457	7,772	203,905	184,443
Legal Services	100,000	66,085	166,085	148,628	17,457	105,000	102,745
Audit Fees	39,000	(7,830)	31,170	26,285	4,885	40,000	20,007
Architectural/Engineering Fees	30,000	5,158	35,158	35,158	-	30,000	39,842
Other Purchased Professional Services	73,000	1,047	74,047	73,722	325	59,000	99,787
Purchased Technical Services	37,000	(5,458)	31,542	31,542	-	50,000	13,738
Communications/Telephone	71,000	36,286	107,286	107,286	-	71,000	80,870
BOE Other Purchased Services	2,600	(2,600)	-	-	-	-	-
Other Purchased Services (400-500 Series)	25,000	(13,433)	11,567	11,485	82	27,600	13,284
General Supplies	11,000	(2,901)	8,099	7,551	548	11,000	14,655
Judgments Against School District	6,000	569	6,569	6,568	1	6,000	-

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Expenditures (continued):							
Miscellaneous Expenditures	16,000	(11,083)	4,917	30,400	174	30,574	20,202
BOE Membership Dues & Fees	33,500	(8,954)	24,546	33,500	-	33,500	26,059
Total Support Services General Administration	631,776	63,439	695,215	667,405	5,333	672,738	615,632
Support Services School Administration:							
Salaries of Principals & Assistant Principals	955,131	9,201	964,332	936,403	(4,569)	931,834	931,834
Salaries of Secretarial & Clerical Assistants	438,530	(976)	437,554	423,956	35,564	459,520	455,005
Other Purchased Services (400-500 Series)	7,000	(3,280)	3,720	13,000	(9,918)	3,082	2,082
Supplies & Materials	47,000	(6,930)	40,070	46,700	(600)	46,100	37,112
Other Objects	33,100	(2,480)	30,620	30,100	2,800	32,900	24,570
Total Support Services School Administration	1,480,761	(4,465)	1,476,296	1,450,159	23,277	1,473,436	1,450,603
Central Services:							
Salaries	446,970	7,500	454,470	413,882	1,941	415,823	412,561
Purchased Professional Services	14,000	(8,304)	5,696	5,000	-	5,000	1,000
Purchased Technical Services	11,000	10,485	21,485	11,000	-	11,000	8,950
Miscellaneous Expenditures	9,000	(3,582)	5,418	10,000	(5,660)	4,340	4,340
Total Central Services	480,970	6,099	487,069	439,882	(3,719)	436,163	426,851
Administrative Information Technology:							
Salaries	214,579	(8,971)	205,608	212,558	9,888	222,446	221,236
Purchased Technical Services	-	57,027	57,027	-	-	-	-
Total Administrative Information Technology	214,579	48,056	262,635	212,558	9,888	222,446	221,236
Required Maintenance for School Facilities:							
Salaries	211,505	9,023	220,528	179,135	45,747	224,882	222,322
Cleaning, Repair & Maintenance Services	260,000	17,573	277,573	307,200	813,081	1,120,281	1,119,436
General Supplies	140,000	(48,571)	91,429	165,000	6,890	171,890	171,267
Other Objects	4,000	4,938	8,938	5,000	(800)	4,200	4,200
Total Allowable Maintenance For School Facilities	615,505	(17,037)	598,468	656,335	864,918	1,521,253	1,517,225
Total							9,312

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Expenditures (continued):							
Other Operation & Maintenance of Plant Services:							
Salaries	1,485,244	24,834	1,510,078	1,486,450	23,628	1,488,520	610
Cleaning, Repair & Maintenance Services	68,500	(18,750)	49,750	49,622	128	48,840	-
Other Purchased Property Services	315,120	170,523	485,643	483,624	2,019	333,354	-
Insurance	198,000	5,173	203,173	203,173	-	193,695	1,290
Miscellaneous Purchased Services	500	1,145	1,645	1,524	121	1,100	480
General Supplies	115,000	(15,496)	99,504	93,374	6,130	106,915	576
Energy (Natural Gas)	275,000	(84,061)	190,939	159,801	31,138	161,000	18,554
Energy (Electricity)	780,000	(34,518)	745,482	608,010	137,472	928,926	45,539
Other Objects	9,000	8,647	17,647	17,241	406	27,500	1,885
Total Operation & Maintenance of Plant Services	3,246,364	57,497	3,303,861	3,102,819	201,042	3,289,850	68,934
Care and Upkeep of Grounds:							
Salaries	235,197	(7,367)	227,830	217,838	9,992	212,333	5,720
Cleaning, Repair & Maintenance Services	68,000	(8,261)	59,739	57,982	1,757	66,827	-
General Supplies	95,000	(19,454)	75,546	75,393	153	127,173	3,030
Total Care and Upkeep of Grounds	398,197	(35,082)	363,115	351,213	11,902	406,333	8,750
Security:							
Salaries	217,126	21,772	238,898	224,553	14,345	216,784	-
Purchased Technical Services	30,000	(16,500)	13,500	8,664	4,836	6,981	-
General Supplies	12,000	(8,987)	3,013	1,439	1,574	9,185	1,632
Total Security	259,126	(3,715)	255,411	234,656	20,755	232,950	1,632
Student Transportation Services:							
Salaries of Non-Instructional Aides	114,417	(114,417)	-	-	-	-	-
Salaries for Pupil Transportation (Between Home & School) - Regular	1,136,411	187,971	1,324,382	1,266,507	57,875	1,280,480	17,209
Salaries for Pupil Transportation (Between Home & School) - Special Education	20,000	(20,000)	-	-	-	-	-
Salaries for Pupil Transportation (Other Than Between Home&School)	52,500	(52,500)	-	-	-	-	-

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Expenditures (continued):							
Salaries for Pupil Transportation (Between Home & School) - Nonpublic Schools	-	-	-	18,000	-	18,000	320
Other Purchased Professional & Technical Services	12,500	95,335	107,835	13,000	233,655	246,655	238,765
Lease Purchase Payments - Buses	320,000	14,439	334,439	310,000	(798)	309,202	3,055
Contracted Services (Special Education Students) - Vendors	41,000	(41,000)	-	-	-	-	-
Contracted Services (Special Education Students) - Jointure Agreements	-	119	119	22,000	(21,229)	771	-
Contracted Services - ESC's & CTSA's - (Special Education Students)	445,000	(49,402)	395,598	450,000	(40,365)	409,635	355
Aid in Lieu Miscellaneous Purchased Services - Transportation	20,000	27,600	47,144	24,500	12,758	37,258	6,083
Miscellaneous Purchased Services - Transportation	38,000	-	38,000	33,000	3,546	36,546	-
Transportation Supplies	299,000	20,882	319,882	277,000	5,628	282,628	5,446
Miscellaneous Expenditures	2,000	(2,000)	-	3,000	-	3,000	26
Total Student Transportation Services	2,500,828	67,027	2,567,855	2,479,614	225,851	2,624,175	271,259
Student Transportation Services - Employee Benefits:							
11-000-270-270 Health Benefits	551,500	(14,438)	537,062	575,000	(12,758)	562,242	-
Total Student Transportation Services - Employee Benefits	551,500	(14,438)	537,062	575,000	(12,758)	562,242	-
Unallocated Benefits Employee Benefits:							
Social Security Contributions	800,000	(57,126)	742,874	845,255	(20,000)	825,255	153,649
Other Retirement Contributions - PERS	654,354	-	654,354	726,953	(34,600)	692,353	75
Other Retirement Contributions - Regular	-	10,000	10,000	-	-	-	-
Unemployment Compensation	240,000	191,420	431,420	602,000	(435,053)	166,947	2,043
Workman's Compensation	280,000	(32,896)	247,104	285,000	(59,811)	225,189	73
Health Benefits	6,365,500	471,111	6,836,611	6,433,000	(164,293)	6,268,707	194,432
Tuition Reimbursement	76,000	(10,000)	66,000	75,000	-	75,000	12,259
Other Employee Benefits	840,646	157,234	997,880	925,000	(263,664)	661,336	-
Total Unallocated Benefits - Employee Benefits	9,256,500	729,743	9,986,243	9,892,208	(977,421)	8,914,787	362,531

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBERS	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:							
On-Behalf TPAF Pension Contributions	-	-	1,237,294	-	-	-	606,799
On-Behalf TPAF Post Retirement Medical	-	-	1,399,067	-	-	-	1,219,825
Reimbursed TPAF Social Security	-	-	1,479,122	-	-	-	1,367,153
Total Undistributed Expenditures	25,804,293	621,855	26,426,148	26,078,767	(232,674)	25,846,093	27,945,479
Total Expenditures - Current Expense	46,643,497	291,152	46,934,649	46,017,001	(68,351)	45,948,650	47,624,772
Capital Outlay:							
Equipment:							
Undistributed Expenditures:							
12-000-100-730 Instruction	12,000	(4,000)	8,000	9,300	23,178	32,478	32,451
12-000-220-730 Support Services - Instructional Staff	15,000	239,572	254,572	5,120	351,515	351,515	111,943
12-000-240-730 School Administration	-	4,000	4,000	-	-	-	-
Operation & Maintenance of Plant Services	51,500	133,776	185,276	52,000	135,488	187,488	62,398
12-000-261-730 Non-Instructional Equipment	26,000	(26,000)	-	-	23,312	23,312	23,312
Total Equipment	104,500	347,348	451,848	61,300	533,493	594,793	230,104
Facilities Acquisition & Construction Services:							
12-000-400-450 Construction Services	1,215,500	17,313	1,232,813	-	517,564	517,564	517,564
12-000-400-800 Other Objects	-	-	-	484,443	-	484,443	484,443
12-000-400-896 Assessment for Debt Service SDA	669,769	-	669,769	-	-	-	-
Total Facilities Acquisition & Construction Services	1,885,269	17,313	1,902,582	484,443	517,564	1,002,007	1,002,007
Assets Acquired Under Capital Leases (Nonbudgeted):							
Capital Leases	-	-	-	-	-	-	987,809
Total Assets Acquired Under Capital Leases (Nonbudgeted)	-	-	-	-	-	-	987,809
Total Capital Outlay	1,989,769	364,661	2,354,430	545,743	1,051,057	1,596,800	2,219,920
Total Expenditures	48,633,266	655,813	49,289,079	46,562,744	982,706	47,545,450	49,844,692
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,792,242)	(654,013)	(3,446,255)	5,250	(960,802)	(955,552)	1,508,268

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

	JUNE 30, 2013			JUNE 30, 2012			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Other Financing Sources/(Uses):							
Transfers In From Capital Project Fund	-	-	222	-	-	246	246
Interest Deposited Into Capital Reserve	(1,500)	(1,500)	-	(2,250)	(2,250)	-	2,250
Interest Deposited Into Maintenance Reserve	(1,000)	(1,000)	-	(3,000)	(3,000)	-	3,000
Capital Leases (Nonbudgeted)	-	-	3,562,628	-	-	987,809	987,809
Total Other Financing Sources/(Uses)	(2,500)	(2,500)	3,562,850	(5,250)	(5,250)	988,055	993,305
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses) Fund Balances, July 1	(2,794,742)	(3,448,755)	(255,239)	-	(960,802)	1,540,771	2,501,573
	6,296,003	6,296,003	6,296,003	4,755,232	4,755,232	4,755,232	-
Fund Balances, June 30	\$ 3,501,261	\$ 2,847,248	\$ 6,040,764	\$ 4,755,232	\$ 3,794,430	\$ 6,296,003	\$ 2,501,573

RECAPITULATION OF BUDGET TRANSFERS

Rollover Encumbrances from Prior Year	\$ 654,013
	<u>\$ 654,013</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 1,579,190
Maintenance Reserve	1,108,072
Excess Surplus	318,718
Excess Surplus Designated for Subsequent Year's Expenditures	285,266
Committed Fund Balance:	
Year-End Encumbrances	526,551
Assigned Fund Balance:	
Year-End Encumbrances	580,701
Designated for Subsequent Year's Expenditures	547,131
Unassigned Fund Balance	1,095,135
Subtotal	<u>6,040,764</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(1,867,538)
Fund Balance per Governmental Funds (GAAP)	<u>\$ 4,173,226</u>

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
EDUCATION JOBS FUND PROGRAM -
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

ACCOUNT NUMBER	JUNE 30, 2013		JUNE 30, 2012		VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ORIGINAL BUDGET TRANSFERS	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ORIGINAL BUDGET TRANSFERS
	ORIGINAL BUDGET	FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:						
Federal Sources:						
Education Jobs Fund Program	\$ -	\$ 1,800	\$ 1,800	\$ -	\$ 649,529	\$ 671,433
Total Federal Sources	-	1,800	1,800	-	649,529	671,433
Total Revenues	-	1,800	1,800	-	649,529	671,433
Expenditures:						
Education Jobs Fund Program:						
Learning and/or Language Disabilities:						
Other Salaries for Instruction	18-204-100-106	-	-	-	89,241	111,145
Total Learning and/or Language Disabilities		-	-	-	89,241	111,145
Custodial Services:						
Salaries	18-000-262-100	-	-	-	188,125	188,125
Total Custodial Services		-	-	-	188,125	188,125
Security:						
Salaries	18-000-266-100	-	1,800	1,800	-	54,762
Total Security		-	1,800	1,800	-	54,762
Student Transportation Services:						
Salaries for Pupil Transportation	18-000-270-160	-	-	-	149,737	149,737
(Between Home & School) - Regular	18-000-270-270	-	-	-	20,000	20,000
Health Benefits		-	-	-	169,737	169,737
Total Student Transportation Services		-	-	-	319,474	319,474
Unallocated Benefits Employee Benefits:						
Health Benefits	18-000-291-270	-	-	-	147,664	147,664
Total Unallocated Benefits Employee Benefits		-	-	-	147,664	147,664
Total Education Jobs Fund Expenditures		-	1,800	1,800	-	671,433
Total Expenditures		-	1,800	1,800	-	671,433
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		\$ -	\$ -	\$ -	\$ -	\$ -

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

REVENUES	JUNE 30, 2013		JUNE 30, 2012		VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	
Federal Sources	\$ 232,449	\$ 1,382,449	\$ 1,356,538	\$ 171,527	\$ 1,271,527
Local Sources	38,924	38,924	32,342	7,740	7,740
Total Revenues	271,373	1,421,373	1,388,880	179,267	1,279,267
EXPENDITURES:					
Instruction:					
Salaries of Teachers	(20,826)	429,174	429,174	(4,911)	395,089
Tuition	59,622	759,622	759,622	52,194	752,194
Purchased Professional - Educational Services	88,686	88,686	71,416	19,643	19,643
General Supplies	9,865	9,865	1,224	10,520	10,520
Total Instruction	137,347	1,287,347	1,261,436	77,446	1,177,446
Support Services:					
Salaries of Other Professional Staff	4,548	4,548	4,500	5,600	5,600
Personal Services - Employee Benefits	85,835	85,835	85,835	79,019	79,019
Purchased Professional - Educational Services	9,267	9,267	9,267	11,397	11,397
Supplies & Materials	34,376	34,376	27,842	5,805	5,805
Total Support Services	134,026	134,026	127,444	101,821	101,821
Total Outflows	271,373	1,421,373	1,388,880	179,267	1,279,267
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 50,327,697	\$ 1,388,880
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(85,835)
Prior Year	-	1,095
 State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	 1,867,219	 -
 State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	 (1,867,538)	 -
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 50,327,378</u>	<u>\$ 1,304,140</u>
 Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 54,145,786	\$ 1,388,880
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Current Year	-	(85,835)
Prior Year	-	1,095
	<hr/>	<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 54,145,786</u>	<u>\$ 1,304,140</u>

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

	I.D.E.A. PART B		NO CHILD LEFT BEHIND		READING EXCELLENCE
	BASIC REGULAR	BASIC PRESCHOOL	TITLE I	TITLE IIA	
Revenues:					
Federal Sources	\$ 759,622	\$ 33,030	\$ 475,096	\$ 88,790	\$ -
Local Sources	-	-	-	-	4,500
Total Revenues	\$ 759,622	\$ 33,030	\$ 475,096	\$ 88,790	\$ 4,500
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ 27,525	\$ 346,428	\$ 55,221	\$ -
Tuition	759,622	-	-	-	-
Purchased Professional - Educational Services	-	-	58,158	13,258	-
General Supplies	-	-	1,224	-	-
Total Instruction	759,622	27,525	405,810	68,479	-
Support Services:					
Salaries of Other Professional Staff	-	-	-	-	4,500
Personal Services - Employee Benefits	-	5,505	69,286	11,044	-
Purchased Professional - Educational Services	-	-	-	9,267	-
Supplies & Materials	-	-	-	-	-
Total Support Services	-	5,505	69,286	20,311	4,500
Total Expenditures	\$ 759,622	\$ 33,030	\$ 475,096	\$ 88,790	\$ 4,500

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

	LOWE'S TOOLBOX GRANT	HIGH SCHOOL MARQUEE	BIG LOTS GRANT	OTHER LOCAL GRANTS	2013	2012
Revenues:						
Federal Sources	\$ -	\$ -	\$ -	\$ -	\$ 1,356,538	\$ 1,271,527
Local Sources	1,632	23,191	2,500	519	32,342	7,740
Total Revenues	\$ 1,632	\$ 23,191	\$ 2,500	\$ 519	\$ 1,388,880	\$ 1,279,267
Expenditures:						
Instruction:						
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 429,174	\$ 395,089
Tuition	-	-	-	-	759,622	752,194
Purchased Professional - Educational Services	-	-	-	-	71,416	19,643
General Supplies	-	-	-	-	1,224	10,520
Total Instruction	-	-	-	-	1,261,436	1,177,446
Support Services:						
Salaries of Other Professional Staff	-	-	-	-	4,500	5,600
Personal Services - Employee Benefits	-	-	-	-	85,835	79,019
Purchased Professional - Educational Services	-	-	-	-	9,267	11,397
Supplies & Materials	1,632	23,191	2,500	519	27,842	5,805
Total Support Services	1,632	23,191	2,500	519	127,444	101,821
Total Expenditures	\$ 1,632	\$ 23,191	\$ 2,500	\$ 519	\$ 1,388,880	\$ 1,279,267

F. Capital Projects Fund

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

PROJECT TITLE/ISSUE	DATE	ORIGINAL APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED
			PRIOR YEARS	CURRENT YEAR	BALANCE JUNE 30, 2013
Various HVAC Projects	4/1/2002	\$ 2,748,679	\$ 2,742,601	\$ -	\$ 6,078
Central Office	4/1/2002	569,777	566,041	-	3,736
Brackman Roof	4/1/2002	140,300	139,968	-	332
Workshop Renovation	4/1/2002	386,720	350,916	-	35,804
Various Fields	4/1/2002	670,055	669,902	-	153
Horbelt School	10/7/1999	9,497,000	9,482,245	-	14,755
Construction of New High School	12/1/2001	32,069,974	32,020,116	-	49,858
Construction of A New Elementary School & Improvements To Various Schools	1/5/2005	76,070,757	74,412,065	364,893	1,293,799
Security Upgrades/Surveillance Cameras	5/1/2011	304,354	304,354	-	-
Total		\$ 122,457,616	\$ 120,688,208	\$ 364,893	\$ 1,404,515

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Revenues & Other Financing Sources:	
Additional SCC Overages	\$ 320,993
Interest Earnings	<u>222</u>
Total Revenues	<u>321,215</u>
Expenditures & Other Financing Uses:	
Project Expenditures	<u>364,893</u>
Total Expenditures	<u>364,893</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(43,678)</u>
Other Financing Sources/(Uses):	
Transfer of Interest Earnings to General Fund	<u>(222)</u>
Total Other Financing Sources & Uses	<u>(222)</u>
Net Change in Fund Balance	(43,900)
Fund Balance - Beginning	<u>1,448,415</u>
Fund Balance - Ending	<u><u>\$ 1,404,515</u></u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
VARIOUS HVAC
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 1,403,697	\$ -	\$ 1,403,697	\$ 1,403,697
Transfer from Capital Outlay	1,344,982	-	1,344,982	1,344,982
Total Reserve	2,748,679	-	2,748,679	2,748,679
Expenditures & Other Financing Uses:				
Project Expenditures	2,742,601	-	2,742,601	2,748,679
Total Expenditures & Other Financing Uses	2,742,601	-	2,742,601	2,748,679
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 6,078	\$ -	\$ 6,078	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	0185-015-02-0956
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$2,577,577
Additional Authorized Cost	\$171,102
Revised Authorized Cost	\$2,748,679
Percentage Increase Over Original Authorized Cost	6.64%
Percentage Completion	100.00%
Original Target Completion Date	09/01/03
Revised Target Completion Date	09/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
CENTRAL OFFICE
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 386,590	\$ -	\$ 386,590	\$ 386,590
Transfer from Capital Outlay	183,187	-	183,187	183,187
	<hr/>		<hr/>	
Total Reserve	569,777	-	569,777	569,777
Expenditures & Other Financing Uses:				
Project Expenditures	566,041	-	566,041	569,777
	<hr/>		<hr/>	
Total Expenditures & Other Financing Uses	566,041	-	566,041	569,777
	<hr/>		<hr/>	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 3,736	\$ -	\$ 3,736	\$ -
	<hr/> <hr/>		<hr/> <hr/>	

ADDITIONAL PROJECT INFORMATION

Project Number	0185-015-02-0956
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$562,577
Additional Authorized Cost	\$7,200
Revised Authorized Cost	\$569,777
Percentage Increase Over Original Authorized Cost	1.28%
Percentage Completion	100.00%
Original Target Completion Date	04/01/03
Revised Target Completion Date	04/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
BRACKMAN ROOF
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 97,025	\$ -	\$ 97,025	\$ 97,025
Transfer from Capital Outlay	43,275	-	43,275	43,275
Total Reserve	140,300	-	140,300	140,300
Expenditures & Other Financing Uses:				
Project Expenditures	139,968	-	139,968	140,300
Total Expenditures & Other Financing Uses	139,968	-	139,968	140,300
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 332	\$ -	\$ 332	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	0185-050-02-0660
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$140,300
Additional Authorized Cost	
Revised Authorized Cost	\$140,300
Percentage Increase Over Original Authorized Cost	
Percentage Completion	100.00%

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
WORKSHOP RENOVATION
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 244,013	\$ -	\$ 244,013	\$ 244,013
Transfer from Capital Outlay	142,707	-	142,707	142,707
	<hr/>			
Total Reserve	386,720	-	386,720	386,720
<hr/>				
Expenditures & Other Financing Uses:				
Project Expenditures	350,916	-	350,916	386,720
	<hr/>			
Total Expenditures & Other Financing Uses	350,916	-	350,916	386,720
<hr/>				
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 35,804	\$ -	\$ 35,804	\$ -
<hr/> <hr/>				

ADDITIONAL PROJECT INFORMATION

Project Number	0185-050-02-1066
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$75,000
Additional Authorized Cost	\$311,720
Revised Authorized Cost	\$386,720
Percentage Increase Over Original Authorized Cost	415.63%
Percentage Completion	100.00%
Original Target Completion Date	09/01/03
Revised Target Completion Date	09/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
VARIOUS FIELDS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 519,442	\$ -	\$ 519,442	\$ 519,442
Transfer from Capital Outlay	150,613	-	150,613	150,613
Total Reserve	670,055	-	670,055	670,055
Expenditures & Other Financing Uses:				
Project Expenditures	669,902	-	669,902	670,055
Total Expenditures & Other Financing Uses	669,902	-	669,902	670,055
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 153	\$ -	\$ 153	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	0185-015-02, 0185-015-02-0640, 0185-010-02-0661
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$2,577,577
Additional Authorized Cost	\$171,102
Revised Authorized Cost	\$2,748,679
Percentage Increase Over Original Authorized Cost	6.64%
Percentage Completion	100.00%
Original Target Completion Date	09/01/03
Revised Target Completion Date	09/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
HORBELT SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant				
Bond Proceeds & Other Sources	\$ 9,497,000	\$ -	\$ 9,497,000	\$ 9,497,000
Total Reserve	9,497,000	-	9,497,000	9,497,000
Expenditures & Other Financing Uses:				
Project Expenditures	8,584,682	-	8,584,682	8,599,437
Project Balances Cancelled:				
Debt Service Fund	739,553	-	739,553	739,553
Other Capital Projects	158,010	-	158,010	158,010
Total Expenditures & Other Financing Uses	9,482,245	-	9,482,245	9,497,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 14,755	\$ -	\$ 14,755	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	1/25/1999
Bonds Authorized	1/25/1999
Bonds Issued	10/7/1999
Original Authorized Cost	\$9,497,000
Additional Authorized Cost	(\$882,799)
Revised Authorized Cost	\$8,614,201
Percentage Increase Over Original Authorized Cost	-9.30%
Percentage Completion	100.00%
Original Target Completion Date	9/1/2001
Revised Target Completion Date	9/1/2001

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
CONSTRUCTION OF A NEW HIGH SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 21,352,565	\$ -	\$ 21,352,565	\$ 21,352,565
Bond Proceeds & Other Sources	9,139,000	-	9,139,000	9,139,000
Transfer from Capital Reserve	383,704	-	383,704	383,704
Transfer from Capital Outlay	955	-	955	955
Additional SCC Overages	1,193,750	-	1,193,750	1,039,706
Interest Earnings	626	-	626	
Total Reserve	32,070,600	-	32,070,600	31,915,930
Expenditures & Other Financing Uses:				
Project Expenditures	31,030,268	-	31,030,268	30,926,082
Project Balances Cancelled:				
Other Capital Projects	989,848	-	989,848	989,848
Total Expenditures & Other Financing Uses	32,020,116	-	32,020,116	31,915,930
Other Financing Sources/(Uses):				
Transfer of Interest to General Fund	(626)	-	(626)	-
Total Other Financing Sources/ (Uses)	(626)	-	(626)	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 49,858	\$ -	\$ 49,858	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	202025
Grant Date	December, 2001
Bond Authorization Date	December, 2001
Bonds Authorized	December, 2001
Bonds Issued	July, 2004
Original Authorized Cost	\$30,876,224
Additional Authorized Cost	231,192
Revised Authorized Cost	\$31,107,416
Percentage Increase Over Original Authorized Cost	0.75%
Percentage Completion	100.00%
Original Target Completion Date	September, 2004
Revised Target Completion Date	September, 2004

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
CONSTRUCTION OF A NEW ELEMENTARY SCHOOL AND
IMPROVEMENTS TO VARIOUS SCHOOLS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 49,375,884	\$ -	\$ 49,375,884	\$ 49,375,884
Bond Proceeds & Other Sources	22,689,700	-	22,689,700	22,689,700
Additional SCC Overages	3,684,180	320,993	4,005,173	-
Interest Earnings	1,911	222	2,133	-
Total Revenues	75,751,675	321,215	76,072,890	72,065,584
Expenditures & Other Financing Uses:				
Project Expenditures	74,412,065	364,893	74,776,958	72,065,584
Total Expenditures & Other Financing Uses	74,412,065	364,893	74,776,958	72,065,584
Other Financing Sources/(Uses):				
Transfer of Interest to General Fund	(1,911)	(222)	(2,133)	-
Total Other Financing Sources/ (Uses)	(1,911)	(222)	(2,133)	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 1,337,699	\$ (43,900)	\$ 1,293,799	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	: -010-03-0589, -015-03-0591, -050-03-0593, -070-03-0592, -N01-02-0025, -N02-03-0656
Grant Date	2004
Bond Authorization Date	1/5/2005
Bonds Authorized	\$22,689,700
Bonds Issued	\$22,689,700
Original Authorized Cost	\$72,065,584
Additional Authorized Cost	\$3,378,584
Revised Authorized Cost	\$75,444,168
Percentage Increase Over Original Authorized Cost	4.69%
Percentage Completion	98.30%
Original Target Completion Date	09/01/08
Revised Target Completion Date	09/30/11

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
INSTALLATION OF SURVEILLANCE CAMERAS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 289,590	\$ -	\$ 289,590	\$ 289,590
Transfer from Capital Projects	14,764	-	14,764	14,765
Interest Earnings	85	-	85	-
Total Reserve	304,439	-	304,439	304,355
Expenditures & Other Financing Uses:				
Project Expenditures	304,354	-	304,354	304,355
Total Expenditures & Other Financing Uses	304,354	-	304,354	304,355
Other Financing Sources/(Uses):				
Transfer of Interest to General Fund	(85)	-	(85)	-
Total Other Financing Sources/ (Uses)	(85)	-	(85)	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ -	\$ -	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	5: -015-03-0591-01, -N02-03-0656-01, -010-03-0589-01, 070-03-0592-01, N01-03-0655-01
Grant Date	2011
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$304,355
Additional Authorized Cost	N/A
Revised Authorized Cost	\$304,355
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	June, 2011
Revised Target Completion Date	June, 2011

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G. Proprietary Funds

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Enterprise Funds

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2013	2012
	FOOD SERVICE	COMMUNITY EDUCATION		
Current Assets:				
Cash	\$ 39,588	\$ 39,583	\$ 79,171	\$ 77,912
Accounts Receivable:				
State	814	-	814	484
Federal	34,795	-	34,795	17,458
Inventories	18,205	-	18,205	16,485
Total Current Assets	<u>93,402</u>	<u>39,583</u>	<u>132,985</u>	<u>112,339</u>
Noncurrent Assets:				
Furniture, Machinery & Equipmen	763,170	-	763,170	904,707
Less: Accumulated Depreciation	(487,682)	-	(487,682)	(577,975)
Total Noncurrent Assets	<u>275,488</u>	<u>-</u>	<u>275,488</u>	<u>326,732</u>
Total Assets	<u>368,890</u>	<u>39,583</u>	<u>408,473</u>	<u>439,071</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	52,535	-	52,535	-
Total Current Liabilities	<u>52,535</u>	<u>-</u>	<u>52,535</u>	<u>-</u>
NET POSITION				
Invested in Capital Assets, Net of Related Debt	275,488	-	275,488	326,732
Unrestricted	40,867	39,583	80,450	112,339
Total Net Position	<u>\$ 316,355</u>	<u>\$ 39,583</u>	<u>\$ 355,938</u>	<u>\$ 439,071</u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2013	2012
	FOOD SERVICE	COMMUNITY EDUCATION		
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$ 352,075	\$ -	\$ 352,075	\$ 459,057
Daily Sales Nonreimbursable Programs:				
School Lunch Program	196,749	-	196,749	208,984
Program Revenues	-	1,150	1,150	-
Total Operating Revenues	548,824	1,150	549,974	668,041
Operating Expenses:				
Cost of Sales	541,412	-	541,412	576,995
Salaries & Benefits	431,627	-	431,627	412,994
Management & Administrative Fees	117,960	-	117,960	122,694
Other Purchased Services	22,077	389	22,466	21,271
Cleaning, Repair & Maintenance Services	41,601	-	41,601	45,668
Depreciation	37,950	-	37,950	35,253
Total Operating Expenses	1,192,627	389	1,193,016	1,214,875
Operating Income/(Loss)	(643,803)	761	(643,042)	(546,834)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	12,247	-	12,247	13,818
Federal Sources:				
National School Lunch Program	393,837	-	393,837	396,172
National School Performance Based Program	6,404	-	6,404	-
National School Breakfast Program	91,032	-	91,032	82,888
Food Distribution Program	90,625	-	90,625	61,898
Interest & Investment Revenue	-	39	39	-
Miscellaneous Revenue	15,921	-	15,921	422
Adjustment to Fixed Assets	(26,621)	-	(26,621)	-
Transfer Out	-	(23,575)	(23,575)	-
Total Nonoperating Revenues/(Expenses)	583,445	(23,536)	559,909	555,198
Change in Net Position	(60,358)	(22,775)	(83,133)	8,364
Total Net Position - Beginning	376,713	62,358	439,071	430,707
Total Net Position - Ending	\$ 316,355	\$ 39,583	\$ 355,938	\$ 439,071

BARNEGAT TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2013	2012
	FOOD	COMMUNITY		
	SERVICE	EDUCATION		
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 548,824	\$ 1,150	\$ 549,974	\$ 668,041
Payments for Operations	(1,013,237)	(389)	(1,013,626)	(1,116,806)
Net Cash Provided/(Used) by Operating Activities	(464,413)	761	(463,652)	(448,765)
Cash Flows From Capital Financing Activities:				
Purchases of Fixed Assets	13,294	-	13,294	(68,722)
Adjustment to Fixed Assets	(26,621)	-	(26,621)	-
Net Cash Provided/(Used) by Capital Financing Activities	(13,327)	-	(13,327)	(68,722)
Cash Flows From Noncapital Financing Activities:				
State Sources	11,917	-	11,917	14,107
Federal Sources	473,936	-	473,936	485,191
Miscellaneous Revenue	15,921	-	15,921	422
Net Cash Provided/(Used) by Noncapital Financing Activities	501,774	-	501,774	499,720
Cash Flows From Investing Activities:				
Interest & Dividends	-	39	39	-
Transfer out	-	(23,575)	(23,575)	-
Net Cash Provided/(Used) by Investing Activities	-	(23,536)	(23,536)	-
Net Increase/(Decrease) in Cash & Cash Equivalents				
Balances - Beginning of Year	15,554	62,358	77,912	95,679
Balances - End of Year	\$ 39,588	\$ 39,583	\$ 79,171	\$ 77,912

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ (643,803)	\$ 761	\$ (643,042)	\$ (546,834)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Food Distribution Program	90,625	-	90,625	61,898
Depreciation & Net Amortization	37,950	-	37,950	35,253
(Increase)/Decrease in Inventories	(1,720)	-	(1,720)	918
Increase/(Decrease) in Accounts Payable	52,535	-	52,535	-
Total Adjustments	179,390	-	179,390	98,069
Net Cash Provided/(Used) by Operating Activities	\$ (464,413)	\$ 761	\$ (463,652)	\$ (448,765)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

ASSETS	PRIVATE PURPOSE			2013	2012
	UNEMPLOYMENT COMPENSATION TRUST	AGENCY			
		PAYROLL FUND	STUDENT ACTIVITY		
Cash & Cash Equivalents	\$ 355,998	\$ 1,132,835	\$ 140,172	\$ 1,629,005	\$ 1,222,795
Interfund Receivable	67,981	-	-	67,981	90,527
Total Assets	423,979	1,132,835	140,172	1,696,986	1,313,322
LIABILITIES					
Payable to Student Groups	-	-	140,172	140,172	136,828
Claims Payable	3,481	-	-	3,481	48,808
Payroll Deductions & Withholdings	-	1,063,566	-	1,063,566	951,124
Interfund Payable	-	69,269	-	69,269	11,626
Total Liabilities	3,481	1,132,835	140,172	1,276,488	1,148,386
NET POSITION					
Held in Reserve for Unemployment Claims	420,498	-	-	420,498	164,936
Total Net Position	\$ 420,498	\$ -	\$ -	\$ 420,498	\$ 164,936

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

ADDITIONS	PRIVATE PURPOSE UNEMPLOYMENT COMPENSATION TRUST	2013	2012
Contributions:			
Plan Members	\$ 384,701	\$ 384,701	\$ 195,307
Interest Earned	271	271	-
Total Additions	<u>384,972</u>	<u>384,972</u>	<u>195,307</u>
DEDUCTIONS			
Unemployment Claims	<u>129,410</u>	<u>129,410</u>	<u>195,826</u>
Total Deductions	<u>129,410</u>	<u>129,410</u>	<u>195,826</u>
Change in Net Position	255,562	255,562	(519)
Net Position - Beginning of the Year	<u>164,936</u>	<u>164,936</u>	<u>165,455</u>
Net Position - End of the Year	<u>\$ 420,498</u>	<u>\$ 420,498</u>	<u>\$ 164,936</u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

ASSETS	BALANCE JULY 1, 2012	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2013
Student Activities	\$ 18,083	\$ 32,460	\$ 32,934	\$ 17,609
High School Activities	29,556	282,318	287,376	24,498
High School Sports	89,189	124,695	115,819	98,065
Total Assets	\$ 136,828	\$ 439,473	\$ 436,129	\$ 140,172
LIABILITIES				
Payable to Student Groups	\$ 136,828	\$ 439,473	\$ 436,129	\$ 140,172
Total Liabilities	\$ 136,828	\$ 439,473	\$ 436,129	\$ 140,172

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

ASSETS	BALANCE JULY 1, 2012	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2013
Cash & Cash Equivalents	\$ 941,225	\$ 39,401,715	\$ 39,210,105	\$ 1,132,835
Interfund Receivable	21,525	-	21,525	-
Total Assets	\$ 962,750	\$ 39,401,715	\$ 39,231,630	\$ 1,132,835
LIABILITIES				
Payroll Deductions & Withholdings	\$ 951,124	\$ 39,332,446	\$ 39,220,004	\$ 1,063,566
Interfund Payable	11,626	69,269	11,626	69,269
Total Liabilities	\$ 962,750	\$ 39,401,715	\$ 39,231,630	\$ 1,132,835

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I. Long-Term Debt

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2013**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2012	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2103
			DATE	AMOUNT				
Refunding Bonds - 2004	01/15/04	10,310,000	4/1/2014	690,000	3.250%	\$ 8,980,000	\$ 290,000	\$ 8,690,000
			4/1/2015	680,000	3.500%			
			4/1/2016	695,000	4.500%			
			4/1/2017	715,000	4.500%			
			4/1/2018	715,000	4.500%			
			4/1/2019	735,000	4.000%			
			4/1/2020	725,000	4.000%			
			4/1/2021	740,000	4.125%			
			4/1/2022	735,000	4.200%			
			4/1/2023	750,000	4.250%			
			4/1/2024	740,000	4.300%			
			4/1/2025	770,000	4.350%			
			Construction of High School	07/14/05	9,139,000			
7/15/2014	470,000	4.375%						
Renovations and Improvements of Existing Schools	11/1/07	22,000,000	4/15/2014	135,000	4.375%	21,255,000	505,000	20,750,000
			4/15/2015	175,000	4.375%			
			4/15/2016	190,000	4.375%			
			4/15/2017	210,000	4.375%			
			4/15/2018	250,000	4.375%			
			4/15/2019	275,000	4.375%			
			4/15/2020	325,000	4.375%			
			4/15/2021	355,000	4.375%			
			4/15/2022	405,000	4.375%			
			4/15/2023	440,000	4.375%			
			4/15/2024	505,000	4.375%			
			4/15/2025	530,000	4.375%			
			4/15/2026	2,115,000	4.375%			
			4/15/2027	2,210,000	4.375%			
			4/15/2028	2,310,000	4.500%			
			4/15/2029	2,410,000	4.500%			
4/15/2030	2,520,000	4.500%						
4/15/2031	2,635,000	4.500%						
4/15/2032	2,755,000	4.500%						
Refunding School Bonds - 2012	4/24/12	6,105,000	7/15/2013	10,000	2.000%	6,105,000	95,000	6,010,000
			7/15/2014	10,000	2.000%			
			7/15/2015	505,000	4.000%			
			7/15/2016	520,000	3.000%			
			7/15/2017	540,000	3.000%			
			7/15/2018	560,000	4.000%			
			7/15/2019	580,000	4.000%			
			7/15/2020	600,000	4.000%			
			7/15/2021	625,000	4.000%			
			7/15/2022	655,000	5.000%			
			7/15/2023	685,000	5.000%			
			7/15/2024	720,000	4.000%			
			Total					

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2013**

SERIES	INTEREST RATE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2012	ISSUED	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2013
2008 Buses (3)	4.54%	\$ 183,807	\$ 39,376	\$ -	\$ 39,376	\$ -
2008 Buses (6)	4.54%	436,458	94,700	-	94,700	-
2008 Buses (5)	4.54%	378,715	81,355	-	81,355	-
2009 Wheelchair Bus	5.23%	84,967	34,785	-	16,949	17,836
2009 Safety Seat Bus	4.32%	169,238	69,034	-	33,787	35,247
Textbook Lease	3.83%	630,000	256,463	-	125,822	130,641
Computer Lease	3.83%	425,000	173,011	-	84,880	88,131
Classroom Equipment	4.18%	114,724	68,756	-	21,987	46,769
Energy Savings Improvement Plan	2.94%	4,135,000	4,135,000	-	45,000	4,090,000
School Buses, Computer Equipment & Textbooks	1.41%	600,000	-	600,000	123,390	476,610
Total		\$ 4,952,480	\$ 600,000	\$ 667,246	\$ 4,885,234	

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

	JUNE 30, 2013		JUNE 30, 2012		VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,542,367	\$ 2,542,367	\$ 2,542,367	\$ 2,321,440	\$ 2,321,440
State Sources:					
Debt Service Aid Type II	322,469	322,469	322,469	538,550	538,550
Total Revenues	2,864,836	2,864,836	2,864,836	2,859,990	2,859,990
Expenditures:					
Regular Debt Service:					
Interest	1,544,836	1,519,993	24,843	1,698,990	1,698,990
Redemption of Principal	1,320,000	1,320,000	-	1,161,000	1,161,000
Total Regular Debt Service	2,864,836	2,839,993	24,843	2,859,990	2,859,990
Total Expenditures	2,864,836	2,839,993	24,843	2,859,990	2,859,990
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	24,843	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ 24,843	\$ -	\$ -

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STATISTICAL SECTION (Unaudited)

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
FISCAL YEAR ENDING JUNE 30,										
Governmental Activities:										
Invested in Capital Assets,										
Net of Related Debt	\$ 93,930,312	\$ 96,705,379	\$ 95,731,157	\$ 96,355,634	\$ 95,321,191	\$ 51,451,552	\$ 50,469,989	\$ 33,995,698	\$ 32,294,277	\$ 26,040,904
Restricted	1,404,515	1,448,415	998,512	995,502	1,999,611	32,637,948	(5,869,521)	(327,063)	232,676	1,012,175
Unrestricted	2,118,891	2,275,895	1,319,040	(1,532,062)	(692,099)	(339,242)	(1,559,155)	(91,488)	(810,851)	(801,955)
Total Governmental Activities	\$ 97,453,718	\$ 100,429,689	\$ 98,048,709	\$ 95,819,074	\$ 96,628,703	\$ 83,750,258	\$ 43,041,313	\$ 33,577,147	\$ 31,716,102	\$ 26,251,124
Business-Type Activities:										
Invested in Capital Assets,										
Net of Related Debt	\$ 275,488	\$ 326,732	\$ 293,263	\$ 269,678	\$ 322,901	\$ 106,186	\$ 115,620	\$ 136,820	\$ 158,020	\$ 179,220
Unrestricted	80,450	112,339	137,444	173,686	132,686	28,533	120,776	138,072	123,071	161,053
Total Business-Type Activities	\$ 355,938	\$ 439,071	\$ 430,707	\$ 443,364	\$ 455,587	\$ 134,719	\$ 236,396	\$ 274,892	\$ 281,091	\$ 340,273
District-Wide:										
Invested in Capital Assets,										
Net of Related Debt	\$ 94,205,800	\$ 97,032,111	\$ 96,024,420	\$ 96,625,312	\$ 95,644,092	\$ 51,557,738	\$ 50,585,609	\$ 34,132,518	\$ 32,452,297	\$ 26,220,124
Restricted	1,404,515	1,448,415	998,512	995,502	1,999,611	32,637,948	(5,869,521)	(327,063)	232,676	1,012,175
Unrestricted	2,199,341	2,388,234	1,456,484	(1,358,376)	(559,413)	(310,709)	(1,438,379)	46,584	(687,780)	(640,902)
Total District Net Position	\$ 97,809,656	\$ 100,868,760	\$ 98,479,416	\$ 96,262,438	\$ 97,084,290	\$ 83,884,977	\$ 43,277,709	\$ 33,852,039	\$ 31,997,193	\$ 26,591,397

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 15,212,116	\$ 14,914,501	\$ 14,095,891	\$ 15,469,793	\$ 15,535,294	\$ 15,598,078	\$ 16,946,136	\$ 14,240,368	\$ 12,408,975	\$ 10,161,072
Special Education	4,158,217	4,074,599	3,877,190	3,859,197	3,617,328	3,270,502	5,925,299	4,671,128	4,484,315	4,074,024
Other Special Education	1,811,770	1,867,639	1,718,586	2,010,487	1,896,723	1,575,699	2,195,602	2,065,759	1,475,538	1,039,744
Support Services:										
Tuition	1,206,492	1,420,914	1,301,806	1,945,710	1,993,203	1,874,863	3,736,225	6,092,463	7,793,081	11,960,965
Student & Instruction Related Services	4,227,395	3,905,059	3,857,375	4,127,425	4,147,826	4,053,292	5,058,701	3,958,106	3,937,178	2,615,605
General Administrative Services	664,145	615,632	690,219	663,650	680,386	812,398	1,038,952	1,005,088	880,942	1,017,375
School Administrative Services	1,433,741	1,450,603	1,429,639	1,466,713	1,381,140	1,498,133	1,760,911	1,246,442	1,148,812	1,124,152
Central Services	460,563	426,851	403,167	486,267	452,732	1,920,947	765,592	464,779	546,790	499,628
Admin Information Technology	254,131	221,236	205,272	172,077	81,265	69,583	-	-	-	-
Plant Operations & Maintenance	3,594,962	4,864,239	3,933,889	4,404,492	4,772,700	3,006,400	3,684,497	3,446,851	3,608,578	2,289,812
Pupil Transportation	3,016,676	2,915,158	2,952,138	3,609,704	4,041,363	3,499,404	2,803,402	3,069,275	2,532,924	2,544,497
Unallocated Employee Benefits	13,063,771	11,767,033	11,234,022	11,578,013	10,682,741	10,225,147	-	-	-	-
Special Schools	-	-	-	-	-	360	-	4,280	4,000	3,522
Collection of Prior Year Receivables	-	-	-	90,078	-	-	-	-	-	-
Interest on Long-Term Debt	1,574,335	1,662,516	1,734,411	1,819,159	1,782,719	1,468,794	1,764,514	1,245,848	959,763	815,254
Unallocated Compensated Absence Expense	-	32,306	56,322	(41,782)	53,064	63,825	-	-	-	-
Unallocated Adjustment to Fixed Assets	4,130,896	(201,997)	599,538	905,688	-	-	-	-	-	-
Unallocated Depreciation	2,984,330	2,668,756	2,771,654	2,812,117	2,701,060	1,841,486	1,779,365	1,740,483	1,752,855	735,528
Total Governmental Activities Expenses	57,793,540	52,605,045	50,861,119	55,378,788	53,819,544	50,778,911	47,459,196	43,250,870	41,533,751	38,881,178
Business-Type Activities:										
Food Service	1,192,627	1,214,875	1,225,063	1,185,354	1,192,308	1,280,512	1,106,101	943,730	867,454	612,043
Community Education	389	-	372	45,074	31,810	-	-	-	-	-
Total Business-Type Activities Expense	1,193,016	1,214,875	1,225,435	1,230,428	1,224,118	1,280,512	1,106,101	943,730	867,454	612,043
Total District Expenses	\$ 58,986,556	\$ 53,819,920	\$ 52,086,554	\$ 56,609,216	\$ 55,043,662	\$ 52,059,423	\$ 48,565,297	\$ 44,194,600	\$ 42,401,205	\$ 39,493,221

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30.									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues:										
Governmental Activities:										
Grants & Contributions	\$ 5,933,603	\$ 1,839,045	\$ 1,799,937	\$ 2,776,133	\$ 1,863,395	\$ 2,222,149	\$ 13,943,079	\$ 4,420,790	\$ 2,264,614	\$ 1,980,171
Total Governmental Activities	5,933,603	1,839,045	1,799,937	2,776,133	1,863,395	2,222,149	13,943,079	4,420,790	2,264,614	1,980,171
Business-Type Activities:										
Charges for Services:										
Food Service	548,824	668,041	710,408	737,538	760,077	802,326	734,696	659,361	557,500	437,596
Community Education	1,150	-	-	16,116	70,559	-	-	-	-	-
Operating Grants & Contributions:	594,145	554,776	501,093	473,199	417,155	376,071	332,602	277,929	250,633	178,299
Total Business Type Activities	1,144,119	1,222,817	1,211,501	1,226,853	1,247,791	1,178,397	1,067,298	937,290	808,133	615,895
Total District Program Revenues	\$ 7,077,722	\$ 3,061,862	\$ 3,011,438	\$ 4,002,986	\$ 3,111,186	\$ 3,400,546	\$ 15,010,377	\$ 5,358,080	\$ 3,072,747	\$ 2,596,066
Net (Expense)/Revenue:										
Governmental Activities	\$(51,859,937)	\$(50,766,000)	\$(49,061,182)	\$(52,602,655)	\$(51,956,149)	\$(48,556,762)	\$(33,516,117)	\$(38,830,080)	\$(39,269,137)	\$(36,901,007)
Business-Type Activities	(48,897)	7,942	(13,934)	(3,575)	23,673	(102,115)	(38,803)	(6,440)	(59,321)	3,852
Total District-Wide Net Expense	\$(51,908,834)	\$(50,758,058)	\$(49,075,116)	\$(52,606,230)	\$(51,932,476)	\$(48,658,877)	\$(33,554,920)	\$(38,836,520)	\$(39,328,458)	\$(36,897,155)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for										
General Purposes, Net	\$ 25,696,073	\$ 26,379,687	\$ 26,379,687	\$ 24,229,720	\$ 24,129,720	\$ 23,859,822	\$ 19,755,300	\$ 19,024,930	\$ 17,253,247	\$ 15,690,217
Taxes Levied for Debt										
Service	2,542,367	2,321,440	2,319,468	2,162,004	2,209,674	2,475,572	781,800	1,870,430	232,113	674,734
Unrestricted Grants &										
Contributions	20,427,226	24,275,797	22,188,249	23,693,211	22,653,547	23,468,068	22,138,534	19,454,306	27,113,246	34,132,073
Tuition	68,598	42,199	-	-	-	-	-	-	-	-
Miscellaneous Income	149,702	127,857	403,413	205,521	1,832,594	183,845	304,649	341,460	135,508	365,684
Adjustment	-	-	-	-	-	-	-	-	-	(1,373,000)
Total Governmental Activities	48,883,966	53,146,980	51,290,817	50,290,456	50,825,535	49,987,307	42,980,283	40,691,126	44,734,114	49,489,708

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30.									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Business-Type Activities:										
Investment Earnings	39	-	1,277	2,014	1,425	438	306	242	139	189
Miscellaneous Income	15,921	422	-	-	-	-	-	-	-	-
Adjustment to Fixed Assets	(26,621)	-	-	-	-	-	-	-	-	-
Transfer Out	(23,575)	-	-	-	-	-	-	-	-	-
Contract Budget Guarantee	-	-	-	27,777	-	-	-	-	-	-
Total Business-Type Activities	(34,236)	422	1,277	29,791	1,425	438	306	242	139	189
Total District-Wide	\$ 48,849,730	\$ 53,147,402	\$ 51,292,094	\$ 50,320,247	\$ 50,826,960	\$ 49,987,745	\$ 42,980,589	\$ 40,691,368	\$ 44,734,253	\$ 49,489,897
Change in Net Position:										
Governmental Activities	\$ (2,975,971)	\$ 2,380,980	\$ 2,229,635	\$ (2,312,199)	\$ (1,130,614)	\$ 1,430,545	\$ 9,464,166	\$ 1,861,046	\$ 5,464,977	\$ 12,588,701
Business-Type Activities	(83,133)	8,364	(12,657)	26,216	25,098	(101,677)	(38,497)	(6,198)	(59,182)	4,041
Total District	\$ (3,059,104)	\$ 2,389,344	\$ 2,216,978	\$ (2,285,983)	\$ (1,105,516)	\$ 1,328,868	\$ 9,425,669	\$ 1,854,848	\$ 5,405,795	\$ 12,592,742

Source: District CAFR, Schedule A-2

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund:										
Reserved	\$ 3,817,797	\$ 3,255,633	\$ 3,462,641	\$ 1,275,029	\$ 2,077,708	\$ 1,380,649	\$ 143,614	\$ 1,964,204	\$ 1,011,993	\$ 725,758
Unreserved	355,429	1,173,151	(448,946)	(1,168,758)	(1,089,692)	(92,840)	(9,739)	(295,247)	(187,557)	120,893
Total General Fund	\$ 4,173,226	\$ 4,428,784	\$ 3,013,695	\$ 106,271	\$ 988,016	\$ 1,287,809	\$ 133,875	\$ 1,668,957	\$ 824,436	\$ 846,651
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 153,867	\$ 657,008	\$ 28,035	\$ 37,635
Unreserved, Reported in:										
Special Revenue Fund	-	-	-	-	-	(22,278)	(15,028)	(15,014)	(15,014)	(14,795)
Capital Projects Fund	1,404,515	1,448,415	1,460,914	1,479,761	2,233,071	32,976,470	(5,728,460)	(855,382)	409,434	665,663
Debt Service Fund	24,843	-	-	1	55,978	55,977	-	179,336	130,795	464,617
Total All Other Governmental Funds	\$ 1,429,358	\$ 1,448,415	\$ 1,460,914	\$ 1,479,762	\$ 2,289,049	\$ 33,010,169	\$ (5,589,621)	\$ (34,052)	\$ 553,250	\$ 1,153,120

Source: District CAFR, Schedule B-1

BARNEGAT TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:										
Tax Levy	\$ 28,238,440	\$ 28,701,127	\$ 28,699,155	\$ 26,391,724	\$ 26,339,394	\$ 26,335,394	\$ 20,537,100	\$ 20,895,360	\$ 17,485,360	\$ 16,364,951
Miscellaneous	218,522	170,056	403,413	205,521	1,832,594	183,845	304,650	356,960	149,722	365,684
State Sources	25,018,642	24,124,164	22,688,337	21,180,352	23,330,592	24,577,140	34,972,601	22,619,475	28,141,888	35,173,733
Federal Sources	1,341,965	1,990,678	1,299,849	5,288,992	1,186,350	1,113,077	1,109,013	1,240,121	1,221,758	938,511
Total Revenue	54,817,569	54,986,025	53,090,754	53,066,589	52,688,930	52,209,456	56,923,364	45,111,916	46,998,728	52,842,879
Expenditures:										
Instruction:										
Regular Instruction	15,212,116	14,914,501	14,095,891	15,469,793	15,535,294	15,598,078	12,568,651	10,960,974	9,813,462	7,863,307
Special Education Instruction	4,158,217	4,074,599	3,877,190	3,859,197	3,617,328	3,270,502	4,338,752	3,690,902	3,349,127	2,947,372
Other Special Instruction	1,811,770	1,867,639	1,718,586	2,010,487	1,896,723	1,575,699	1,661,699	1,597,231	1,153,198	784,057
Support Services:										
Tuition	1,206,492	1,420,914	1,301,806	1,945,710	1,993,203	1,874,863	3,736,225	6,092,463	7,793,081	11,960,965
Student & Instruction Related Services										
General Administrative Services	4,227,395	3,905,059	3,857,375	4,127,425	4,147,826	4,053,292	3,706,018	3,288,813	2,952,352	2,008,607
School Administrative Services	664,145	615,632	690,219	663,650	680,386	812,398	859,316	854,546	700,693	842,463
Central Services	1,433,741	1,450,603	1,429,639	1,466,713	1,381,140	1,498,133	1,251,223	1,009,077	827,321	835,288
Plant Operations & Maintenance	714,694	648,087	608,439	658,344	533,997	1,990,530	536,858	374,715	388,743	366,738
Pupil Transportation	4,262,208	5,367,042	4,447,153	5,058,551	5,330,201	4,329,195	3,921,272	3,775,715	3,096,667	2,158,272
Unallocated Benefits	3,016,676	2,915,158	2,952,138	3,609,704	4,041,363	3,499,404	2,385,342	2,647,786	2,060,254	2,017,818
Special School Capital Outlay	13,191,824	11,746,033	11,234,022	11,578,013	10,682,741	10,225,148	9,820,128	6,498,394	7,246,578	5,318,458
Debt Service:										
Principal	5,915,541	2,785,987	1,123,451	3,161,913	21,436,777	23,657,467	16,693,391	2,239,391	7,042,090	19,552,088
Interest & Other Charges	1,320,000	1,161,000	1,110,000	1,055,000	1,000,000	1,839,160	745,000	565,000	495,000	475,000
Total Expenditures	58,654,812	54,571,244	50,202,178	56,477,734	74,142,481	75,621,202	64,014,014	44,854,697	47,702,482	57,945,969

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(3,837,243)	414,781	2,888,576	(3,411,145)	(21,453,551)	(23,411,746)	(7,090,650)	257,219	(703,754)	(5,103,090)
Other Financing Sources/(Uses):										
Capital Leases/Bond Proceeds	3,562,628	987,809	-	24,646	1,437,531	23,887,069	-	-	81,668	1,700,000
Total Other Financing Sources/ (Uses)	3,562,628	987,809	-	24,646	1,437,531	23,887,069	-	-	81,668	1,700,000
Net Change in Fund Balances	\$ (274,615)	\$ 1,402,590	\$ 2,888,576	\$ (3,386,499)	\$ (20,016,020)	\$ 475,323	\$ (7,090,650)	\$ 257,219	\$ (622,086)	\$ (3,403,090)

Debt Service as a Percentage of Noncapital Expenditures	5.38%	5.52%	5.84%	5.38%	5.44%	6.23%	5.36%	4.27%	3.14%	3.35%
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Source: District CAFR, Schedule B-2

BARNEGAT TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	RENTALS AND FACILITIES USE	TUITION	LEASE PURCHASE PROCEEDS	MISCELLANEOUS	TOTAL
2013	\$ 126	\$ -	\$ -	\$ -	\$ -	\$ 117,234	\$ 117,360
2012	2,331	42,199	-	-	-	95,463	139,993
2011	39,315	17,661	30,018	17,662	-	90,211	194,867
2010	14,088	-	24,020	22,026	-	94,596	154,730
2009	22,975	-	14,266	50,117	-	194,278	281,636
2008	104,774	-	-	-	-	79,071	183,845
2007	146,621	-	-	-	-	17,806	164,427
2006	78,422	-	-	-	-	17,992	96,414
2005	56,077	-	-	5,227	-	48,791	110,095
2004	10,053	-	-	17,453	-	138,475	165,981

Source: District records

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE
2013	\$ 99,117,000	\$1,964,235,300	\$3,011,800	\$ 105,600	\$ 136,842,200	\$ 5,619,400	\$ 32,459,100	\$ 2,241,390,400	\$ 4,959,197	\$ 2,236,431,203	1.281
2012	106,648,000	1,954,463,500	2,220,700	85,800	138,673,800	5,619,400	32,459,100	2,240,170,300	5,808,224	2,234,362,076	1.252
*2011	114,492,500	1,938,444,700	2,220,700	81,000	135,712,600	5,619,400	32,459,100	2,229,030,000	5,850,349	2,223,179,651	1.284
2010	139,796,300	2,383,866,100	2,799,500	105,900	148,040,800	13,236,700	38,013,300	2,725,858,600	6,515,499	2,719,343,101	N/A
2009	157,614,500	2,473,115,600	2,891,500	101,200	162,228,500	7,028,900	43,169,300	2,846,149,500	6,375,083	2,839,774,417	0.919
2008	199,511,100	2,415,733,945	2,385,300	78,500	168,459,700	7,122,700	43,169,300	2,836,460,545	6,232,113	2,830,228,432	N/A
*2007	233,013,700	2,337,695,000	2,562,300	77,900	158,395,300	7,258,300	45,669,300	2,784,671,800	5,931,286	2,790,603,086	0.969
2006	42,902,200	863,271,200	1,072,900	39,400	49,838,400	1,500,400	25,534,900	984,159,400	2,747,828	986,907,228	2.099
2005	46,802,000	787,203,800	1,204,400	85,500	49,163,500	1,500,400	25,534,900	911,494,500	3,106,398	914,600,898	2.098
2004	44,896,200	690,774,500	1,074,500	88,000	48,852,700	1,500,400	17,644,400	804,830,700	3,438,427	808,269,127	2.094

Source: Abstract of Ratables "Assessed Value by Classification"

*Revaluation

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			TOTAL DIRECT	OVERLAPPING RATES							TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	GENERAL OBLIGATION DEBT SERVICE			TOWNSHIP OF BARNEGAT	OCEAN COUNTY	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE			
2013	N/A	N/A	N/A	1.252	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.374
2012	1.151	0.101	0.101	1.284	0.727	0.329	0.038	0.014	0.014	0.014	0.014	2.397
*2011	1.180	0.104	0.104	1.001	0.732	0.317	0.037	0.014	0.014	0.013	0.013	1.895
2010	0.919	0.082	0.082	0.919	0.602	0.242	0.028	0.011	0.011	0.011	0.011	1.627
2009	0.919	N/A	N/A	0.923	0.419	0.239	0.028	0.011	0.011	0.011	0.011	1.631
2008	0.923	N/A	N/A	0.969	0.419	0.239	0.028	0.011	0.011	0.011	0.011	1.594
*2007	0.902	0.067	0.067	2.099	0.876	0.584	0.063	0.026	0.026	0.024	0.024	3.672
2006	1.909	0.190	0.190	2.098	0.876	0.568	0.060	0.026	0.026	0.021	0.021	3.649
2005	2.073	0.025	0.025	2.094	0.876	0.551	0.060	0.025	0.025	0.018	0.018	3.624
2004	2.011	0.083	0.083									

Source: Abstract of Ratables, Breakdown of General Tax Rate

*Revaluation

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2013		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Atlantic Heights LLC	\$ 30,892,800	1	31.34%
Walters Development Co LLC	11,741,900	2	11.91%
Barnegat Village Sq LLC	8,745,300	3	8.87%
Hometown Brighton at Barnegat LLC	8,051,100	4	8.17%
Heritage Point LLC	7,843,900	5	7.96%
D&F Barnegat Developments LLC	6,995,500	6	7.10%
Efros Arthur Est	6,453,400	7	6.55%
Pinewoods Estates	6,348,000	8	6.44%
Barnegat Manor Associates LP	6,214,000	9	6.30%
Paramont Homes at Wall LLC	5,293,800	10	5.37%
Total	<u>\$ 98,579,700</u>		<u>100.00%</u>

TAXPAYER	2004		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Atlantic Heights LLC	\$ 17,073,100	1	32.05%
K Hovnanian at Barnegat LLC	7,777,900	2	14.60%
Barnegat Village Sq LLC	5,766,700	3	10.82%
Heritage Point LLC	5,685,700	4	10.67%
Brighton Limited Partnership	3,711,000	5	6.97%
Barnegat Manor Associates LP	3,261,900	6	6.12%
Efros Arthur Est	2,809,500	7	5.27%
Pinewoods Estates of Michigan	2,781,300	8	5.22%
Hancock Home I LLC	2,406,400	9	4.52%
Gunning River Mall LLC	2,003,200	10	3.76%
Total	<u>\$ 53,276,700</u>		<u>100.00%</u>

Source: 2004 Audit/CAFR

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2013	\$ 28,238,440	\$ 28,238,440	100.00%	-
2012	28,701,127	28,701,127	100.00%	-
2011	28,699,155	28,699,155	100.00%	-
2010	26,391,724	26,391,724	100.00%	-
2009	26,339,394	26,339,394	100.00%	-
2008	26,335,394	26,335,394	100.00%	-
2007	20,537,100	20,537,100	100.00%	-
2006	20,895,360	20,895,360	100.00%	-
2005	17,485,360	17,485,360	100.00%	-
2004	16,364,951	16,364,951	100.00%	-

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

BARNEGAT TOWNSHIP BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA PERSONAL INCOME
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	BOND/GRANT ANTICIPATION NOTES (BANS)			
2013	\$ 36,370,000	\$ 4,885,234	\$ -	\$ 41,255,234	N/A	N/A
2012	37,690,000	4,952,480	-	42,642,480	N/A	N/A
2011	38,830,000	1,320,284	-	40,150,284	N/A	N/A
2010	39,940,000	1,829,248	-	41,769,248	0.09%	40,291
2009	40,995,000	2,344,683	-	43,339,683	0.09%	39,331
2008	41,995,000	1,464,653	-	43,459,653	0.09%	40,975
2007	21,190,000	1,544,539	22,689,700	45,424,239	0.08%	39,214
2006	21,935,000	2,522,709	22,689,700	47,147,409	0.07%	36,773
2005	22,500,000	3,436,552	-	25,936,552	0.13%	34,497
2004	13,856,000	4,187,276	9,139,000	27,182,276	N/A	33,567

Source: District CAFR Schedules I-1 & I-2

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA PERSONAL INCOME
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2013	\$ 36,370,000	N/A	\$ 36,370,000	N/A	N/A
2012	37,690,000	N/A	37,690,000	1.68%	N/A
2011	38,830,000	N/A	38,830,000	1.42%	N/A
2010	39,940,000	N/A	39,940,000	1.46%	40,291
2009	40,995,000	N/A	40,995,000	1.44%	39,331
2008	41,995,000	N/A	41,995,000	1.48%	40,975
2007	21,190,000	N/A	21,190,000	0.76%	39,214
2006	21,935,000	N/A	21,935,000	2.22%	36,773
2005	22,500,000	N/A	22,500,000	2.46%	34,497
2004	13,856,000	N/A	13,856,000	1.71%	33,567

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2012**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	
<u>Overlapping Debts:</u>			
Barnegat Township	\$ 14,865,908	100.00%	\$ 14,865,908
County of Ocean	418,744,357	41.70%	<u>174,616,397</u>
Subtotal, Overlapping Debt			189,482,305
Barnegat Township School District Direct Debt	36,370,000	100.00%	<u>36,370,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 225,852,305</u></u>

Sources: Township of Barnegat, Statement of Indebtedness as of December 31, 2012
Debt outstanding data provided by each governmental unit.

NOTES

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

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 government unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Debt Limit	\$ 97,912,092	\$ 101,208,281	\$ 103,113,921	\$ 110,904,623	\$ 109,526,257	\$ 102,843,085	\$ 100,077,721	\$ 85,255,677	\$ 68,714,598	\$ 45,706,104
Total Net Debt Applicable to Limit	36,370,000	37,690,000	38,830,000	39,940,000	40,995,000	41,995,000	21,190,000	44,624,700	45,189,700	45,684,700
Legal Debt Margin	\$ 61,542,092	\$ 63,518,281	\$ 64,283,921	\$ 70,964,623	\$ 68,531,257	\$ 60,848,085	\$ 78,887,721	\$ 40,630,977	\$ 23,524,898	\$ 21,404
Total Net Debt Applicable to the Limit as a % of Debt Limit	37.15%	37.24%	37.66%	36.01%	37.43%	40.83%	21.17%	52.34%	65.76%	99.95%

Legal Debt Margin Calculation for Fiscal Year 2013

	Equalized Valuation Basis
2013	\$2,368,870,715
2011	2,437,961,642
2010	2,536,574,530
	<u>\$7,343,406,887</u>
Average Equalized Valuation of Taxable Property	<u>\$2,447,802,296</u>
Debt Limit (4 % of Average Equalized Valuation) Net Bonded School Debt	<u>\$97,912,092</u> <u>36,370,000</u>
Legal Debt Margin	<u>\$61,542,092</u>

Source: See J-10 for bonded debt of the district. Equalized Valuation Bases were obtained from the web site of the State of New Jersey, Department of the Treasury Division of Taxation, Local Property Tax Statistical Section, Tables of Equalized Valuations

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PER CAPITA	
		PERSONAL INCOME (b)	UNEMPLOYMENT RATE (c)
2013	N/A	N/A	8.8%
2012	21,418	N/A	9.7%
2011	21,037	40,724	9.5%
2010	* 20,936	40,291	9.5%
2009	22,643	39,331	5.3%
2008	22,255	40,975	5.2%
2007	21,867	39,214	5.5%
2006	21,192	36,773	N/A
2005	20,308	34,497	4.5%
2004	19,171	33,567	4.2%

*2010 Census

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Per Capita Personal income for Ocean County - NJ Dept of Labor

^c Unemployment data provided by the NJ Dept of Labor and Workforce Development

EXHIBITS J-15 DATA NOT AVAILABLE

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST SEVEN FISCAL YEARS**

Function/Program	2013	2012	2011	2010	2009	2008	2007
Instruction:							
Regular	175	197	201	210	210	203	190
Special Education	16	78	77	85	86	81	60
Other Special Education	53	20	20	20	21	18	17
Other Instruction	63	25	18	18	18	17	16
Adult Continuing Education Programs			2	3	3	3	3
Support Services:							
Student & Instruction Related Services	58	61	65	67	70	66	68
General Administration	3	3	3	3	3	6	7
School Administrative Services	24	24	25	27	27	24	28
Business Administrative Services	7	13	11	11	13	15	14
Plant Operations & Maintenance	58	63	61	90	98	95	90
Pupil Transportation	38	36	42	54	57	58	52
Total	495	519	523	587	605	586	545

Source: District Personnel Records

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

SCHOOL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL				
2013	3,240	\$ 50,546,982	\$ 15,601	5.26%	495	1:14	1:14	1:15	3,192	3,020	-0.25%	93.21%
2012	3,235	47,944,704	14,821	7.92%	519	1:17	1:15	1:16	3,200	2,987	-2.14%	92.33%
2011	3,294	45,235,378	13,733	-4.65%	455	1:18	1:16	1:15	3,270	3,028	1.30%	91.92%
2010	3,360	48,390,977	14,402	-0.13%	662	1:19	1:14	1:16	3,228	3,041	-1.97%	90.51%
2009	3,303	47,630,014	14,420	4.09%	505	1:17	1:11	1:15	3,293	3,066	0.27%	92.82%
2008	3,314	45,913,004	13,854	8.87%	487	1:16	1:13	1:10	3,284	3,094	-1.35%	94.20%
2007	3,332	42,402,265	12,726	-12.50%	464	1:11	1:11	1:07	3,329	3,232	18.68%	97.09%
2006	2,805	40,794,894	14,544	-7.06%	449	1:11	1:11	1.06	2,805	2,721	11.44%	97.00%
2005	2,517	39,385,476	15,648	-3.77%	428	1:11	1:11	1.06	2,517	2,442	10.30%	97.02%
2004	2,282	37,106,867	16,261	#DIV/0!	406	1:13	1:13	-	2,282	2,215	#DIV/0!	97.06%

Sources: District records

Note: Enrollment based on annual October District count.

a. Enrollment based on annual October District count.

b. Operating expenditures equal total expenditures less Debt service (Fund 40) and Capital outlay (Fund 30). Large increase in 2009-2010 due to Federal ARRA & Ed Jobs stimulus funding
New elementary school opened in Sept 2008

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Elementary Schools:										
Cecil S. Collins(1980):										
Square Feet	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
Capacity (Students)	1,091	1,091	1,091	1,091	680	680	680	680	680	680
Enrollment	388	341	416	416	691	658	663			
Lillian M. Dunfee (1974):										
Square Feet	70,817	70,817	70,817	70,817	46,000	46,000	46,000	46,000	46,000	46,000
Capacity (Students)	1,027	1,027	1,027	1,027	391	391	391	391	391	391
Enrollment (a)	377	395	342	342	350	352	348			
Robert L. Horbelt (2001):										
Square Feet	80,586	80,586	80,586	80,586	65,000	65,000	65,000	65,000	65,000	65,000
Capacity (Students)	554	554	554	554	277	277	277	277	277	277
Enrollment	440	424	402	402	424	423	420			
Joseph T. Donahue (2008):										
Square Feet	72,300	72,300	72,300	72,300	72,300					
Capacity (Students)	805	805	805	805	805					
Enrollment	272	311	308	308	-					
Elizabeth V. Edwards (1927):										
Square Feet	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Capacity (Students)	126	126	126	126	126	126	126	126	126	126
Enrollment (a)	-	-	-	-	-	-	-	-	-	-
Middle School:										
Russell O. Brackman (1990):										
Square Feet	172,970	172,970	172,970	172,970	126,000	126,000	126,000	126,000	126,000	126,000
Capacity (Students)	1,815	1,815	1,815	1,815	825	825	825	825	825	825
Enrollment	750	786	766	766	794	800	797			
High School:										
Barneget High (2004):										
Square Feet	201,214	201,214	201,214	201,214	155,000	155,000	155,000	155,000	155,000	155,000
Capacity (Students)	2,282	2,282	2,282	2,282	1,141	1,141	1,141	1,141	1,141	1,141
Enrollment	988	1,025	1,047	1,047	1,037	1,087	842	567	273	
Other Buildings:										
Transportation (2003):										
Square Feet	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356
Central Administration (2003):										
Square Feet	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585
Maintenance (2003):										
Square Feet	788	788	788	788	788	788	788	788	788	788

Number of Schools at June 30, 2013:

- Elementary = 5
- Middle School = 1
- Senior High School = 1
- Other = 3

Source: District Facilities Office
 Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October District count.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES**

	PROJECT #S	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Cecil S. Collins Elementary	N/A	\$ 73,945	\$ 949,822	\$ 67,118	\$ 111,316	\$ 78,164	\$ 118,678	\$ 100,497	\$ 71,141	\$ 93,278	\$ 86,250
Joseph T. Donahue Elementary	N/A	44,762	63,712	56,426	65,734	67,850	-	-	-	-	-
Lillian M. Dunfee Elementary	N/A	41,157	62,405	55,268	76,945	91,619	130,337	117,557	76,015	87,708	48,350
Robert L. Horbelt Elementary	N/A	58,387	71,013	62,892	94,471	74,720	110,604	95,869	55,085	87,386	45,200
Russell O. Brackman Middle School	N/A	113,603	152,424	134,993	179,086	127,193	102,898	83,686	94,906	95,816	99,500
Barnegat High School	N/A	144,003	177,313	157,035	200,630	173,853	185,423	160,933	127,165	73,546	-
Elizabeth V. Edwards Elementary	202025	2,845	31,724	28,096	23,252	20,905	40,695	41,994	22,242	7,484	30,225
Maintenance/Bus Depot	N/A	85,338	6,168	5,464	-	-	-	-	-	-	-
Board Office	N/A	9,480	2,644	2,341	-	-	-	-	-	-	-
Total School Facilities		\$ 573,520	\$ 1,517,225	\$ 569,633	\$ 751,434	\$ 636,313	\$ 688,635	\$ 600,536	\$ 446,554	\$ 445,218	\$ 309,525

Collins School 2012 expenditures include mold remediation and refit costs of approximately \$900,000.

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

Source: District budget records for maintenance accounts; Annual M-1 Report

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2013**

	<u>INSURANCE CARRIER</u>	<u>COVERAGE TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<u>1. School Package Policy:</u>				
- Property Including:	SAIF	Replacement Value	\$250,000,000 /Occurrence	\$2,500 /Occurrence
- Inland Marine		Included	\$250,000,000 /Occurrence	\$1,000 /Occurrence
- Boiler and Mechanical		Included	\$250,000,000 /Occurrence	\$2,500 /Occurrence
- Crime		Included	\$250,000,000 /Occurrence	\$1,000 /Occurrence
(All Risk Including Earthquake & Flood)				
- Automotive Physical Damage	SAIF	Included	\$250,000,000 /Occurrence	\$1,000 /Occurrence
- General Liability	SAIF	Included	\$15,000,000 /Occurrence	None
- FDLL			\$2,500,000 /Occurrence	None
- Medical Payments			\$5,000 /Occurrence	None
- Automotive Liability	SAIF	Included	\$15,000,000 /Occurrence	None
- Medical Payments			\$5,000 /Occurrence	None
<u>2. School Leaders Prof Liability</u>				
- Defense Cost Outside of Limit	SAIF		\$10,000,000/Claim	\$10,000 /Occurrence
			\$1,000,000/Claim	\$10,000 /Occurrence
<u>3. Workers' Compensation</u>				
- Employers Liability	SAIF		New Jersey Statutory \$5,000,000 /Occurrence	N/A
<u>4. Storage Tank Pollution Liability</u>				
	SAIF		\$1,000,000 /Occurrence	\$2,500 /Occurrence
<u>5. Student Accident Insurance</u>				
	Administrator-Bollinger Monumental Life Insurance Co		\$1,000,000 (Sublimit \$25,000 (Benefit Period 5 Years)	\$0
<u>6. Fidelity Bonds</u>				
- Superintendent	Selective Ins. Co. of America		\$300,000	
- Business Administrator/Board Secretary	Selective Ins. Co. of America		\$273,000	
- Treasurer of School Monies	Selective Ins. Co. of America		\$300,000	

SAIF: School Alliance Insurance Fund

Source: District records

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SINGLE AUDIT SECTION

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

Honorable President and Members
of the Board of Education
Barnegat Township
County of Ocean
Barnegat, New Jersey 08005

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 and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Barnegat Township School District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Barnegat Township School District's basic financial statements, and have issued our report thereon dated October 25, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Barnegat Township School District's internal 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 Barnegat Township School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Barnegat Township School District'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 Barnegat Township School District'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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

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.

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Frank B. Holman, III
Certified Public Accountant
Public School Accountant
No. 783

Toms River, New Jersey
October 25, 2013

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-
133 AND NEW JERSEY OMB CIRCULAR 04-04.**

Honorable President and Members
of the Board of Education
Barnegat Township
County of Ocean
Barnegat, New Jersey 08005

Report on Compliance for Each Major Federal and State Program

We have audited Barnegat Township School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2013. Barnegat Township School District'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 Barnegat Township School District'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; *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization*; *the New Jersey State Aid/Grant Compliance Supplement*; *the Schedule of Expenditures of State Financial Assistance*; *the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Barnegat Township School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal or state program. However, our audit does not provide a legal determination of Barnegat Township School District's compliance with those requirements.

Opinion on Each Major Federal or State Program

In our opinion, Barnegat Township School District 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 or state programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB's Circular 04-04.

Report on Internal Control Over Compliance

Management of Barnegat Township School District 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 Barnegat Township School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 or New Jersey OMB's Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Barnegat Township School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *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 and New Jersey OMB's Circular 04-04. Accordingly, this report is not suitable for any other purpose.

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Frank B. Holman, III
Certified Public Accountant
Public School Accountant
No. 783

Toms River, New Jersey
October 25, 2013

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2012	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ CANCELED	(ACCOUNTS RECEIVABLE) JUNE 30, 2013	DUE TO GRANTOR JUNE 30, 2013
			\$90,625	7/1/12-6/30/13	\$ -	\$ 90,625	\$ (90,625)	\$ -	\$ -	\$ -
Food Distribution Program	10.565	N/A	396,172	7/1/11-6/30/12	(14,375)	14,375	-	-	-	-
National School Lunch Program	10.555	5120-201-372573-63	393,837	7/1/12-6/30/13	-	367,284	(393,837)	-	(26,553)	-
National Performance Based Lunch	10.555	5120-201-372573-63	6,404	7/1/12-6/30/13	-	5,381	(6,404)	-	(1,023)	-
National School Breakfast Program	10.553	5120-201-372573-63	82,888	7/1/11-6/30/12	(3,083)	3,083	-	-	-	-
National School Breakfast Program	10.553	5120-201-372573-63	91,032	7/1/12-6/30/13	-	83,813	(91,032)	-	(7,219)	-
Total U.S. Department of Agriculture					(17,458)	564,561	(581,898)	-	(34,795)	-

**U.S. DEPARTMENT OF EDUCATION PASSED-
THROUGH STATE DEPARTMENT OF EDUCATION:**

Medical Assistance Program	93.778	N/A	68,367	7/1/12-6/30/13	-	68,367	(68,367)	-	-	-
Education Jobs Fund Program	84.410	N/A	1,800	7/1/09-6/30/13	(115,370)	115,370	(1,800)	-	(1,800)	-
Total General Fund					(115,370)	183,737	(70,167)	-	(1,800)	-

Special Revenue Fund:

Title I	84.010	NCLB-0320-11	429,625	7/1/11-6/30/12	(32,130)	32,130	-	17,105	-	17,105
Title I	84.010	NCLB-0320-12	425,579	7/1/12-6/30/13	-	397,536	(475,096)	-	(77,560)	-
Title II A	84.367	NCLB-0320-11	94,916	7/1/11-6/30/12	(11,506)	11,506	-	-	-	-
Title II A	84.367	NCLB-0320-12	79,688	7/1/12-6/30/13	-	59,922	(88,790)	-	(28,868)	-
I.D.E.A. Part B, Basic Regular	84.027	FT316012	752,194	7/1/11-6/30/12	(108,405)	108,405	-	-	-	-
I.D.E.A. Part B, Basic Regular	84.027	FT316012	759,622	7/1/12-6/30/13	-	600,450	(759,622)	-	(159,172)	-
I.D.E.A. Preschool	84.173	FT316012	65,897	7/1/11-6/30/12	(10,697)	10,697	-	-	-	-
I.D.E.A. Preschool	84.173	FT316012	33,030	7/1/12-6/30/13	-	33,030	(33,030)	-	-	-
Total Special Revenue Fund					(162,738)	1,253,676	(1,356,538)	17,105	(265,600)	17,105

Total U.S. Department of Education

					(278,108)	1,437,413	(1,426,705)	17,105	(267,400)	17,105
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Total Federal Financial Assistance

					\$ (295,566)	\$ 2,001,974	\$ (2,008,603)	\$ 17,105	\$ (302,195)	\$ 17,105
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**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2012	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ CANCELED	(ACCOUNTS RECEIVABLE) JUNE 30, 2013	MEMO ONLY	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:										
General Fund:										
Categorical Special Education Aid	13-495-034-5120-089	\$1,824,872	7/1/12-6/30/13	\$ -	1,824,872	\$ (1,824,872)	-	\$ -	172,934	\$ 1,824,872
Equalization Aid	13-495-034-5120-078	17,743,285	7/1/12-6/30/13	-	17,743,285	(17,743,285)	-	-	1,668,645	17,743,285
Categorical Security Aid	13-495-034-5120-084	92,366	7/1/12-6/30/13	-	92,366	(92,366)	-	-	8,778	92,366
Categorical Transportation Aid	13-495-034-5120-014	182,291	7/1/12-6/30/13	-	182,291	(182,291)	-	-	17,181	182,291
Extraordinary Aid	12-495-034-5120-473	257,366	7/1/11-6/30/12	(257,366)	257,366	-	-	-	-	-
Extraordinary Aid	13-495-034-5120-473	356,561	7/1/12-6/30/13	-	-	(356,561)	-	(356,561)	-	356,561
Additional Transportation Aid	12-495-034-5120-014	9,218	7/1/11-6/30/12	(9,218)	9,218	-	-	-	-	-
Additional Transportation Aid	13-495-034-5120-014	9,220	7/1/12-6/30/13	-	-	(9,220)	-	(9,220)	-	9,220
Homeless Tuition Reimbursement	N/A	51,421	7/1/12-6/30/13	-	51,421	(51,421)	-	-	-	51,421
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	12-100-034-5095-002	1,426,412	7/1/11-6/30/12	(71,693)	71,693	-	-	-	-	-
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	13-100-034-5095-002	1,479,122	7/1/12-6/30/13	-	1,381,757	(1,479,122)	-	(97,365)	-	1,479,122
On-Behalf TPAF Pension Contributions (Nonbudgeted)	13-100-034-5095-001	1,237,294	7/1/12-6/30/13	-	1,237,294	(1,237,294)	-	-	-	1,237,294
On-Behalf TPAF Post-Retirement Medical (Nonbudgeted)	13-100-034-5095-001	1,399,067	7/1/12-6/30/13	-	1,399,067	(1,399,067)	-	-	-	1,399,067
Total General Fund				(338,277)	24,250,630	(24,375,499)	-	(463,146)	1,867,538	24,375,499
Capital Projects Fund:										
Construction of New Elementary School & Improvements To Various Schools	0185-050-02-1066	70,728,499	Open	(1,324,655)	373,021	-	(320,993)	(1,272,627)	-	-
Total Capital Projects Fund				(1,324,655)	373,021	-	(320,993)	(1,272,627)	-	-
Debt Service Fund:										
Debt Service Aid Type II	12-495-034-5120-125	322,469	7/1/12-6/30/13	-	322,469	(322,469)	-	-	-	322,469
Total Debt Service Fund				-	322,469	(322,469)	-	-	-	322,469
Enterprise Fund:										
National School Lunch Program (State Share)	11-100-010-3350-023	13,738	7/1/11-6/30/12	(484)	484	-	-	-	-	-
National School Lunch Program (State Share)	12-100-010-3350-023	12,247	7/1/12-6/30/13	-	11,433	(12,247)	-	(814)	-	12,247
Total Enterprise Fund				(484)	11,917	(12,247)	-	(814)	-	12,247
Total State Financial Assistance				\$ (1,663,416)	24,958,037	(24,710,215)	\$ (320,993)	\$ (1,736,587)	1,867,538	\$ 24,710,215
Less: State Financial Assistance Not Subject to New Jersey OMB Circular 04-04:										
On-Behalf TPAF Post-Retirement Medical (Nonbudgeted)	13-100-034-5095-116	1,399,067	7/1/12-6/30/13			1,399,067				
On-Behalf TPAF Pension Contributions (Nonbudgeted)	13-100-034-5095-116	1,237,294	7/1/12-6/30/13			1,237,294				
Total State Financial Assistance Subject to New Jersey OMB Circular 04-04						\$ (2,636,361)				

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2013**

Note 1: General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Barnegat Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements.

Note 3: Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general 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 *N.J.S.A.18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A.18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(319) for the general fund and \$(84,740) for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**BARNEGAT TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

Note 3: Relationship to Basic Financial Statements (continued):

	Federal	State	Total
General Fund	\$ 70,167	\$24,375,180	\$24,445,347
Special Revenue Fund	1,271,798	-	1,271,798
Capital Projects Fund	-	320,993	320,993
Debt Service Fund	-	322,469	322,469
Food Service Fund	<u>581,898</u>	<u>12,247</u>	<u>594,145</u>
 Total Financial Assistance	 <u>\$1,923,863</u>	 <u>\$25,030,889</u>	 <u>\$26,954,752</u>

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2013. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2013.

Note 6: Federal and State Loans Outstanding

The Barnegat Township School District had no loan balances outstanding at June 30, 2013.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2013**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	None Noted
2) Control deficiencies identified that are not considered to be material weaknesses?	None Noted
Noncompliance material to basic financial statements noted?	None Noted

Federal Awards

Internal control over major programs:	
1) Material weakness(es) identified?	None Noted
2) Control deficiencies identified that are not considered to be material weaknesses?	None Noted
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133	None Noted

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.565	Food Distribution Program
10.553	School Breakfast Program
10.555	National School Lunch Program

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2013**

Section I – Summary of Auditor’s Results (continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$662,216
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal control over major programs:	
1) Material weakness(es) identified?	None Noted
2) Control deficiencies identified that are not considered to be material weaknesses?	None Noted
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04	None Noted

Identification of major programs:

GMIS Number(s)	Name of State Program
13-495-034-5120-089	Categorical Special Education Aid
13-495-034-5120-078	Equalization Aid
13-495-034-5120-084	Categorical Security Aid
13-100-034-5095-002	Reimbursed TPAF Social Security

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Circular A-133 audit.

No Current Year Findings

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB’s Circular Letter 04-04.

No Current Year Findings

**BARNEGAT TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2013**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04.

No Prior Year Findings