

Comprehensive Annual Financial Report

of the

City of Brigantine Board of Education
(A component unit of the City of Brigantine)

Brigantine, New Jersey

For the Fiscal Year Ended June 30, 2013

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INTRODUCTORY SECTION



BRIGANTINE PUBLIC SCHOOLS

Passion for Teaching. Passion for Learning.

Home of the Buccaneers

Brian M. Pruitt
Superintendent

301 East Evans Blvd.
Brigantine, NJ 08203

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www.brigantineschools.org

November 22, 2013

Honorable President and
Members of the Board of Education
Brigantine School District
County of Atlantic

Dear Board Members:

The Comprehensive Annual Financial Report of the Brigantine School District for the Fiscal Year Ending June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of 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 the Transmittal Letter, the District's Organizational Chart and a list of principal officials. The Financial section includes the Management's Discussion and Analysis, 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 1984 and the U.S. Office of Management and Budget circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and State Treasury circular Letter 04-04 OMB, *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 report.

1) **REPORTING ENTITY AND ITS SERVICES:** The Brigantine School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA statement No. 3. All funds of the District are included in this report. The Brigantine Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2012-2013 fiscal year with an enrollment of 749 students, which is 19 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Year	Enrollment	Change
2012-13	749	-2.47%
2011-12	768	-0.26%
2010-11	770	-4.23%
2009-10	804	-3.94%
2008-09	837	-1.76%
2007-08	852	-5.23%
2006-07	899	-7.61%
2005-06	973	-14.65%
2004-05	1,140	-14.80%
2003-04	1,338	-5.24%

2) **ECONOMIC CONDITION AND OUTLOOK:** Brigantine is a seashore community with a population that continues to be directly affected by the casino industry of Atlantic City and large scale construction projects of Southern New Jersey. Infrastructure projects such as the Ocean City Bridge Connector, and major construction initiatives supported the islands working construction trade population within the community. Construction on such a scale directly affects Brigantine's school population due to the direct relationship to demographic changes and family mobility based on employment opportunity in this service environment.

Brigantine is located adjacent to Atlantic City and affords parents the opportunity to raise their children in a small-town atmosphere while working in the casino industry. In addition to the construction trade Brigantine's Public School students have at least one parent working in the casino industry where they work in shifts during all hours of the day and night. The Brigantine Public School District is comprised of an economically diverse elementary and middle school student population. Eligibility for free and reduced lunch is approximately 50% of the total school population.

The island's year-round population of approximately 12,000 residents triples in number during the summer months, as the community is a barrier island and summer resort. Since the casino industry employs people of various skill levels, the children of Brigantine are very diverse.

3) **MAJOR INITIATIVES:** The Brigantine Board of Education continues to offer programs and services to the students of the District that best meet the individual needs of its students while challenging children to meet and exceed the expectations contained in the Common Core State Standards as well as the New Jersey Core Curriculum Content Standards. The District provides its staff professional development opportunities to increase teacher effectiveness, remain current on trends in education, and ultimately to service the students and families within the community with the best education possible. With those goals in mind, the major initiatives of the District encompassed a wide-range of curricular, program, facilities, and planning needs for the current school year and the future of the District.

As was the case with many of the schools and communities along the New Jersey shoreline, the City of Brigantine and Brigantine Public Schools was severely affected by Superstorm Sandy. Our students and staff as well as many of the residents in the community experienced inexplicable loss and some are still dealing with the aftermath of the storm. Our schools served an important role in the recovery process for the community collecting food and clothing, working with community organizations to identify families in need, providing dinners, offering counseling services to students and staff, collaborating with emergency services locally and within the county and developing plans for addressing needs for our families through our District-level Crisis Team. The Brigantine community rallied in support of its friends, families, neighbors and school. The community and school continue to deal with the effects of this natural disaster; however, the Brigantine Public School District, in concert with the City of Brigantine, continues to work collaboratively in a lasting effort to support our students, staff and residents.

While facing the adversity of storm recovery, the District continued the refinement of current programs as well as the implementation of new initiatives. The Reading Street series continued to be our focus as the core reading program. This included the supplemental SRA programs of Reading Success and Reading Mastery that were used in addition to the core program to assist skill development in students to meet grade level exit criteria as well as expectations set forth in the state assessments. The intervention

services that are provided to students have been instrumental in meeting the changing needs of our children. Staff members continue to receive in-house and outside professional development in the areas of Reading and Language Arts as well as reading and writing across the curriculum. In Mathematics, Go Math was introduced in grades K-5 to meet the new requirements of the Common Core Standards. This also included a variety of training opportunities for staff to create a seamless and smooth instructional program for students. Science and Social Studies classes refocused strategies for instruction to emphasize reading in the content areas, research skills, technology expectations, and the Common Core reality of project-based learning. Our curricular offerings in our specials and GT programs continued to emphasize the application of technology, addressing multiple learning styles within the classrooms, and cross-content projects. These courses include Art, Music, Instrumental Music, Industrial Technology, Computers, Spanish, TV Production, Web 2.0, Digital Camera, Microsoft Office, Bridge Building, Robotics, Pro Desk Top, Video Production, Advanced Piano, Advanced Music Theory, Ceramics, Multicultural Art, Pop Art, Computer Troubleshooting, Health/PE, and Spin for students and staff.

At the forefront of the county in technology-based instruction, the District continues to expand our support applications for instruction while updating and increasing the life-span of our facilities. Smart boards were retro-fitted throughout the District which assists teachers in various instructional strategies to engage students and increase student-teacher interaction. Some classrooms were updated with 46" TVs equipped with Apple TV when the availability of Smart boards was not present. A 25-station Apple iPad-2 cart was added to the instructional array in the elementary school increasing hands-on student learning and allowing teachers to create instructionally sound lesson plans and units putting information at the students' fingertips. The importance of extending the technological application opportunities for students is an effort that continues to be our focus while also meeting the pending requirements of the PARCC (Partnership for Assessment of Readiness for College and Careers) assessments related to the Common Core Standards.

The Brigantine Public Schools continue to update and refine our buildings and grounds as well. The major facilities projects addressed the damage sustained from the storm. This included elementary school roof remediation, replacement of damaged solar panels, crawlspace remediation, elementary playground restoration, and vapor barrier and fill replacement in the crawlspace. Solar energy as well as wind energy continued to be harnessed for the District with both green energy options working atop the elementary school. Exterior LED lighting fixtures and security upgrades through additional surveillance cameras and monitors within the District are being planned for completion in 2013-2014.

The District spent significant time professionally preparing administration and staff for the implementation of the regulations related to ACHIEVE NJ – the new foundation of evaluation for teachers and administrators in the state of New Jersey. The District implemented the state-approved Rhode Island Teacher Evaluation Rubrics and the Kim Marshall Evaluation Rubrics for administrators. Professional development was completed throughout the school year and in the summer months to prepare for this change in educator evaluation. Our professional development goals are designed to improve staff knowledge of content and delivery methods within their areas of instruction, build staff relationships through professional learning communities, and continue to develop staff skills to meet the needs of learners within their classrooms. All of this is done while challenging ourselves and our students to meet the expectations of a 21st century global workforce.

The major initiatives of the Brigantine Board of Education are simple in foundation. We are looking to provide excellence in all areas – instruction and learning, curriculum and athletics, facilities and technology, social development and awareness. Our District continues our mission of "creating world-class public schools that nurture the development of productive citizens." We are focused. We are dedicated. We are proud. We are the Brigantine Public School District.

4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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 also is 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 management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that 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 voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect accounting principles generally accepted in the United States of America, 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 "Notes to the Financial Statements," Note 1.

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

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

9) **OTHER INFORMATION:**

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Accounting firm of Ford, Scott and Associates, L.L.C., was selected by the Board's Finance Committee. In addition to meeting the requirements set forth in state statutes, the audit 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 04-04 OMB. The auditor's report on the basic financial statements 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.

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

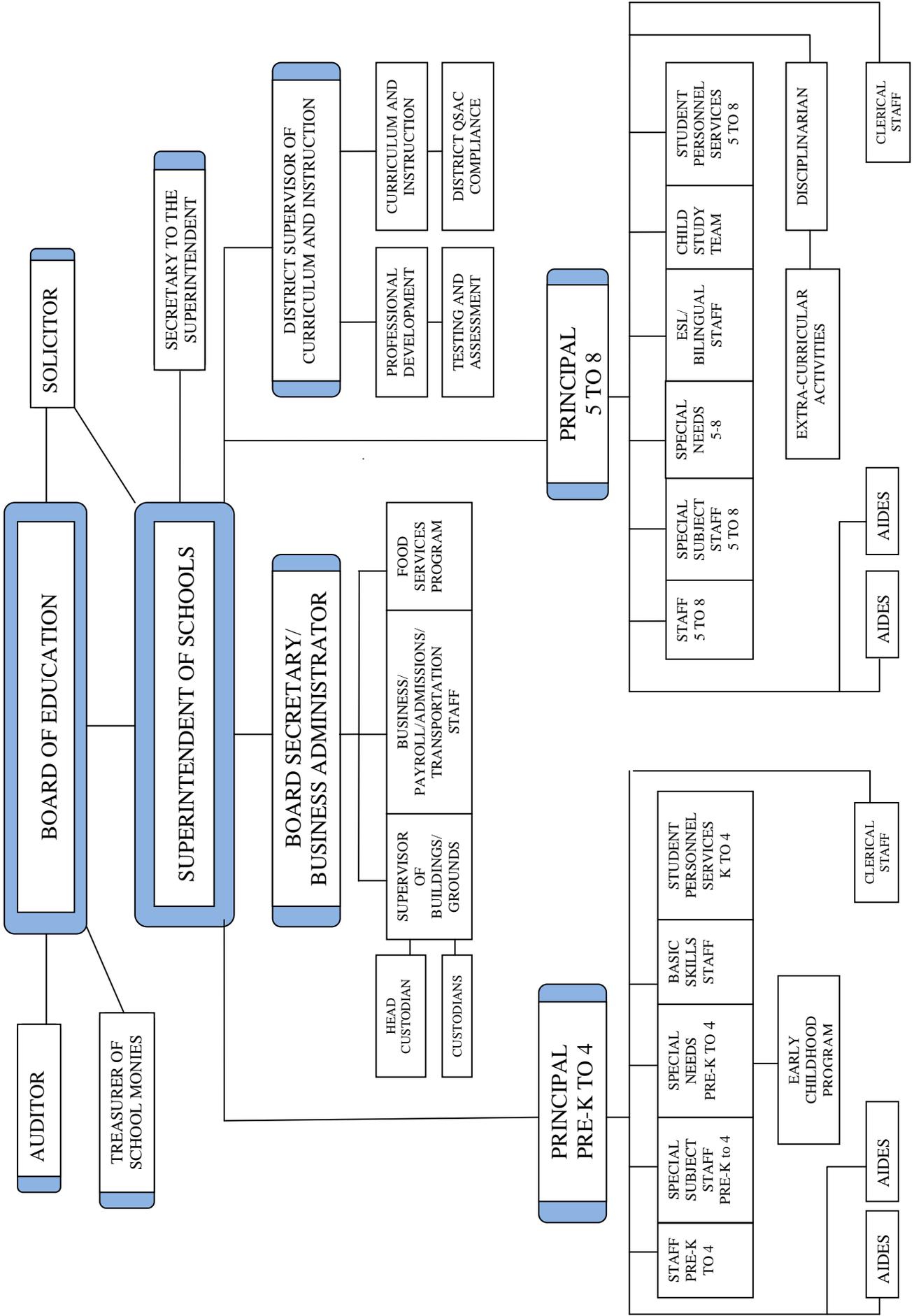
Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'B. Pruitt', with a stylized flourish at the end.

Brian M. Pruitt
Superintendent of Schools

A handwritten signature in blue ink, appearing to read 'Charles D. Brewin', written in a cursive style.

Charles D. Brewin
Board Secretary/Business Administrator



BRIGANTINE BOARD OF EDUCATION
(A component unit of the City of Brigantine)
BRIGANTINE, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2013

Members of the Board of Education

Term Expires

Frank Koch, President	2015
Helen Coffman, Vice President	2014
Matthew Doran	2016
James Mackey	2015
David Borrone	2015
Stephen Bonanni	2016
Nancy Barbin	2014

Other Officials

Brian Pruitt, Superintendent (effective 7/1/13)

William Gussie Ed. D., Interim Superintendent of Schools (1/1/13 to 6/30/13)

Robert Previti Ed. D., Superintendent (through 12/31/12)

Charles D. Brewin, Board Secretary/Business Administrator

Enid Hyberg, Esquire, Solicitor

Louis Greco, Esquire, Solicitor (effective 7/1/13)

BRIGANTINE BOARD OF EDUCATION
(A component unit of the City of Brigantine)
Consultants and Advisors

Auditor

Ford, Scott and Associates, LLC
Certified Public Accountants
1535 Haven Avenue
Ocean City, NJ 08226

Attorney

Montgomery, McCracken, Walker & Rhoads
Cornerstone Commerce
1201 New Road
Linwood, NJ 08221

Louis Greco, Esquire
800 Route 50, Suite 2B
Mays Landing, New Jersey 08330

Official Depository

TD Bank, N.A.
4200 Harbor Beach Blvd.
Brigantine, NJ 08203

FINANCIAL SECTION



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

The Honorable President and
Members of the Board of Education
City of Brigantine School District
(A component unit of the City of Brigantine)
County of Atlantic
Brigantine, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brigantine School District (A component unit of the City of Brigantine), State of New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements, 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 *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 City of Brigantine School District (A component unit of the City of Brigantine), in the County of Atlantic, 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.

Emphasis of a Matter

As discussed in Note 23 to the financial statements, the 2012 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of and the schedule of state financial assistance as required by NJ OMB 04-04 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB 04-04 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2013 on our consideration of City of Brigantine 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 City of Brigantine School Districts' internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

November 22, 2013

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED

The discussion and analysis of Brigantine School District's financial performance provides an overall review of the School District's financial activities for the fiscal 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.

Financial Highlights

Key financial highlights for 2013 are as follows:

- In total, net position decreased \$33,061.17 which represents a less than 1 percent decrease from 2012.
- General revenues accounted for \$17,824,668.16 in revenue or 84 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$3,447,311.32 or 16 percent of total revenues of \$21,271,979.48.
- Cash and cash equivalents decreased by \$1,330,328.83, receivables decreased by \$95,135.00, and governmental net capital assets increased by \$533,573.81.
- The School District had \$21,305,040.65 in expenses; \$3,447,311.32 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$17,824,668.16 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$20,125,055.34 in revenues and \$19,682,785.55 in expenditures. The General Fund's fund balance increased \$442,269.79 over 2012.

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 Brigantine School District as a financial whole, an entire operating entity. The statements then proceed to 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 fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of Brigantine District, the General Fund is by far the most significant fund.

**BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains 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 ask the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities 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 two 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 have 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 and the Statement of Activities, 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 - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

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 and Capital Projects 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 measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. 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 financial statements.

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)

Reporting the School District's Most Significant Funds (Continued)

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

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 a 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, for both Governmental Activities and Business-Type Activities.

Table 1
Net Position

	<u>2013</u>	<u>2012</u>
Assets		
Current and Other Assets	\$ 4,842,815.40	\$ 3,416,821.53
Capital Assets	<u>15,315,783.30</u>	<u>15,849,357.11</u>
Total Assets	<u>20,158,598.70</u>	<u>19,266,178.64</u>
Liabilities		
Long-Term Liabilities	708,690.00	655,440.00
Other Liabilities	<u>1,046,591.74</u>	<u>174,360.51</u>
Total Liabilities	<u>1,755,281.74</u>	<u>829,800.51</u>
Net Position		
Net Investment in Capital Assets	15,315,783.30	15,849,357.11
Restricted	3,436,683.83	3,011,236.55
Unrestricted	<u>(349,150.17)</u>	<u>(424,215.53)</u>
Total Net Position	<u>\$ 18,403,316.96</u>	<u>\$ 18,436,378.13</u>

Net position was \$18,197,859.23 for governmental activities and \$205,457.73 for business-type activities. There was a total decrease in net position of less than 1 percent from the prior year.

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)

The School District as a Whole (Continued)

Table 2 shows changes in net position for fiscal year 2013 and 2012.

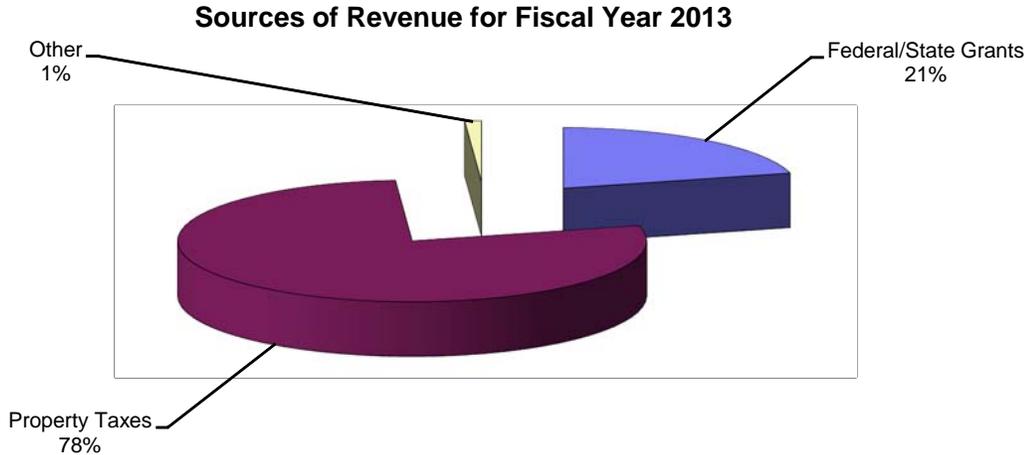
Table 2
Changes in Net Position

	2013	2012
Revenues		
Program Revenues:		
Charges for Services	\$ 194,619.87	\$ 200,274.23
Operating Grants and Contributions	3,252,691.45	6,719,755.62
General Revenues:		
Property Taxes	16,278,361.00	16,284,269.00
Grants and Entitlements	1,323,287.01	2,013,044.18
Other	214,323.15	1,399,244.67
Extraordinary Items:		
Insurance Recovery Related to Impaired Capital Assets	8,697.00	-
Total Revenues	21,271,979.48	26,616,587.70
Program Expenses		
Instruction	9,864,538.25	9,379,528.09
Support Services:		
Pupils and Instructional Staff	6,692,580.38	6,166,992.15
General and School Administration,	1,008,547.67	1,077,604.63
Plant Operation and Maintenance of Facilities	1,778,832.75	436,202.01
Business and Other Support Services	397,845.57	390,462.02
Pupil Transportation	795,222.65	865,682.91
Food Service	306,157.13	307,617.25
Other	451,630.39	448,772.52
Extraordinary Items:		
Loss on Disposal of Capital Assets	9,685.86	1,824.50
Total Expenses	21,305,040.65	19,074,686.08
Increase/(Decrease) in Net Position	\$ (33,061.17) \$	\$ 7,541,901.62

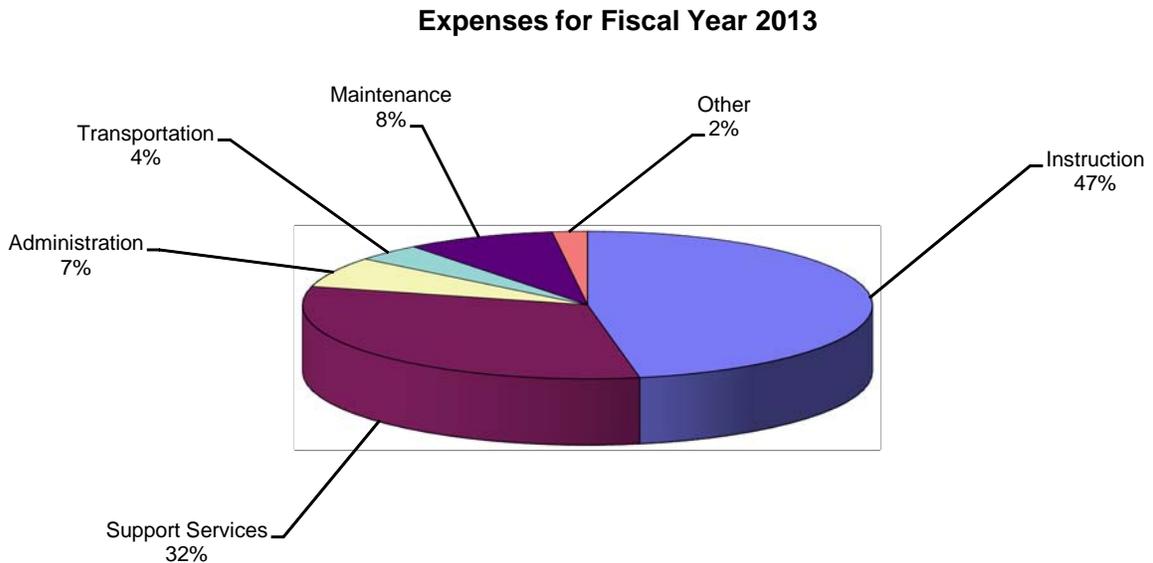
**BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 78 percent of revenues for governmental activities for the Brigantine District for fiscal year 2013. The District's total revenues for governmental activities were \$20,899,403.51 for the year ended June 30, 2013. Federal, state, and local grants accounted for another 21 percent of revenue.



The total cost of all program and services was \$20,955,923.13. Instruction comprises 47 percent of District expenses.



**BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Business-Type Activities

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

- Food service revenues exceeded expenses by \$24,168.34. After School expenses exceeded revenues by \$709.89.
- Charges for services represent \$177,948.87 of revenue. This represents amounts paid by patrons for daily food service and fees collected by the after school program.
- Federal and state reimbursement for meals, including payments for free and reduced lunches, and donated commodities was \$194,627.10.

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

	<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	\$ 9,864,538.25	\$ 7,796,237.11	\$ 9,379,528.09	\$ 7,652,319.03
Support Services:				
Tuition	4,603,152.24	4,603,152.24	4,051,642.14	4,051,642.14
Pupils and Instructional Staff	2,089,428.14	1,815,955.51	2,115,350.01	1,889,981.01
General Administration and School Administration	1,008,547.67	921,607.25	1,077,604.63	1,023,278.16
Plant and Maintenance	1,778,832.75	1,673,346.57	436,202.01	(3,591,060.97)
Pupil Transportation	795,222.65	290,834.63	865,682.91	363,181.55
Business and Other Support	397,845.57	361,698.61	390,462.02	369,420.82
Other	408,670.00	408,670.00	406,916.00	406,916.00
Total Expenses	<u>\$ 20,946,237.27</u>	<u>\$ 17,871,501.92</u>	<u>\$ 18,723,387.81</u>	<u>\$ 12,165,677.74</u>

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

Tuition is predominately made up of charges from the Atlantic City School District for Brigantine's 9 – 12 Grade students.

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.

Plant and Maintenance net cost of services significantly profited in 2012 due to Type I bond proceeds being reimbursed to the district.

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)

Governmental Activities (Continued)

General administration, school administration, and business include expenses associated with administrative and financial 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.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and capital projects fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$20,899,403.51 and expenditures were \$20,353,185.46. The net change in fund balance for the year was an increase of \$546,218.05.

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

Revenue	Amount	Percent of Total	Increase (Decrease) 2012	Percent of Increase (Decrease)
Local Sources	\$ 16,518,206.15	79.04%	\$ (3,805,614.81)	-18.72%
State Sources	3,907,266.95	18.70%	38,214.89	0.99%
Federal Sources	473,930.41	2.27%	(232,631.98)	-32.92%
Total	<u>\$ 20,899,403.51</u>	<u>100.00%</u>	<u>\$ (4,000,031.90)</u>	<u>-16.06%</u>

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)

The School District's Funds (Continued)

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

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2012	Percent of Increase (Decrease)
Current expense:				
Instruction	\$ 6,579,790.84	32.33%	\$ (221,201.14)	-3.25%
Undistributed expenditures	13,581,694.18	66.73%	1,003,691.50	7.98%
Capital Outlay	191,700.44	0.94%	25,711.55	15.49%
Total	<u>\$ 20,353,185.46</u>	<u>100.00%</u>	<u>\$ 808,201.91</u>	<u>4.14%</u>

Changes in expenditures were the results of varying factors. Undistributed expense decreased due to less activity in the capital projects fund.

General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. There was no material modifications noted from the original adopted budget.

Capital Assets

At the end of the fiscal year 2013, the School District had \$15,315,783.30 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2013 balances compared to 2012.

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

	<u>2013</u>	<u>2012</u>
Site Improvements	\$ 147,600.00	\$ 147,600.00
Building and Building Improvements	14,891,855.16	15,440,947.83
Machinery and Equipment	276,328.14	260,809.28
Total	<u>\$ 15,315,783.30</u>	<u>\$ 15,849,357.11</u>

**BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Capital Assets (Continued)

Overall capital assets decreased \$533,573.81 from fiscal year 2012 to fiscal year 2013. The decrease in capital assets is due primarily to equipment deletions and depreciation. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

New Jersey State Statutes governing Type I School Districts require the bonded debt be assumed by the City and provision for amortization of principal and interest on the outstanding debt is included in the City budget.

For the Future

The Brigantine School District is in good financial condition presently. The School District is proud of its community support of the public schools.

In conclusion, the Brigantine 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 regarded. The School District plans to continue its sound fiscal management to meet the challenge 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 Charles D. Brewin, Business Administration at Brigantine Board of Education, 301 E. Evans Boulevard, Brigantine, NJ 08203. Please visit our website at www.brigantine.atlnet.org.

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BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Statement of Activities
For the Year Ended June 30, 2013

Function/Programs	Expenses	Indirect Expense Allocation	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 5,206,621.87	\$ 2,563,575.75	\$ 16,671.00	\$ 1,315,545.82	\$ -	\$ (6,437,980.80)	\$ -	\$ (6,437,980.80)
Special Education	1,001,439.88	530,904.01		680,112.94		(852,230.95)		(852,230.95)
Other Special Instruction	371,729.09	190,267.65		55,971.38		(506,025.36)		(506,025.36)
Support Services:								
Tuition	4,603,152.24					(4,603,152.24)		(4,603,152.24)
Student & Instruction Related Services	1,411,881.41	677,546.73		273,472.63		(1,815,955.51)		(1,815,955.51)
School Administrative Services	370,238.87	192,138.45		57,459.85		(504,917.47)		(504,917.47)
Other Administrative Services	334,217.48	111,952.87		29,480.57		(416,689.78)		(416,689.78)
Plant Operation and Maintenance	1,467,383.24	311,449.51		105,486.18		(1,673,346.57)		(1,673,346.57)
Pupil Transportation	794,744.87	477.78		504,388.02		(290,834.63)		(290,834.63)
Central Services	272,768.30	125,077.27		36,146.96		(361,698.61)		(361,698.61)
Unallocated Benefits	4,046,679.21	(4,046,679.21)				-		-
Transfer of Funds to Charter Schools	408,670.00					(408,670.00)		(408,670.00)
Unallocated Compensated Absences	53,250.00	(53,250.00)				-		-
Unallocated Depreciation	603,460.81	(603,460.81)				-		-
Total Governmental Activities	20,946,237.27	-	16,671.00	3,058,064.35	-	(17,871,501.92)	-	(17,871,501.92)
Business-Type Activities:								
Food Service	306,157.13		135,698.37	194,627.10		24,168.34		24,168.34
After School	42,960.39		42,250.50			(709.89)		(709.89)
Total Business-Type Activities	349,117.52	-	177,948.87	194,627.10	-	23,458.45	-	23,458.45
Total Primary Government	\$ 21,295,354.79	\$ -	\$ 194,619.87	\$ 3,252,691.45	\$ -	\$ (17,871,501.92)	\$ 23,458.45	\$ (17,848,043.47)
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes, Net						\$ 16,278,361.00	\$ -	\$ 16,278,361.00
Federal and State Aid Not Restricted						1,323,287.01		1,323,287.01
Miscellaneous Income						214,323.15		214,323.15
Extraordinary Items:								
Insurance Recovery Related to Impaired Capital Assets						8,697.00		8,697.00
Loss on Disposal of Capital Assets						(9,685.86)		(9,685.86)
Total General Revenues, Special Items, Extraordinary Items and Transfers						17,814,982.30	-	17,814,982.30
Change in Net Position						(56,519.62)	23,458.45	(33,061.17)
Net Position - Beginning (as Restated)						18,254,378.85	181,999.28	18,436,378.13
Net Position - Ending						\$ 18,197,859.23	\$ 205,457.73	\$ 18,403,316.96

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

FUND FINANCIAL STATEMENTS

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 4,402,267.66	\$ -	\$ 29,253.32	\$ 4,431,520.98
Due from Other Funds	110,116.08			110,116.08
Receivables from Other Governments	86,629.14	141,151.28		227,780.42
Other Accounts Receivable	6,874.33	12,072.89		18,947.22
Total Assets	\$ 4,605,887.21	\$ 153,224.17	\$ 29,253.32	\$ 4,788,364.70
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 918,062.76	\$ 30,071.19	\$ -	\$ 948,133.95
Interfund Payable	23,605.22	84,089.87		107,695.09
Intergovernmental Payable			20,951.00	20,951.00
Unearned Revenue	22,293.71	53,399.20		75,692.91
Total Liabilities	963,961.69	167,560.26	20,951.00	1,152,472.95
Fund Balances:				
Restricted for:				
Excess Surplus	1,192,607.23			1,192,607.23
Excess Surplus - Designated				
Subsequent Year	1,110,504.00			1,110,504.00
Capital Projects Fund			8,302.32	8,302.32
Committed to:				
Capital Reserve	326,580.22			326,580.22
Emergency Reserve	118,660.00			118,660.00
Maintenance Reserve	41,888.00			41,888.00
Tuition Reserve	500,000.00			500,000.00
Assigned to:				
Designated by BOE for				
Subsequent Expenditures	96,689.00			96,689.00
Other Purposes	21,226.53			21,226.53
Unassigned, Reported in:				
General Fund	233,770.54			233,770.54
Special Revenue Fund		(14,336.09)		(14,336.09)
Total Fund Balances	3,641,925.52	(14,336.09)	8,302.32	3,635,891.75
Total Liabilities and Fund Balances	\$ 4,605,887.21	\$ 153,224.17	\$ 29,253.32	

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 \$26,796,390.03, and the accumulated depreciation is \$11,525,732.55 15,270,657.48

Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (708,690.00)

Net position of governmental activities **\$ 18,197,859.23**

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	\$ 16,278,361.00	\$ -	\$ -	\$ 16,278,361.00
Tuition	16,671.00			16,671.00
Miscellaneous	82,070.13	5,000.00		87,070.13
Total Local Sources	16,377,102.13	5,000.00	-	16,382,102.13
State Sources	3,734,847.02	172,419.93		3,907,266.95
Federal Sources	4,409.19	469,521.22		473,930.41
Total Revenues	<u>20,116,358.34</u>	<u>646,941.15</u>	<u>-</u>	<u>20,763,299.49</u>
EXPENDITURES				
Current:				
Regular Instruction	4,559,490.93	647,130.94		5,206,621.87
Special Education Instruction	1,001,439.88			1,001,439.88
Other Special Instruction	371,729.09			371,729.09
Support Services:				
Tuition	4,603,152.24			4,603,152.24
Student & Instruction Related Serv.	1,335,715.19	76,166.22		1,411,881.41
School Administrative Services	370,238.87			370,238.87
Other Administrative Services	334,217.48			334,217.48
Plant Operation and Maintenance	1,339,341.80			1,339,341.80
Pupil Transportation	794,744.87			794,744.87
Central Services	272,768.30			272,768.30
Employee Benefits	4,046,679.21			4,046,679.21
Capital Outlay	154,877.69	4,846.00	31,976.75	191,700.44
Transfer of Funds to Charter Schools	408,670.00			408,670.00
Total Expenditures	<u>19,593,065.55</u>	<u>728,143.16</u>	<u>31,976.75</u>	<u>20,353,185.46</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>523,292.79</u>	<u>(81,202.01)</u>	<u>(31,976.75)</u>	<u>410,114.03</u>
OTHER FINANCING SOURCES (USES)				
Insurance Recoveries for Storm Damage	1,193,715.50			1,193,715.50
Expenses related to Storm Damage	(1,193,715.50)			(1,193,715.50)
Insurance Recovery Related to Impaired Capital Assets	8,697.00			8,697.00
Local Contribution- Transfer to Special Revenue	(89,720.00)	89,720.00		-
Reimbursements Funded by Type I District Bond Proceeds			127,407.02	127,407.02
Total Other Financing Sources (Uses)	<u>(81,023.00)</u>	<u>89,720.00</u>	<u>127,407.02</u>	<u>136,104.02</u>
Net Changes in Fund Balance	442,269.79	8,517.99	95,430.27	546,218.05
Fund Balance - July 1	3,199,655.73	(22,854.08)	(87,127.95)	3,089,673.70
Fund Balance - June 30	<u>\$ 3,641,925.52</u>	<u>\$ (14,336.09)</u>	<u>\$ 8,302.32</u>	<u>\$ 3,635,891.75</u>

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

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2013**

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 546,218.05

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, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current fiscal year.

Depreciation expense	\$ (603,460.81)	
Loss on Disposal of Capital Assets	(9,685.86)	
Capital Outlays	<u>63,659.00</u>	(549,487.67)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation (+). (53,250.00)

Change in Net Position of Governmental Activities \$ (56,519.62)

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Proprietary Funds
Statement of Net Position
June 30, 2013

	Business-Type Activities - Enterprise Fund Non Major Funds		
	Food Service	After School	Totals
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 82,660.20	\$ 40,174.80	\$ 122,835.00
Accounts Receivable	11,075.52		11,075.52
Interfund Receivable	23,605.22		23,605.22
Inventories	4,630.05		4,630.05
Total Current Assets	<u>121,970.99</u>	<u>40,174.80</u>	<u>162,145.79</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	214,348.00		214,348.00
Less: Accumulated Depreciation	<u>(169,222.18)</u>		<u>(169,222.18)</u>
Total Noncurrent Assets	<u>45,125.82</u>	<u>-</u>	<u>45,125.82</u>
Total Assets	<u>\$ 167,096.81</u>	<u>\$ 40,174.80</u>	<u>\$ 207,271.61</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 1,686.00	\$ -	\$ 1,686.00
Unearned Revenue	127.88		127.88
Total Current Liabilities	<u>1,813.88</u>	<u>-</u>	<u>1,813.88</u>
NET POSITION			
Net Investment in Capital Assets	45,125.82		45,125.82
Unrestricted	120,157.11	40,174.80	160,331.91
Total Net Position	<u>\$ 165,282.93</u>	<u>\$ 40,174.80</u>	<u>\$ 205,457.73</u>
Total liabilities and Net Position	<u>\$ 167,096.81</u>	<u>\$ 40,174.80</u>	<u>\$ 207,271.61</u>

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Fund Non Major Funds		
	Food Service	After School	Totals Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 53,736.60	\$ -	\$ 53,736.60
Daily Sales - Non-reimbursable Programs	72,173.20		72,173.20
After School Tuition		42,250.50	42,250.50
Other Income	9,788.57		9,788.57
Total Operating Revenue	<u>135,698.37</u>	<u>42,250.50</u>	<u>177,948.87</u>
Operating Expenses:			
Cost of Sales	136,395.88		136,395.88
Salaries	108,420.27	41,919.74	150,340.01
Employee Benefits	21,312.94		21,312.94
Other Expense	2,522.38		2,522.38
Other Purchased Professional Services	25,284.92		25,284.92
Insurance	4,900.46		4,900.46
General Supplies	398.14	1,040.65	1,438.79
Depreciation	6,922.14		6,922.14
Total Operating Expenses	<u>306,157.13</u>	<u>42,960.39</u>	<u>349,117.52</u>
Operating (Loss)	(170,458.76)	(709.89)	(171,168.65)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	3,410.06		3,410.06
Federal Sources:			
National School Lunch Program	140,126.59		140,126.59
National School Breakfast Program	28,242.79		28,242.79
Supplemental Nutrition Assistance	3,723.96		3,723.96
Food Distribution Program	19,123.70		19,123.70
Total Nonoperating Revenues (Expenses)	<u>194,627.10</u>	<u>-</u>	<u>194,627.10</u>
Income (Loss) before Contributions & Transfers	24,168.34	(709.89)	23,458.45
Changes in Net Position	24,168.34	(709.89)	23,458.45
Total Net Position - Beginning	<u>141,114.59</u>	<u>40,884.69</u>	<u>181,999.28</u>
Total Net Position - Ending	<u>\$ 165,282.93</u>	<u>\$ 40,174.80</u>	<u>\$ 205,457.73</u>

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Fund Non Major Funds		
	Food Service	After School	Totals Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 146,807.65	\$ 42,250.50	\$ 189,058.15
Payments to Employees	(108,420.27)	(41,919.74)	(150,340.01)
Payments for Employee Benefits	(21,312.94)		(21,312.94)
Payments for Supplies	(168,345.82)	(1,040.65)	(169,386.47)
Net Cash (Used for) Operating Activities	<u>(151,271.38)</u>	<u>(709.89)</u>	<u>(151,981.27)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	3,292.73		3,292.73
Federal Sources	165,845.85		165,845.85
Food Distribution Program	19,123.70		19,123.70
Net Cash Provided by Noncapital Financing Activities	<u>188,262.28</u>	<u>-</u>	<u>188,262.28</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(22,836.00)		(22,836.00)
Net Cash (Used for) Capital and Related Financing Activities	<u>(22,836.00)</u>	<u>-</u>	<u>(22,836.00)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
None	-		-
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	14,154.90	(709.89)	13,445.01
Balance - Beginning of Year	68,505.30	40,884.69	109,389.99
Balance - End of Year	<u>\$ 82,660.20</u>	<u>\$ 40,174.80</u>	<u>\$ 122,835.00</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (170,458.76)	\$ (709.89)	\$ (171,168.65)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Net Amortization	6,922.14		6,922.14
Increase in Accounts Payable	1,686.00		1,686.00
(Decrease) in Deferred Revenue	(1,478.62)		(1,478.62)
(Increase) Decrease in Interfund	12,587.90		12,587.90
(Increase) Decrease in Inventories	(530.04)		(530.04)
Total Adjustments	<u>19,187.38</u>	<u>-</u>	<u>19,187.38</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (151,271.38)</u>	<u>\$ (709.89)</u>	<u>\$ (151,981.27)</u>

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Statement of Net Position
June 30, 2013

	<u>Unemployment Compensation</u>	<u>Agency Fund</u>
ASSETS		
Cash and Cash Equivalents	\$ 255,814.29	\$ 115,924.53
Total Assets	<u>255,814.29</u>	<u>115,924.53</u>
LIABILITIES		
Interfund Payable		26,026.21
Payable to Student Groups		43,661.06
Payroll Deductions and Withholdings		46,237.26
Total Liabilities	<u>-</u>	<u>115,924.53</u>
NET POSITION		
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 255,814.29</u>	

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2013

	Unemployment Compensation
ADDITIONS	
Contributions:	
None	\$ -
Total Contributions	-
Investment Earnings:	
Interest	255.17
Net Investment Earnings	255.17
Total Additions	255.17
DEDUCTIONS	
None	-
Total Deductions	-
Changes in Net Position	255.17
Net Position - Beginning of the Year	255,559.12
Net Position - End of the Year	\$ 255,814.29

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

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements of the Board of Education (Board) of the City of Brigantine School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. Reporting Entity

The City of Brigantine School District is a Type I district located in the County of Atlantic, State of New Jersey. As a Type I district, the Board of Education members are appointed by the Mayor. The Board is comprised of seven members appointed to three-year terms. The purpose of the district is to educate students in grades K-8. The City of Brigantine School District had an approximate enrollment at June 30, 2013 of 749 students.

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

- 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 but, as a Type I School District, would be considered a component unit of the City of Brigantine. The City however reports on a regulatory basis of accounting which does not recognize component units. If the City followed generally accepted accounting principles (GAAP) reporting, the Board of Education would be a component unit of the City of Brigantine.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT WIDE FINANCIAL STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's Food Service and After School programs are classified as business-type activities.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT WIDE FINANCIAL STATEMENTS - Continued

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS - Continued

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **General Fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special Revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital Projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds. As a Type I School District all debt is borne by the municipality rather than the school district.

Fund Balances – Governmental Funds

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

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS - Continued

1. Governmental Funds: Continued

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

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, 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:

- a. **Enterprise Funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District operates a food service fund to provide a child nutrition program for the students of the district.

The District's Enterprise Funds are comprised of the Food Service Fund and the After School Fund.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and is reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.), and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. BASIS OF ACCOUNTING - Continued

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and 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. All other investments are stated at fair value.

For the purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

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

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

NJSA 17:9-41 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.

**BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2013, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food and Supplies	\$	4,630.05
	\$	<u>4,630.05</u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2013 is \$2,356.83.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. 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 governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

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

8. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Regular Programs - Instruction	
Basic Skills/Remedial-Instruction - Salaries of Teachers	(81,040.00)
Undistributed Expenditures	
Tuition to CSSD & Regional Day Schools	119,040.00
Tuition to Private Schools for the Disabled - Other LEAs	(48,000.00)
Required Maint. For School Facilities	
Cleaning Repair and Maintenance Service	75,000.00
Other Oper. & Maint. Of Plant - Energy (Natural Gas)	(88,000.00)
Unallocated Benefits - Health Benefits	(103,090.81)
Capital Outlay	
Facilities Acquisition and Construction Services	127,433.29

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 payments 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 yearend.

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.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

10. Tuition Receivable:

Tuition charges were established by the Boards of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. As of June 30, 2013, there was no tuition receivable.

11. Tuition Payable:

Tuition charges for the fiscal years 2012/13 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

12. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs:

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

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

In June 2012, GASB issued Statement No. 67 “Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25”. This statement, which is effective for fiscal periods beginning after June 15, 2013, will not have any effect on the District’s financial reporting.

In June 2012, GASB issued Statement No. 68 “Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27”. This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the District’s financial reporting.

In January 2013, GASB issued Statement No. 69 “Government Combinations and Disposals of Government Operations”. This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the District’s financial reporting.

In April 2013, GASB issued Statement No. 70 “Accounting and Financial Reporting for Nonexchange Financial Guarantees”. This statement, which is effective for fiscal years beginning after June 15, 2013, will not have any impact on the District’s financial statements

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 2 – CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2013, \$703,308.80 of the government's bank balance of \$6,233,459.52 was exposed to custodial credit risk.

NOTE 3 – RECEIVABLES

Receivables at June 30, 2013, consisted of accounts (tuition), interfund, and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government Wide Financial Statements
State Aid	\$ 86,629.14	\$ 86,845.50
Federal Aid	141,151.28	152,010.44
Interfunds	110,116.08	26,026.21
Other	18,947.22	18,947.22
Gross Receivables	356,843.72	283,829.37
Less: Allowance for Uncollectibles		
Total Receivables, Net	<u>\$ 356,843.72</u>	<u>\$ 283,829.37</u>

NOTE 4 – INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund; (2) repay expenses paid by another fund; and (3) make a Board contribution to the Unemployment Compensation Trust Fund; and (4) transfer federal and state food subsidies received in the General Fund to the Food Service Fund.

The following interfund balances remained on the fund financial statements at June 30, 2013:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 110,116.08	\$ 23,605.22
Special Revenue Fund		84,089.87
Food Service Agency	23,605.22	26,026.21
Total	<u>\$ 133,721.30</u>	<u>\$ 133,721.30</u>

BRIGANTINE SCHOOL DISTRICT
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NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 4 – INTERFUND TRANSFERS AND BALANCES - Continued

The general fund receivable is comprised of two interfunds. The first receivable is from the agency account in the amount of \$26,026.21. This receivable represents an overage paid to the payroll account during the year and interest earned in the payroll and agency bank accounts. The second receivable is due from the Special Revenue Fund for \$84,089.87. The food service fund also has a receivable due from the General Fund for food and payroll expenses in the amount of \$23,605.22.

NOTE 5 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Transfers/ Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 147,600.00	\$ -	\$ -	\$ 147,600.00
Total capital assets not being depreciated	<u>147,600.00</u>	<u>-</u>	<u>-</u>	<u>147,600.00</u>
Capital assets being depreciated:				
Buildings and building improvements	25,876,100.16	-	-	25,876,100.16
Machinery and Equipment	773,127.97	63,659.00	(64,097.10)	772,689.87
Total capital assets being depreciated at historical cost	<u>26,649,228.13</u>	<u>63,659.00</u>	<u>(64,097.10)</u>	<u>26,648,790.03</u>
Less accumulated depreciation for:				
Buildings and improvements	(10,435,152.33)	(549,092.67)	-	(10,984,245.00)
Equipment	(541,530.65)	(54,368.14)	54,411.24	(541,487.55)
Total capital assets being depreciated, net of accumulated depreciation	<u>15,672,545.15</u>	<u>(539,801.81)</u>	<u>(9,685.86)</u>	<u>15,123,057.48</u>
Governmental activity capital assets, net	<u>\$ 15,820,145.15</u>	<u>\$ (539,801.81)</u>	<u>\$ (9,685.86)</u>	<u>\$ 15,270,657.48</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 185,412.00	\$ 28,936.00	\$ -	\$ 214,348.00
Less accumulated depreciation	<u>(156,200.04)</u>	<u>(13,022.14)</u>	<u>-</u>	<u>(169,222.18)</u>
Enterprise Fund capital assets, net	<u>\$ 29,211.96</u>	<u>\$ 15,913.86</u>	<u>\$ -</u>	<u>\$ 45,125.82</u>

BRIGANTINE SCHOOL DISTRICT
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NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 5 – CAPITAL ASSETS - Continued

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 350,320.92
Special Instruction	67,380.61
Other Special Instruction	25,011.32
Student & Instruction Related Services	94,996.64
Gen Administration Services	22,487.40
School Administration Services	24,911.05
Business and Other Support Services	18,352.87
	<u>\$ 603,460.81</u>

NOTE 6 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2013 are as follows:

	Balance July 1, 2012	Issues or Additions	Payments or Expenditures	Balance June 30, 2013	Amounts Due Within One Year
Compensated Absences	\$ 655,440.00	\$ 53,250.00	\$ -	\$ 708,690.00	\$ -
	<u>\$ 655,440.00</u>	<u>\$ 53,250.00</u>	<u>\$ -</u>	<u>\$ 708,690.00</u>	<u>\$ -</u>

A. Bonds Payable – The City of Brigantine School District is a Type I School District. In the State of New Jersey, all Type I school debt is borne by the municipality rather than the school district.

B. Bonds Authorized But Not Issued - As of June 30, 2013, the District had no authorized but not issued bonds.

NOTE 7 – PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund 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 Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/annrpts/achive.htm>.

BRIGANTINE SCHOOL DISTRICT
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NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 7 – PENSION PLANS - Continued

Teachers' Pension and Annuity Fund (TPAF)

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

Public Employees' Retirement System (PERS)

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

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District had one employee enrolled in the Defined Contribution Retirement Program (DCRP) during the fiscal year ended June 30, 2013.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 7 – PENSION PLANS - Continued

Funding Policy

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 current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2013, 2012 and 2011 were \$424,093.00, \$204,711.00 and \$18,980.00 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2013, 2012 and 2011 were \$174,509.00, \$189,278.00 and \$180,567.00 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2013, 2012 and 2011, the State of New Jersey contributed \$479,542.00, \$411,522.00 and \$403,140.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$484,987.81, \$493,878.10, and \$490,064.29, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

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

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 7 – PENSION PLANS - Continued

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 7 – PENSION PLANS - Continued

Significant Legislation – Continued

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 8 – POST-RETIREMENT BENEFITS

The School District contributes to the New Jersey State Health Benefits Program ("the SHBP"), a cost sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP provides medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program is found in the New Jersey Statutes Annotated, Title 52, Article 17.25 et seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The Division of Pension and Benefits 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, PO Box 295, Trenton, New Jersey, 08625.

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(CONTINUED)

NOTE 8 – POST-RETIREMENT BENEFITS - Continued

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2008, C. 103 amended the law to eliminate the funding and payment of post-retirement medical benefits for retired state employees through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 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 pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126 which provides free health benefits for members PERS and the Alternative 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 2013. The State also makes on-behalf payments for Teacher Pension and Annuity Program retirees for health benefits. The on-behalf amount paid by the State of New Jersey in fiscal year 2012 was \$479,542.00.

NOTE 9 – COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years as long as it does not violate Title 18A. Upon retirement employees shall be paid by the District for unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

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, there was no liability for compensated absences in the Food Service Enterprise Fund.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 10 – DEFERRED COMPENSATION

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

Lincoln Life	Equitable
Lincoln Investment	American Express
Washington National Insurance	
Kemper Investors Life Insurance Company	
Valic – The Variable Annuity Life Insurance Company	

NOTE 11 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by City of Brigantine Board of Education by the inclusion of \$1.00 on September 28, 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. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-5.1(d) 7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its LRFP.

Beginning balance, July 1, 2012	\$	451,801.00
Deposits:		
Budgeted Interest		400.00
Withdrawals:		
8/23/12 Meeting		(15,322.50)
9/27/12 Meeting		(27,832.28)
6/27/13 Meeting		<u>(82,466.00)</u>
Ending balance, June 30, 2013	\$	<u><u>326,580.22</u></u>

BRIGANTINE SCHOOL DISTRICT
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NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 12 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the City of Brigantine Board of Education for the accumulation of funds for use as required 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.

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	\$ 41,788.00
Budgeted Increase – FY 2013	100.00
Ending balance, June 30, 2013	<u><u>\$41,888.00</u></u>

NOTE 13 – TUITION RESERVE ACCOUNT

A tuition reserve account was established by the City of Brigantine Board of Education in accordance with N.J.A.C. 6A:23-3.1(f)(8). This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated tuition cost of the respective year. The tuition reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2012	\$ 900,000.00
Withdrawals:	
Per Approved Budget	(400,000.00)
Ending balance, June 30, 2013	<u><u>\$500,000.00</u></u>

NOTE 14 – EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by the City of Brigantine Board of Education for the accumulation of funds for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2012	\$ 118,510.00
Budgeted Increase – FY 2013	150.00
Ending balance, June 30, 2013	<u><u>\$118,660.00</u></u>

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
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(CONTINUED)

NOTE 15 – RISK MANAGEMENT

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

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

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

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Interest on Investments</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	\$	\$	255.17	\$ 255,814.29
2011-2012	70,948.38	189.05	-	255,559.12
2010-2011	55,000.00	423.93	19,304.94	184,421.69

NOTE 16 – CONTINGENT LIABILITIES

Federal and State Grants

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

NOTE 17 – ECONOMIC DEPENDENCY

The District receives support from the federal and state governments and from the state government. A significant reduction in the level of support, if this were to occur, would have an effect on the District's programs and activities.

NOTE 18 – LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any legal proceedings will not have any adverse effect on the accompanying financial statements.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 19 – COMMITMENTS

The District does not have an encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as Assigned Fund Balance in the General Fund and Special Revenue Fund. Significant encumbrances at June 30th are as follows:

Fund	Amount
General Fund Encumbered Orders	\$ 21,226.53
	\$ 21,226.53

NOTE 20 – FUND BALANCE APPROPRIATED

General Fund – Of the \$3,641,925.52 General Fund fund balance, at June 30, 2013, \$21,226.53 is reserved for encumbrances, \$2,303,111.23 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$1,110,504.00 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2014), \$326,580.22 has been reserved in the Capital Reserve Account; \$500,000.00 has been reserved in a Tuition Reserve Account; \$118,660.00 has been reserved in an Emergency Reserve Account; \$41,888.00 has been reserved in a Maintenance Reserve; \$96,689.00 is designated by BOE for subsequent expenditures; and \$233,770.54 is classified as unassigned.

NOTE 21 – CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, 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 of budgeted fund balance in their subsequent years' budget. The excess fund balance generated in June 30, 2013 is \$1,192,607.23.

NOTE 22 – RESTATEMENT DUE TO CHANGE IN ACCOUNTING PRINCIPLE

The District has implemented GASB No. 63, which modified the terminology of *net assets* to *net position*. This change did not result in any monetary restatement, but the District has restated prior years to reflect *net position* instead of *net assets*.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013
(CONTINUED)

NOTE 23 – RETROACTIVE RESTATEMENT DUE TO CORRECTION OF AN ERROR

Prior to fiscal year 2012, the district reported the repayment of long-term liabilities as a reduction on the statement of net position. Since Brigantine School District is a Type I school district the bonded debt is assumed by the City and the principal and interest on the outstanding debt is included in the City's budget.

This resulted in the following restatements of net position as of June 30, 2012:

		<u>Activities</u>
Net Position, June 30, 2012	\$	15,624,809.39
Restatement of Bonds Payable		2,629,569.46
Net Position, June 30, 2012, Revised	\$	<u><u>18,254,378.85</u></u>

NOTE 24 – DEFICIT FUND BALANCE

The District has a deficit fund balance of \$14,336.09 in the Special Revenue Fund as of June 30, 2013 as reported in the fund statements (modified accrual basis). P.L. 2003, c. 97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last payment as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties. The District deficit in the General fund and Special revenue fund in the GAAP fund statements is less than or equal to the last state aid payment for that respective fund.

NOTE 25 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2013 through November 22, 2013, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 16,278,361.00	\$ -	\$ 16,278,361.00	\$ 16,278,361.00	\$ -
Tuition			-	16,671.00	(16,671.00)
Unrestricted Miscellaneous Revenue	10,000.00		10,000.00	82,070.13	(72,070.13)
Total Local Sources	<u>16,288,361.00</u>	<u>-</u>	<u>16,288,361.00</u>	<u>16,377,102.13</u>	<u>(88,741.13)</u>
State Sources:					
Categorical Transportation Aid	493,813.00		493,813.00	493,813.00	-
Categorical Special Education Aid	518,711.00		518,711.00	518,711.00	-
Categorical Security Aid	184,308.00		184,308.00	184,308.00	-
Adjustment Aid	1,059,602.00		1,059,602.00	1,059,602.00	-
Nonpublic Transportation			-	10,413.20	(10,413.20)
Extraordinary Aid			-	51,748.00	(51,748.00)
TPAF Post Retirement Pension (On-Behalf - Non-Budgeted)			-	479,542.00	479,542.00
TPAF Pension (On-Behalf - Non-Budgeted)			-	424,093.00	424,093.00
TPAF Social Security (Reimbursed- Non-Budgeted)			-	484,987.81	484,987.81
Total State Sources	<u>2,256,434.00</u>	<u>-</u>	<u>2,256,434.00</u>	<u>3,707,218.01</u>	<u>1,326,461.61</u>
Federal Sources:					
Education Jobs Fund Program	-	4,409.19	4,409.19	4,409.19	-
Total Federal Sources	<u>-</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>-</u>
Total Revenues	<u>18,544,795.00</u>	<u>4,409.19</u>	<u>18,549,204.19</u>	<u>20,088,729.33</u>	<u>1,237,720.48</u>
EXPENDITURES:					
CURRENT EXPENSE					
Kindergarten - Salaries of Teachers	298,340.00	7,349.84	305,689.84	305,689.84	-
Grades 1 - 5 Salaries of Teachers	2,311,361.00	9,000.00	2,320,361.00	2,318,764.29	1,596.71
Grades 6 - 8 Salaries of Teachers	1,710,029.00	(42,904.00)	1,667,125.00	1,643,631.64	23,493.36
Regular Programs - Home Instruction					
Salaries of Teachers	9,000.00	3,000.00	12,000.00	11,292.70	707.30
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	51,420.00	1,082.00	52,502.00	50,536.76	1,965.24
Purchased Technical Services	2,000.00		2,000.00	0.15	1,999.85
Other Purchased Services (400-500 series)	51,560.00	(2,433.84)	49,126.16	34,799.63	14,326.53
General Supplies	190,000.00		190,000.00	170,586.05	19,413.95
Textbooks	26,000.00		26,000.00	24,189.87	1,810.13
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>4,649,710.00</u>	<u>(24,906.00)</u>	<u>4,624,804.00</u>	<u>4,559,490.93</u>	<u>65,313.07</u>
Multiple Disabilities					
Salaries of Teachers	168,602.00		168,602.00	164,313.60	4,288.40
Other Salaries for Instruction	268,299.00		268,299.00	262,138.62	6,160.38
Purchased Professional - Educational Services	500.00		500.00		500.00
Purchased Technical Services	10,000.00	4,000.00	14,000.00	7,278.75	6,721.25
General Supplies	11,000.00	(4,000.00)	7,000.00	6,019.74	980.26
Total Multiple Disabilities	<u>458,401.00</u>	<u>-</u>	<u>458,401.00</u>	<u>439,750.71</u>	<u>18,650.29</u>
Resource Room/Resource Center					
Salaries of Teachers	406,143.00		406,143.00	399,695.95	6,447.05
General Supplies	6,986.00		6,986.00	4,209.41	2,776.59
Total Resource Room/Resource Center	<u>413,129.00</u>	<u>-</u>	<u>413,129.00</u>	<u>403,905.36</u>	<u>9,223.64</u>

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2013**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Special Education Instruction - Autism					
Salaries of Teachers	\$ 56,699.00	\$ -	\$ 56,699.00	\$ 56,442.75	\$ 256.25
Other Salaries for Instruction	26,084.00		26,084.00	24,599.80	1,484.20
Purchased Professional - Educational Services	3,500.00		3,500.00		3,500.00
General Supplies	1,200.00		1,200.00		1,200.00
Total Autism	87,483.00	-	87,483.00	81,042.55	6,440.45
Preschool Disabilities - Part-Time					
Salaries of Teachers	54,189.00		54,189.00	53,773.00	416.00
Other Salaries for Instruction	16,447.00		16,447.00	14,616.96	1,830.04
Purchased Professional - Educational Services	800.00		800.00		800.00
General Supplies	3,200.00		3,200.00	851.75	2,348.25
Total Preschool Disabilities - Part-Time	74,636.00	-	74,636.00	69,241.71	5,394.29
Home Instruction					
Salaries of Teachers	9,000.00		9,000.00	7,499.55	1,500.45
Total Home Instruction	9,000.00	-	9,000.00	7,499.55	1,500.45
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,042,649.00	-	1,042,649.00	1,001,439.88	41,209.12
Basic Skills/Remedial - Instruction					
Salaries of Teachers	207,563.00	(81,040.00)	126,523.00	124,436.25	2,086.75
Other Salaries for Instruction	43,326.00	4,484.00	47,810.00	45,710.00	2,100.00
Other Purchased Services (400-500 series)	500.00		500.00		500.00
General Supplies	10,000.00		10,000.00	2,079.28	7,920.72
Textbooks	500.00		500.00		500.00
Total Basic Skills/Remedial - Instruction	261,889.00	(76,556.00)	185,333.00	172,225.53	13,107.47
School-Spon. Cocurricular Activities - Instruction					
Salaries	62,000.00	23,310.69	85,310.69	85,310.69	-
Purchased Services (300-500 series)	14,000.00		14,000.00	11,878.39	2,121.61
Supplies & Materials	9,000.00		9,000.00	3,212.13	5,787.87
Total School-Spon. Cocurricular Activities - Inst.	85,000.00	23,310.69	108,310.69	100,401.21	7,909.48
School-Spon. Cocurricular Athletics - Instruction					
Salaries	43,170.00		43,170.00	35,472.92	7,697.08
Purchased Services (300-500 series)	8,700.00	(0.30)	8,699.70	2,620.00	6,079.70
Supplies and Materials	4,400.00		4,400.00	1,449.47	2,950.53
Total School-Spon. Cocurricular Athletics - Inst.	56,270.00	(0.30)	56,269.70	39,542.39	16,727.31
Before/After School Programs- Instruction					
Salaries of Teachers	30,000.00		30,000.00	6,154.20	23,845.80
Other Salaries of Instruction	5,000.00		5,000.00		5,000.00
Total Before/After School Programs- Instruction	35,000.00	-	35,000.00	6,154.20	28,845.80
Summer School Instruction					
Salaries of Teachers	42,500.00	(4,000.00)	38,500.00	38,332.30	167.70
Other Salaries of Instruction	7,900.00	4,000.00	11,900.00	9,687.22	2,212.78
Salaries of Reading Specialists	5,410.00		5,410.00	5,386.24	23.76
Total Summer School- Instruction	55,810.00	-	55,810.00	53,405.76	2,404.24
TOTAL INSTRUCTION	6,186,328.00	(78,151.61)	6,108,176.39	5,932,659.90	175,516.49
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	3,469,606.00	18,000.00	3,487,606.00	3,486,980.65	625.35
Tuition to Other LEAs Within the State-Special	379,575.00		379,575.00	379,575.00	-
Tuition to Vocational School- Regular	223,520.00		223,520.00	223,520.00	-
Tuition to Vocational School- Special	17,200.00		17,200.00	17,200.00	-
Tuition to CSSD & Regional Day Schools	200,911.00	119,040.00	319,951.00	312,667.08	7,283.92
Tuition to Private Schools for the Disabled - Within State	198,103.00	(48,000.00)	150,103.00	89,975.51	60,127.49
Tuition to Private Schools for the Disabled - Other LEAs	45,000.00		45,000.00		45,000.00
Tuition - State Facilities	91,712.00		91,712.00	91,712.00	-
Tuition - Other	3,000.00		3,000.00	1,522.00	1,478.00
Total Undistributed Expenditures - Instruction	4,628,627.00	89,040.00	4,717,667.00	4,603,152.24	114,514.76

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undistributed Expend. - Attendance & Social Worker					
Salaries	\$ 37,121.00	\$ -	\$ 37,121.00	\$ 36,079.60	\$ 1,041.40
Purchased Professional and Technical Services	20,000.00		20,000.00	19,400.59	599.41
Supplies & Materials	2,500.00		2,500.00		2,500.00
Total Undist. Expend. - Attend. & Social Worker	59,621.00	-	59,621.00	55,480.19	4,140.81
Undistributed Expend. - Health Services					
Salaries	210,138.00	567.40	210,705.40	210,705.40	-
Purchased Professional and Technical Services	5,500.00	(567.40)	4,932.60	427.50	4,505.10
Other Purchased Services (400-500 series)	300.00		300.00	296.99	3.01
Supplies & Materials	3,000.00		3,000.00	2,971.36	28.64
Total Undistributed Expend. - Health Services	218,938.00	-	218,938.00	214,401.25	4,536.75
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries of Other Professional Staff	176,336.00		176,336.00	175,434.47	901.53
Purchased Professional- Educational Services	65,000.00	(10,000.00)	55,000.00	40,162.25	14,837.75
Supplies & Materials	3,000.00		3,000.00	2,099.68	900.32
Total Speech, OT, PT & Related Services	244,336.00	(10,000.00)	234,336.00	217,696.40	16,639.60
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	148,626.00	771.00	149,397.00	149,396.11	0.89
Salaries of Secretarial and Clerical Assistants	44,173.00	10,441.48	54,614.48	54,614.48	-
Purchased Professional- Educational Services	4,100.00		4,100.00		4,100.00
Other Purchased Services (400-500 series)	600.00		600.00		600.00
Supplies & Materials	1,600.00	(441.48)	1,158.52	422.32	736.20
Total Undist. Expend. -Guidance	199,099.00	10,771.00	209,870.00	204,432.91	5,437.09
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	302,052.00	17,279.48	319,331.48	319,331.48	-
Salaries of Secretarial and Clerical Assistants	16,159.00	3,632.93	19,791.93	19,791.93	-
Purchased Professional - Education Services	12,000.00	24,587.79	36,587.79	36,017.50	570.29
Other Purchased Professional and Tech. Services	300.00		300.00		300.00
Other Purchased Services (400-500 series)	8,400.00		8,400.00	3,907.08	4,492.92
Supplies & Materials	6,000.00		6,000.00	811.42	5,188.58
Total Undist. Expend. - Child Study Teams	344,911.00	45,500.20	390,411.20	379,859.41	10,551.79
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	51,931.00		51,931.00	50,457.11	1,473.89
Salaries of Technology Coordinators	77,000.00	9,000.00	86,000.00	83,951.83	2,048.17
Purchased Professional and Technical Services	16,500.00	(7,000.00)	9,500.00	6,887.28	2,612.72
Other Purchased Services (400-500 series)	12,500.00		12,500.00	4,188.50	8,311.50
Supplies & Materials	10,500.00		10,500.00	3,558.61	6,941.39
Total Undistributed Expenditures - Educational Media Services - School Library	168,431.00	2,000.00	170,431.00	149,043.33	21,387.67
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Other Professional Staff	85,220.00	6,151.00	91,371.00	91,361.04	9.96
Other Salaries	10,000.00		10,000.00	8,214.83	1,785.17
Purchased Professional - Education Services	15,500.00		15,500.00	15,225.83	274.17
Supplies & Materials	1,500.00		1,500.00		1,500.00
Total Undistributed Expenditures - Instructional Staff Training Services	112,220.00	6,151.00	118,371.00	114,801.70	3,569.30
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	207,025.00		207,025.00	184,605.76	22,419.24
Legal Services	35,000.00		35,000.00	21,165.67	13,834.33
Audit Fees	24,000.00	(3,000.00)	21,000.00	20,800.00	200.00
Other Purchased Professional Services	24,000.00	5,800.00	29,800.00	25,338.28	4,461.72
Communications/Telephone	29,000.00	4,000.00	33,000.00	28,950.63	4,049.37
Other Purchased Services (400-500 series)	41,000.00	(2,400.00)	38,600.00	38,510.00	90.00
General Supplies	6,000.00		6,000.00	5,732.39	267.61
BOE In House Training/Meeting Supplies	500.00		500.00	85.99	414.01
BOE Membership Dues and Fees	10,000.00	(400.00)	9,600.00	9,028.76	571.24
Total Undistributed Expenditures - Support Services - General Administration	376,525.00	4,000.00	380,525.00	334,217.48	46,307.52

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistant Principals	\$ 215,476.00	\$ (4,291.00)	\$ 211,185.00	\$ 198,871.92	\$ 12,313.08
Salaries of Secretarial and Clerical Assistants	157,248.00	4,291.00	161,539.00	160,938.61	600.39
Purchased Professional and Technical Services	6,000.00		6,000.00	49.00	5,951.00
Other Purchased Services (400-500 series)	7,564.00		7,564.00	5,948.42	1,615.58
Supplies & Materials	6,700.00		6,700.00	4,430.92	2,269.08
Total Undistributed Expenditures - Support Services - School Administration	<u>392,988.00</u>	<u>-</u>	<u>392,988.00</u>	<u>370,238.87</u>	<u>22,749.13</u>
Undist. Expend. - Central Services					
Salaries	223,324.00	6,000.00	229,324.00	226,350.28	2,973.72
Purchased Technical Services	10,500.00		10,500.00	10,030.60	469.40
Supplies & Materials	3,500.00	600.00	4,100.00	4,077.57	22.43
Miscellaneous Expenditures	3,400.00	(600.00)	2,800.00	2,550.00	250.00
Total Undist. Expend. - Central Services	<u>240,724.00</u>	<u>6,000.00</u>	<u>246,724.00</u>	<u>243,008.45</u>	<u>3,715.55</u>
Undist. Expend. - Administrative Information Technology					
Purchased Professional Services	30,000.00		30,000.00	29,560.85	439.15
Supplies & Materials	2,500.00		2,500.00	199.00	2,301.00
Total Undist. Expend. - Admin. Info. Tech	<u>32,500.00</u>	<u>-</u>	<u>32,500.00</u>	<u>29,759.85</u>	<u>2,740.15</u>
Undist. Expend. - Required Maint. School Facilities					
Salaries	198,947.00	8,500.00	207,447.00	205,948.27	1,498.73
Cleaning, Repair and Maintenance Service	65,000.00	75,000.00	140,000.00	139,255.41	744.59
General Supplies	60,000.00	(12,000.00)	48,000.00	47,971.46	28.54
Total Undistributed Expenditures - Allowable Maintenance for School Facilities	<u>323,947.00</u>	<u>71,500.00</u>	<u>395,447.00</u>	<u>393,175.14</u>	<u>2,271.86</u>
Undist. Expend. - Other Oper. & Maint. of Plant					
Salaries	476,106.00		476,106.00	454,600.59	21,505.41
Other Purchased Property Services	22,500.00		22,500.00	22,256.72	243.28
Insurance	95,000.00	6,000.00	101,000.00	92,516.00	8,484.00
General Supplies	56,600.00		56,600.00	53,566.95	3,033.05
Energy(Energy and Electricity)	150,000.00	(30,000.00)	120,000.00	81,827.51	38,172.49
Energy(Natural Gas)	370,000.00	(88,000.00)	282,000.00	241,398.89	40,601.11
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	<u>1,170,206.00</u>	<u>(112,000.00)</u>	<u>1,058,206.00</u>	<u>946,166.66</u>	<u>112,039.34</u>
Total Undistributed Expenditures Operations and Maintenance of Plant	<u>1,494,153.00</u>	<u>(40,500.00)</u>	<u>1,453,653.00</u>	<u>1,339,341.80</u>	<u>114,311.20</u>
Undist. Expend. - Student Transportation Serv.					
Salaries of Non-Instructional Aides	11,000.00		11,000.00	1,013.30	9,986.70
Contr. Serv.Trans. (Bet. Home & School) - Vendors	635,100.00		635,100.00	580,426.08	54,673.92
Contr. Serv.Trans. (Other than Home & School)	28,000.00		28,000.00	24,063.95	3,936.05
Contr. Serv (Oth than Bet. Home & Sch) - Vend	18,014.00		18,014.00	18,014.00	18,014.00
Contr. Serv. - (Spc Ed. Students) - Joint Agrmt	199,875.00		199,875.00	180,799.55	19,075.45
Contr. Serv. - Aid in Lieu Payments	17,000.00		17,000.00	8,441.99	8,558.01
Total Undistributed Expenditures - Student Transportation Services	<u>908,989.00</u>	<u>-</u>	<u>908,989.00</u>	<u>794,744.87</u>	<u>114,244.13</u>
Unallocated Benefits - Employee Benefits					
Social Security Contribution	195,000.00		195,000.00	162,724.97	32,275.03
Other Retirement Benefits	206,000.00	(23,310.59)	182,689.41	174,699.58	7,989.83
Unemployment Compensation	60,000.00		60,000.00	5,695.62	54,304.38
Workmen's Compensation	121,500.00	(6,000.00)	115,500.00	99,495.00	16,005.00
Health Benefits	2,440,000.00	(103,090.81)	2,336,909.19	2,203,686.57	133,222.62
Tuition Reimbursement	27,000.00		27,000.00	7,980.00	19,020.00
Other Employee Benefits	65,000.00		65,000.00	3,774.66	61,225.34
Total Unallocated Benefits	<u>3,114,500.00</u>	<u>(132,401.40)</u>	<u>2,982,098.60</u>	<u>2,658,056.40</u>	<u>324,042.20</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
On-Behalf Contributions					
On-Behalf TPAF Post Retirement Pension Contribution (non-bud)	\$ -	\$ -	\$ -	\$ 479,542.00	\$ (479,542.00)
On-Behalf TPAF Pension Contribution (non-bud)				424,093.00	(424,093.00)
Reimbursed TPAF Social Security Cont.(non-bud)				484,987.81	(484,987.81)
Total On-Behalf Contributions	-	-	-	1,388,622.81	(1,388,622.81)
Total Personal Services - Employee Benefits	3,114,500.00	(132,401.40)	2,982,098.60	4,046,679.21	(1,064,580.61)
TOTAL UNDISTRIBUTED EXPENDITURES	12,536,562.00	(19,439.20)	12,517,122.80	13,096,857.96	(579,735.16)
TOTAL GENERAL CURRENT EXPENSE	18,722,890.00	(97,590.81)	18,625,299.19	19,029,517.86	(404,218.67)
CAPITAL OUTLAY					
Equipment					
Grades 1-5	15,000.00		15,000.00	8,482.00	6,518.00
Grades 6-8	15,000.00		15,000.00	13,172.00	1,828.00
Undis. Expend.- Custodial Services	13,410.00	17,721.49	31,131.49	24,521.00	6,610.49
Total Equipment	43,410.00	17,721.49	61,131.49	46,175.00	14,956.49
Facilities Acquisition and Construction Services					
Construction Services		127,433.29	127,433.29	107,112.69	20,320.60
Asses for Debt Service on SDA Funding	1,590.00		1,590.00	1,590.00	-
Total Facilities Acquisition and Construction Services	1,590.00	127,433.29	129,023.29	108,702.69	20,320.60
TOTAL CAPITAL OUTLAY	45,000.00	145,154.78	190,154.78	154,877.69	35,277.09
Transfer of Funds to Charter Schools	475,819.00		475,819.00	408,670.00	67,149.00
TOTAL EXPENDITURES	19,243,709.00	47,563.97	19,291,272.97	19,593,065.55	(301,792.58)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(698,914.00)	(43,154.78)	(742,068.78)	495,663.78	935,927.90
Other Financing Sources/(Uses):					
Insurance Recoveries for Storm Damage			-	1,193,715.50	(1,193,715.50)
Expenses related to Storm Damage			-	(1,193,715.50)	1,193,715.50
Insurance Recovery Related to Impaired Capital Assets			-	8,697.00	(8,697.00)
Local Contribution- Transfer to Special Revenue	(89,720.00)		(89,720.00)	(89,720.00)	-
Total Other Financing Sources/(Uses)	(89,720.00)	-	(89,720.00)	(81,023.00)	(8,697.00)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(788,634.00)	(43,154.78)	(831,788.78)	414,640.78	927,230.90
Fund Balance July 1	3,420,558.65		3,420,558.65	3,420,558.65	
Fund Balance June 30	\$ 2,631,924.65	\$ (43,154.78)	\$ 2,588,769.87	\$ 3,835,199.43	\$ 927,230.90
Recapitulation:					
Nonspendable Fund Balance					
None				\$ -	
Restricted Fund Balance:					
Excess Surplus - Current Year				1,192,607.23	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,110,504.00	
Committed Fund Balance:					
Capital Reserve				326,580.22	
Emergency Reserve				118,660.00	
Maintenance Reserve				41,888.00	
Tuition Reserve				500,000.00	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				96,689.00	
Other Purposes				21,226.53	
Unassigned Fund Balance				427,044.45	
				3,835,199.43	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP Basis				193,273.91	
				\$ 3,641,925.52	

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
General Fund
Required Supplementary Information
Education Jobs Fund Program - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Federal Sources	\$ -	\$ 4,409.19	\$ 4,409.19	\$ 4,409.19	\$ -
Total Revenues	<u>-</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>-</u>
EXPENDITURES:					
CURRENT EXPENSE					
Unallocated Benefits - Employee Benefits					
Health Benefits		4,409.19	4,409.19	4,409.19	-
Total Unallocated Benefits	<u>-</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>-</u>
Other Financing Sources (Uses)					
None			-		-
Total Expenditures	<u>-</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>4,409.19</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ -
State Sources	193,943.00		193,943.00	163,901.94	(30,041.06)
Federal Sources	441,979.00	102,679.94	544,658.94	469,521.22	(75,137.72)
Total Revenues	635,922.00	107,679.94	743,601.94	638,423.16	(105,178.78)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	387,450.00	(33,060.00)	354,390.00	316,822.15	37,567.85
Other Salaries for Instruction	51,667.00		51,667.00	47,323.53	4,343.47
Purchased Professional and Technical Services		2,500.00	2,500.00	2,500.00	-
Other Purchased Services (400-500 series)	227,650.00	35,972.00	263,622.00	261,222.00	2,400.00
General Supplies	8,000.00	44,936.94	52,936.94	19,263.26	33,673.68
Total Instruction	674,767.00	50,348.94	725,115.94	647,130.94	77,985.00
Support Services:					
Salaries Other		5,203.00	5,203.00	2,601.00	2,602.00
Salaries of Program Directors	35,021.00		35,021.00	33,582.96	1,438.04
Salaries of Secretaries & Clerical Assistants	15,354.00		15,354.00		15,354.00
Personal Services - Employee Benefits		31,398.00	31,398.00	28,483.38	2,914.62
Purchased Professional - Educational Services		4,100.00	4,100.00	4,100.00	-
Other Purchased Services (400-500 series)	500.00	4,280.00	4,780.00	3,300.00	1,480.00
General Supplies		7,350.00	7,350.00	4,098.88	3,251.12
Total Support Services	50,875.00	52,331.00	103,206.00	76,166.22	27,039.78

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES(cont'd):					
Facilities Acquisitions and Construction Services:					
Instructional Equipment	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 4,846.00	\$ 154.00
Total Facilities Acquisitions and Const. Services:	-	5,000.00	5,000.00	4,846.00	154.00
Total Outflows	725,642.00	107,679.94	833,321.94	728,143.16	105,178.78
Other Financing Sources (Uses)					
Transfer from Operating Budget - PreK	89,720.00		89,720.00	89,720.00	-
Total Other Financing Sources (Uses)	89,720.00	-	89,720.00	89,720.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ (0.00)	\$ 0.00

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2013

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 20,088,729.33	[C-2]	\$ 638,423.16
Difference - budget to GAAP:				
Prior year final State Aid payment was delayed until July 2012 and is recorded as revenue in current year under GAAP.		220,902.92		22,854.08
Final State Aid payment was delayed until July 2013 is recorded as budgetary revenue but is not recognized under GAAP.		(193,273.91)		(14,336.09)
	[B-2]	\$ 20,116,358.34	[B-2]	\$ 646,941.15
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 19,593,065.55	[C-2]	\$ 728,143.16
Difference - budget to GAAP:				
None				
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 19,593,065.55	[B-2]	\$ 728,143.16

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OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2013

	Total Brought Forward (Ex. E-1a)	Preschool Education Aid	Title I	Title I Prior Year	Title IIA	Title III	Totals 2013
REVENUES:							
Local Sources	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00
State Sources	-	163,901.94	144,946.61	9,255.94	38,120.79	8,519.88	163,901.94
Federal Sources	268,678.00	-	-	-	-	-	469,521.22
Total Revenues	273,678.00	163,901.94	144,946.61	9,255.94	38,120.79	8,519.88	638,423.16
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	168,504.15	118,520.00	29,798.00	-	-	316,822.15
Other Salaries for Instruction	-	47,323.53	-	-	-	-	47,323.53
Purchased Professional and Technical Services	2,500.00	-	-	-	-	-	2,500.00
Other Purchased Services (400-500 series)	261,222.00	-	2,740.02	6,455.94	-	-	261,222.00
General Supplies	5,856.00	4,211.30	-	-	-	-	19,263.26
Total Instruction	269,578.00	220,038.98	121,260.02	6,455.94	29,798.00	-	647,130.94
Support Services:							
Salaries Other	-	33,582.96	21,761.59	199.00	6,522.79	-	2,601.00
Salaries of Program Directors	-	-	-	-	-	-	33,582.96
Personal Services - Employee Benefits	-	-	-	-	-	-	28,483.38
Purchased Professional - Educational Services	4,100.00	-	1,500.00	199.00	1,800.00	-	4,100.00
Other Purchased Services (400-500 series)	-	-	425.00	-	-	-	3,300.00
Supplies & Materials	-	-	-	-	-	3,673.88	4,098.88
Total Support Services	4,100.00	33,582.96	23,686.59	2,800.00	8,322.79	3,673.88	76,166.22
Facilities Acquisition and Constr. Services:							
Instructional Equipment	-	-	-	-	-	4,846.00	4,846.00
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	4,846.00	4,846.00
Total Outflows	273,678.00	253,621.94	144,946.61	9,255.94	38,120.79	8,519.88	728,143.16
Other Financing Sources (Uses)							
Transfer from Operating Budget - PreK	-	89,720.00	-	-	-	-	89,720.00
Total Other Financing Sources (Uses)	-	89,720.00	-	-	-	-	89,720.00
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)

Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2013

	IDEA Basic 12-13	Rutgers Grant	IDEA Preschool	Total Carried Forward
REVENUES:				
Local Sources	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00
State Sources				-
Federal Sources	261,222.00		7,456.00	268,678.00
Total Revenues	<u>261,222.00</u>	<u>5,000.00</u>	<u>7,456.00</u>	<u>273,678.00</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers				-
Other Salaries for Instruction				-
Purchased Professional and Technical Services		2,500.00		2,500.00
Other Purchased Services (400-500 series)	261,222.00			261,222.00
General Supplies		2,500.00	3,356.00	5,856.00
Total Instruction	<u>261,222.00</u>	<u>5,000.00</u>	<u>3,356.00</u>	<u>269,578.00</u>
Support Services:				
Salaries Other				-
Salaries of Supervisors of Instruction				-
Personal Services - Employee Benefits				-
Purchased Professional - Educational Services			4,100.00	4,100.00
Other Purchased Services (400-500 series)				-
Supplies & Materials				-
Total Support Services		<u>-</u>	<u>4,100.00</u>	<u>4,100.00</u>
Facilities Acquisition and Constr. Services:				
Instructional Equipment				-
Total Facilities Acquisition and Constr. Services				-
Total Outflows	<u>261,222.00</u>	<u>5,000.00</u>	<u>7,456.00</u>	<u>273,678.00</u>
Other Financing Sources (Uses)				
Transfer from Operating Budget - PreK				-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF BRIGANTINE SCHOOL DISTRICT
 (A Component Unit of the City of Brigantine)
 Special Revenue Fund
 Schedule of Preschool Education Aid
 Budgetary Basis
 For the Year Ended June 30, 2013**

<u>District-Wide Total</u>	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 170,721.00	\$ 168,504.15	\$ 2,216.85
Other Salaries for Instruction	51,667.00	47,323.53	4,343.47
Other Purchased Services	2,400.00		2,400.00
Supplies	8,000.00	4,211.30	3,788.70
Total Instruction	<u>232,788.00</u>	<u>220,038.98</u>	<u>12,749.02</u>
Support Services:			
Salaries of Program Directors	35,021.00	33,582.96	1,438.04
Salaries of Sec. and Clerical Assistants	15,354.00		15,354.00
Contracted Services-Trans	500.00		500.00
Total Support Services	<u>50,875.00</u>	<u>33,582.96</u>	<u>17,292.04</u>
Total Expenditures	<u>\$ 283,663.00</u>	<u>\$ 253,621.94</u>	<u>\$ 30,041.06</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2012-13 Preschool Education Aid	\$ 167,371.00
Add: Actual ECPA/PEA Carryover (June 30, 2012)	49,747.10
Add: Budgeted transfer from the General Fund	89,720.00
Total Preschool Education Aid Funds Available for 2012-13 Budget	<u>306,838.10</u>
Less: 2012-13 Budgeted Preschool Education Aid (Including Prior year budget carryover)	<u>(283,663.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2013	<u>23,175.10</u>
Add: June 30, 2013 Unexpended Preschool Education Aid	30,041.06
2012-13 Actual Carryover - Preschool Education Aid	<u>\$ 53,216.16</u>
2012-13 Preschool Education Aid Carryover Budgeted in 2013-14	<u>\$ 36,150.00</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Preschool Education Aid Schedule of Expenditures
Budgetary Basis
For the Year Ended June 30, 2013

Program: Preschool - Half-Day

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 170,721.00	\$ 168,504.15	\$ 2,216.85
Other Salaries for Instruction	51,667.00	47,323.53	4,343.47
Other Purchased Services	2,400.00		2,400.00
Supplies	8,000.00	4,211.30	3,788.70
Total Instruction	<u>232,788.00</u>	<u>220,038.98</u>	<u>12,749.02</u>
Support Services:			
Salaries of Program Directors	35,021.00	33,582.96	1,438.04
Salaries of Secr. and Clerical Assistants	15,354.00		15,354.00
Contracted Services-Trans	500.00		500.00
Total Support Services	<u>50,875.00</u>	<u>33,582.96</u>	<u>16,792.04</u>
Total Expenditures	<u>\$ 283,663.00</u>	<u>\$ 253,621.94</u>	<u>\$ 30,041.06</u>

CAPITAL PROJECTS FUND DETAIL STATEMENTS

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Summary Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2013

Revenues and Other Financing Sources:

Reimbursements - funded by		
Type I District Bond Proceeds	\$	147,407.02
		<u>147,407.02</u>
Total Revenues		<u>147,407.02</u>

Expenditures and Other Financing Uses:

Purchased Professional and		
Technical Services		29,855.50
Construction Services		<u>2,121.25</u>
Total Expenditures		<u>31,976.75</u>

Excess (deficiency) of revenues over (under) expenditures 115,430.27

Other Financing Uses:

None -

Excess (deficiency) of revenues over (under) expenditures
and Other Financing Uses 115,430.27

Fund balance - beginning (107,127.95)

Fund balance - ending \$ 8,302.32

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Reconstruction and Addition to North School
From Inception and for the Year Ended June 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 14,051,000.00	\$	\$ 14,051,000.00	\$ 14,051,000.00
Capital Reserve	820.26		820.26	820.26
Total Revenues	<u>14,051,820.26</u>	<u>-</u>	<u>14,051,820.26</u>	<u>14,051,820.26</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	877,685.19		877,685.19	877,685.19
Construction Services	13,106,928.03		13,106,928.03	13,106,928.03
Equipment Purchases	62,424.68		62,424.68	62,424.68
Total Expenditures	<u>14,047,037.90</u>	<u>-</u>	<u>14,047,037.90</u>	<u>14,047,037.90</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,782.36</u>	<u>-</u>	<u>4,782.36</u>	<u>4,782.36</u>
Other Financing Uses:				
Return To City - Type I School District	(2,391.36)		(2,391.36)	(2,391.36)
Return to EDA	(2,391.00)		(2,391.00)	(2,391.00)
Total Financing Uses:	<u>(4,782.36)</u>	<u>-</u>	<u>(4,782.36)</u>	<u>(4,782.36)</u>
Excess (deficiency) of revenues over (under) expenditures and Other Financing Uses	<u>\$ 0.00</u>	<u>\$ -</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	3/24/1993
Bonds Authorized	\$ 14,051,000.00
Bonds Issued	14,051,000.00
Original Authorized Cost	14,051,820.26
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Elementary School
From Inception and for the Year Ended June 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 372,332.22	\$	\$ 372,332.22	\$ 400,000.00
Total Revenues	<u>372,332.22</u>	<u></u>	<u>372,332.22</u>	<u>400,000.00</u>
Expenditures and Other Financing Uses:				
Construction Services	372,332.22		372,332.22	400,000.00
Total Expenditures	<u>372,332.22</u>	<u>-</u>	<u>372,332.22</u>	<u>400,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Uses:				
None	-		-	
Total Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date				
Bonds Authorized	\$ 400,000.00			
Bonds Issued	400,000.00			
Original Authorized Cost	400,000.00			
Additional Authorized Cost	N/A			
Revised Authorized Cost	N/A			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	93.08%			
Original Target Completion Date	10/30/2006			
Revised Target Completion Date	N/A			

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Capital Improvements
From Inception and for the Year Ended June 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 2,743,795.96	\$ -	\$ 2,743,795.96	\$ 2,800,000.00
Total Revenues	2,743,795.96	-	2,743,795.96	2,800,000.00
Expenditures and Other Financing Uses:				
Purchased Professional and				
Technical Services	208,873.80	-	208,873.80	208,873.80
Construction Services	2,068,292.46	-	2,068,292.46	2,124,496.50
Equipment Purchases	466,629.70	-	466,629.70	466,629.70
Total Expenditures	2,743,795.96	-	2,743,795.96	2,800,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	8/20/1997
Bonds Authorized	\$ 2,800,000.00
Bonds Issued	2,800,000.00
Original Authorized Cost	2,800,000.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	97.99%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Roofing Project
From Inception and for the Year Ended June 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - SCC Grant	\$ 183,707.15	\$ -	\$ 183,707.15	\$ 183,707.15
Type I District Bond Proceeds	275,661.73	-	275,661.73	555,000.00
Total Revenues	459,368.88	-	459,368.88	738,707.15
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	43,314.88	-	43,314.88	43,314.88
Construction Services	416,054.00	-	416,054.00	695,392.27
Total Expenditures	459,368.88	-	459,368.88	738,707.15
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -

Additional Project Information:

Project Number	0570-030-04-00KV
Grant Date	4/19/2004
Bond Authorization Date	4/28/2004
Bonds Authorized	\$ 925,311.00
Bonds Issued	925,311.00
Original Authorized Cost	925,311.00
Additional Authorized Cost	-
Revised Authorized Cost	925,311.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	100.0%
Original Target Completion Date	12/31/2004
Revised Target Completion Date	2/7/2005

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Capital Improvements
From Inception and for the Year Ended June 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 1,408,482.23	\$ 15,000.00	\$ 1,423,482.23	\$ 1,520,000.00
Total Revenues	<u>1,408,482.23</u>	<u>15,000.00</u>	<u>1,423,482.23</u>	<u>1,520,000.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	149,958.20	15,000.00	164,958.20	164,958.20
Construction Services	1,275,321.90		1,275,321.90	1,338,500.00
Total Expenditures	<u>1,425,280.10</u>	<u>15,000.00</u>	<u>1,440,280.10</u>	<u>1,503,458.20</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (16,797.87)</u>	<u>\$ -</u>	<u>\$ (16,797.87)</u>	<u>\$ 16,541.80</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	3/5/2008
Bonds Authorized	\$ 1,520,000.00
Bonds Issued	N/A
Original Authorized Cost	1,520,000.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	95.80%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Capital Improvements
From Inception and for the Year Ended June 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 3,987,214.76	\$ 132,407.02	\$ 4,119,621.78	\$ 4,900,000.00
Total Revenues	<u>3,987,214.76</u>	<u>132,407.02</u>	<u>4,119,621.78</u>	<u>4,900,000.00</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	158,483.50	14,855.50	173,339.00	173,339.00
Construction Services	3,919,061.34	2,121.25	3,921,182.59	3,921,182.59
Total Expenditures	<u>4,077,544.84</u>	<u>16,976.75</u>	<u>4,094,521.59</u>	<u>4,094,521.59</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (90,330.08)</u>	<u>\$ 115,430.27</u>	<u>\$ 25,100.19</u>	<u>\$ 805,478.41</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	3/5/2008
Bonds Authorized	\$ 4,900,000.00
Bonds Issued	N/A
Original Authorized Cost	\$ 4,900,000.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

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FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

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

Student Activity Fund – This agency fund is used to account for student funds held at the schools.

Payroll Fund – This agency fund is used to account for the payroll transactions of the school district.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2013

	Unemployment Compensation Trust	Agency Funds	Totals
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 255,814.29	\$ 115,924.53	\$ 371,738.82
Total Assets	<u>255,814.29</u>	<u>115,924.53</u>	<u>371,738.82</u>
LIABILITIES			
Interfund Payable		26,026.21	26,026.21
Payable to Student Groups		43,661.06	43,661.06
Payroll Deductions & Withholdings		46,237.26	46,237.26
Total Liabilities	<u>-</u>	<u>115,924.53</u>	<u>115,924.53</u>
NET POSITION			
Held in Trust for Unemployment Claims and Other Purposes	\$ <u><u>255,814.29</u></u>		

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2013

	Unemployment Compensation Trust	Totals
	<u> </u>	<u> </u>
ADDITIONS		
Contributions:		
None	\$ -	\$ -
Total Contributions	<u>-</u>	<u>-</u>
Investments Earnings:		
Interest	255.17	255.17
Net Investment Earnings	<u>255.17</u>	<u>255.17</u>
Total Additions	<u>255.17</u>	<u>255.17</u>
Deductions		
None	-	-
Total Deductions	<u>-</u>	<u>-</u>
Change in Net Position	255.17	255.17
Net Position - Beginning of the Year	<u>255,559.12</u>	<u>255,559.12</u>
Net Position - End of the Year	<u>\$ 255,814.29</u>	<u>\$ 255,814.29</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
STUDENT ACTIVITIES	\$ 6,277.26	\$ 18,717.21	\$ 8,655.20	\$ 16,339.27
STOKES	30,149.00	13,361.79	16,189.00	27,321.79
	<u>\$ 36,426.26</u>	<u>\$ 32,079.00</u>	<u>\$ 24,844.20</u>	<u>\$ 43,661.06</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> <u>June 30, 2013</u>
ASSETS:							
Cash and Cash Equivalents	\$ 127,413.07	\$	9,588,378.29	\$	9,643,527.89	\$	72,263.47
Total Assets	<u>\$ 127,413.07</u>	<u>\$</u>	<u>9,588,378.29</u>	<u>\$</u>	<u>9,643,527.89</u>	<u>\$</u>	<u>72,263.47</u>
LIABILITIES:							
Payroll Deductions & Withholding	\$ 101,386.86	\$	9,588,378.28	\$	9,643,527.88	\$	46,237.26
Interfund Payable	26,026.21		0.01		0.01		26,026.21
Total Liabilities	<u>\$ 127,413.07</u>	<u>\$</u>	<u>9,588,378.29</u>	<u>\$</u>	<u>9,643,527.89</u>	<u>\$</u>	<u>72,263.47</u>

STATISTICAL SECTION

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Invested in capital assets, net of related debt	\$ 3,449,302.60	\$ 4,089,522.40	\$ 5,378,490.50	\$ 6,244,538.05	\$ 6,753,322.20	\$ 7,664,297.94	\$ 9,739,666.33	\$ 11,011,219.72	\$ 15,820,145.15	\$ 15,270,657.48
Restricted	706.82	1,061,274.64	1,040,603.00	1,912,367.00	1,988,535.00	2,233,884.00	1,464,220.00	(2,446,423.86)	3,011,236.55	3,436,683.83
Unrestricted	167,676.54	(124,414.28)	1,036,952.84	377,367.09	319,889.61	159,621.68	(624,134.86)	(468,994.30)	(577,002.85)	(509,482.08)
Total governmental activities net position	\$ 3,617,685.96	\$ 5,026,382.76	\$ 7,456,046.34	\$ 8,534,292.14	\$ 9,061,746.81	\$ 10,057,803.62	\$ 10,579,751.47	\$ 8,095,801.56	\$ 18,254,378.85	\$ 18,197,859.23
Business-type activities										
Invested in capital assets, net of related debt	\$ 39,490.84	\$ 54,448.20	\$ 57,258.32	\$ 49,176.89	\$ 43,311.95	\$ 46,541.00	\$ 40,830.56	\$ 35,372.90	\$ 29,211.96	\$ 45,125.82
Restricted	185,579.23	179,965.95	144,992.69	147,745.88	130,178.35	130,514.73	150,641.45	133,732.59	152,787.32	160,331.91
Unrestricted	225,070.07	234,414.15	202,251.01	186,922.77	173,490.30	177,055.73	191,472.01	169,105.49	181,999.28	205,457.73
Total business-type activities net position	\$ 3,488,793.44	\$ 4,143,970.60	\$ 5,435,748.82	\$ 6,293,714.94	\$ 6,796,634.15	\$ 7,710,838.94	\$ 9,780,496.89	\$ 11,046,592.62	\$ 15,849,357.11	\$ 15,315,783.30
District-wide										
Invested in capital assets, net of related debt	706.82	1,061,274.64	1,040,603.00	1,912,367.00	1,988,535.00	2,233,884.00	1,464,220.00	(2,446,423.86)	3,011,236.55	3,436,683.83
Restricted	353,255.77	55,951.67	1,181,945.53	525,132.97	450,067.96	290,136.41	(473,493.41)	(355,261.71)	(424,215.53)	(349,150.17)
Unrestricted	3,842,756.03	5,260,796.91	7,656,297.35	8,731,214.91	9,235,237.11	10,234,859.35	10,771,223.48	8,264,907.05	18,436,378.13	18,403,316.96
Total district net position	\$ 3,842,756.03	\$ 5,260,796.91	\$ 7,656,297.35	\$ 8,731,214.91	\$ 9,235,237.11	\$ 10,234,859.35	\$ 10,771,223.48	\$ 8,264,907.05	\$ 18,436,378.13	\$ 18,403,316.96

Source: CAFR Schedule A-1

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting
(Unaudited)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
Instruction:										
Regular	\$ 7,030,268.50	\$ 6,823,029.27	\$ 6,672,551.89	\$ 6,801,251.49	\$ 6,860,614.50	\$ 6,399,554.83	\$ 7,157,506.96	\$ 7,727,743.34	\$ 7,321,813.72	\$ 7,770,197.62
Special education	982,597.62	1,143,079.18	1,090,681.34	1,277,374.24	1,144,057.00	1,281,881.15	1,293,302.52	1,410,832.71	1,511,832.08	1,532,343.89
Other special education	295,361.48	349,920.97	317,225.75	320,345.15	389,851.00	437,700.70	481,747.42	475,837.86	545,882.29	561,996.74
Support Services:										
Tuition	3,310,206.92	3,240,356.76	3,831,074.76	3,824,933.43	3,749,211.71	3,937,298.34	5,043,827.17	4,944,227.99	4,051,642.14	4,603,152.24
Student & instruction related services	1,801,706.08	1,735,012.92	1,802,052.12	2,219,089.80	2,398,602.46	2,179,472.45	2,004,955.57	1,888,280.19	2,115,350.01	2,089,428.14
General administrative services	401,026.77	490,326.92	484,510.52	494,127.15	513,793.79	502,708.58	485,817.39	455,716.73	473,897.78	446,170.35
School administrative services	481,002.69	530,360.93	536,181.64	608,975.63	570,071.70	538,411.06	523,248.07	547,354.43	603,706.85	562,377.32
Business administrative services	259,059.65	344,901.70	276,278.87	302,616.02	309,072.87	321,842.52	343,811.11	339,034.03	390,462.02	397,845.57
Plant operations and maintenance	1,680,064.90	1,391,469.16	1,546,926.40	1,723,770.82	1,648,681.17	1,715,179.76	1,760,752.52	5,097,017.60	436,202.01	1,778,832.75
Pupil transportation	1,073,030.48	797,329.04	903,951.30	867,876.29	882,060.15	859,248.89	814,560.42	780,461.59	865,682.91	795,222.65
Charter Schools	15,785.00	45,529.00	113,900.00	84,236.00	89,451.00	160,922.00	221,065.00	345,274.00	406,916.00	408,670.00
Unallocated depreciation		403,109.60	489,798.52	495,156.74	518,980.17	532,340.37	543,360.47			
Total governmental activities expenses	<u>17,330,110.09</u>	<u>17,294,425.45</u>	<u>18,065,113.11</u>	<u>19,019,752.76</u>	<u>19,074,447.52</u>	<u>18,866,560.65</u>	<u>20,673,954.62</u>	<u>24,011,860.47</u>	<u>18,723,387.81</u>	<u>20,946,237.27</u>
Business-type activities:										
Food service	357,778.06	382,655.95	364,486.88	329,520.35	345,831.02	330,111.63	301,448.41	327,394.98	307,617.25	306,157.13
Child care	49,551.01	51,204.20	64,081.60	46,684.30	38,413.11	39,120.22	40,598.82	41,766.38	41,856.52	42,960.39
Total business-type activities expenses	<u>407,329.07</u>	<u>433,860.15</u>	<u>428,568.48</u>	<u>376,184.65</u>	<u>384,244.13</u>	<u>369,231.85</u>	<u>342,047.23</u>	<u>369,161.36</u>	<u>349,473.77</u>	<u>349,117.52</u>
Total district expense:	<u>\$ 17,737,439.16</u>	<u>\$ 17,728,285.60</u>	<u>\$ 18,493,681.59</u>	<u>\$ 19,395,937.41</u>	<u>\$ 19,458,691.65</u>	<u>\$ 19,235,792.50</u>	<u>\$ 21,016,002.85</u>	<u>\$ 24,381,041.83</u>	<u>\$ 19,072,861.58</u>	<u>\$ 21,295,354.79</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting
(Unaudited)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Program Revenues										
Governmental activities:										
Operating grants and contributions	\$ 2,005,857.60	\$ 4,431,201.36	\$ 4,351,358.87	\$ 4,751,380.08	\$ 4,965,784.05	\$ 2,726,538.80	\$ 3,823,174.65	\$ 895,237.44	\$ 6,548,672.93	\$ 3,058,064.35
Charges for services								1,600.00	9,037.14	16,671.00
Total governmental activities program revenues	<u>2,005,857.60</u>	<u>4,431,201.36</u>	<u>4,351,358.87</u>	<u>4,751,380.08</u>	<u>4,965,784.05</u>	<u>2,726,538.80</u>	<u>3,823,174.65</u>	<u>896,837.44</u>	<u>6,557,710.07</u>	<u>3,074,735.35</u>
Business-type activities:										
Charges for services:										
Food service	218,616.45	220,605.53	197,553.06	180,219.23	180,336.93	178,813.35	161,302.51	160,798.07	150,579.56	135,698.37
Child care	61,404.77	57,061.51	44,322.02	53,037.82	38,490.31	46,571.08	43,395.99	37,628.74	40,657.53	42,250.50
Operating grants and contributions	140,770.01	163,946.82	151,894.26	134,754.43	140,213.76	146,976.21	151,574.66	148,197.03	171,082.69	194,627.10
Total business-type activities program revenue	<u>420,791.23</u>	<u>441,613.86</u>	<u>393,769.34</u>	<u>368,011.48</u>	<u>359,041.00</u>	<u>372,360.64</u>	<u>356,273.16</u>	<u>346,623.84</u>	<u>362,319.78</u>	<u>372,575.97</u>
Total district program revenue	<u>\$ 2,426,648.83</u>	<u>\$ 4,872,815.22</u>	<u>\$ 4,745,128.21</u>	<u>\$ 5,119,391.56</u>	<u>\$ 5,324,825.05</u>	<u>\$ 3,098,899.44</u>	<u>\$ 4,179,447.81</u>	<u>\$ 1,243,461.28</u>	<u>\$ 6,920,029.85</u>	<u>\$ 3,447,311.32</u>
Net (Expense)/Revenue										
Governmental activities	\$ (15,324,252.49)	\$ (12,863,224.09)	\$ (13,713,754.24)	\$ (14,268,372.68)	\$ (14,108,663.47)	\$ (16,140,021.85)	\$ (16,850,779.97)	\$ (23,115,043.03)	\$ (12,165,677.74)	\$ (17,871,501.92)
Business-type activities	13,462.16	7,753.71	(347,991.14)	(8,173.17)	(25,203.13)	3,128.79	14,224.93	(22,537.52)	12,846.01	23,458.45
Total district-wide net expense	<u>\$ (15,310,790.33)</u>	<u>\$ (12,855,470.38)</u>	<u>\$ (13,748,553.38)</u>	<u>\$ (14,276,545.85)</u>	<u>\$ (14,133,866.60)</u>	<u>\$ (16,136,893.06)</u>	<u>\$ (16,836,555.04)</u>	<u>\$ (23,137,580.55)</u>	<u>\$ (12,152,831.73)</u>	<u>\$ (17,848,043.47)</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 12,117,139.00	\$ 13,003,759.00	\$ 13,862,635.00	\$ 13,665,336.00	\$ 13,357,427.00	\$ 13,657,427.00	\$ 14,630,904.00	\$ 16,271,692.00	\$ 16,284,269.00	\$ 16,278,361.00
Unrestricted grants and contributions	2,616,203.09	262,211.22	261,015.66	211,440.14	306,234.57	1,995,277.91	1,399,394.34	3,139,663.35	2,013,044.18	1,323,287.01
Miscellaneous income	50,604.95	50,141.35	130,892.25	189,857.60	134,351.83	198,089.01	27,644.75	47,819.38	44,412.16	214,323.15
Transfers	1,193,213.29	955,810.32	1,788,885.01	1,279,984.74	840,784.74	1,285,284.74	1,314,784.73	1,183,784.73	1,354,784.73	
Special items:										
Insurance Recovery Related to Impaired Capital Assets					(2,680.00)			(11,866.34)	(1,824.50)	8,697.00
Loss on Disposal of Capital Assets								20,631,093.12	19,694,685.57	(9,685,886)
Total governmental activities	\$ 15,977,160.33	\$ 14,271,920.89	\$ 16,143,417.82	\$ 15,346,618.48	\$ 14,636,118.14	\$ 17,136,078.66	\$ 17,372,727.82	\$ 20,631,093.12	\$ 19,694,685.57	\$ 17,814,982.30
Business-type activities:										
Investment earnings	537.15	1,590.37	2,636.00	2,844.93	1,770.66	436.64	191.35	171.00	47.78	-
Total business-type activities	537.15	1,590.37	2,636.00	2,844.93	1,770.66	436.64	191.35	171.00	47.78	-
Total district-wide	\$ 15,977,697.48	\$ 14,273,511.26	\$ 16,146,053.82	\$ 15,349,463.41	\$ 14,637,888.80	\$ 17,136,515.30	\$ 17,372,919.17	\$ 20,631,264.12	\$ 19,694,733.35	\$ 17,814,982.30
Changes in Net Position	\$ 652,907.84	\$ 1,408,696.80	\$ 2,429,663.68	\$ 1,078,245.80	\$ 527,454.67	\$ 996,066.81	\$ 1,521,947.85	\$ (2,483,949.91)	\$ 7,529,007.83	\$ (66,519.62)
Governmental activities	13,999.31	9,344.08	(32,163.14)	(6,328.24)	(23,432.47)	3,565.43	14,416.28	(22,366.52)	12,893.79	23,458.45
Business-type activities	\$ 666,907.15	\$ 1,418,040.88	\$ 2,397,500.44	\$ 1,072,917.56	\$ 504,022.20	\$ 999,622.24	\$ 536,364.13	\$ (2,506,316.43)	\$ 7,541,901.62	\$ (33,061.17)

Source: CAFR Schedule A-2

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(Unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Tax Levy	\$ 12,117,139	\$ 13,003,758.00	\$ 13,962,635.00	\$ 13,665,336.00	\$ 13,357,427.00	\$ 13,657,427.00	\$ 14,630,904.00	\$ 16,271,692.00	\$ 16,284,269.00	\$ 16,278,361.00
Tuition charges								1,600.00	9,037.14	16,671.00
Interest earnings	50,604.95	50,141.35	130,882.25	189,857.60	139,565.83	198,089.01	27,644.76	23,765.84	41,400.24	82,070.13
Miscellaneous	3,811,394.51	3,953,831.85	3,754,603.68	4,313,862.09	4,532,606.77	4,056,302.79	3,249,544.39	3,332,158.29	3,869,052.06	3,907,266.95
State sources	810,676.18	739,580.73	690,287.75	635,928.86	569,307.26	648,020.06	617,231.00	652,698.87	706,562.39	473,930.41
Federal sources			167,483.00	13,029.27	91,000.00	8,143.00	74,645.59	50,043.63	25,953.36	5,000.00
Transfer From general fund										
Total revenue	<u>16,789,804.64</u>	<u>17,747,311.93</u>	<u>18,705,891.88</u>	<u>18,181,013.82</u>	<u>18,689,906.86</u>	<u>18,467,981.86</u>	<u>19,599,969.74</u>	<u>20,331,958.63</u>	<u>20,936,274.19</u>	<u>20,763,299.49</u>
Expenditures										
Instruction:										
Regular instruction	5,435,326.45	5,324,127.56	5,309,078.86	4,971,154.78	5,126,629.87	4,724,540.70	5,275,199.41	5,377,203.52	5,418,068.82	5,206,621.87
Special education instruction	755,199.96	807,180.79	781,966.06	838,991.99	788,199.10	914,931.64	892,289.90	928,425.08	1,037,484.06	1,001,439.88
Other special education instruction	227,007.45	255,936.24	237,069.39	221,423.93	271,230.56	317,394.62	342,448.23	333,055.87	345,439.10	371,729.09
Support Services:										
Tuition	3,310,206.92	3,240,356.76	3,831,074.76	3,824,933.43	3,749,211.71	3,937,298.34	5,043,827.17	4,944,227.99	4,051,642.14	4,603,152.24
Student & instruction related services	1,384,746.24	1,300,259.17	1,417,237.07	1,675,766.20	1,853,790.85	1,701,184.76	1,458,763.02	1,318,390.33	1,342,649.32	1,411,881.41
General administrative services	308,219.14	403,863.41	393,042.54	383,693.31	405,206.52	409,274.56	417,964.44	346,038.46	389,679.44	334,217.46
School administrative services	369,686.64	377,115.82	384,844.38	401,773.93	383,422.54	382,020.92	337,473.03	360,863.60	369,348.94	370,238.87
Business administrative services	199,106.77	239,515.38	203,600.74	201,333.06	212,062.00	234,038.55	246,146.84	242,199.51	249,311.64	272,768.30
Plant operations and maintenance	1,360,164.77	1,122,688.63	1,290,753.31	1,411,091.27	1,349,334.95	1,448,036.71	1,407,156.23	1,410,576.73	1,291,332.93	1,339,341.80
Pupil transportation	868,715.41	788,138.50	890,530.11	857,163.50	879,601.28	857,465.29	811,021.11	776,719.52	860,616.74	794,744.87
Unallocated employee benefits	2,565,517.06	2,811,515.70	2,727,033.99	3,596,441.69	3,479,571.49	3,180,530.90	3,584,616.04	3,773,506.15	3,666,505.53	4,046,679.21
Charter Schools	15,785.00	45,529.00	113,900.00	84,236.00	89,451.00	160,922.00	221,065.00	345,274.00	406,916.00	408,670.00
Capital outlay	81,531.23	469,664.10	477,640.53	96,126.66	185,569.06	154,305.64	1,330,339.21	4,034,130.36	165,988.89	191,700.44
Total Expenditures	<u>16,881,213.04</u>	<u>17,215,911.06</u>	<u>18,057,771.74</u>	<u>18,564,331.75</u>	<u>18,753,280.93</u>	<u>18,421,884.65</u>	<u>21,368,309.63</u>	<u>24,192,611.12</u>	<u>19,544,983.55</u>	<u>20,353,185.46</u>
Excess (Deficiency) of revenues over (under) expenditures	(91,408.40)	531,400.87	648,119.94	253,682.07	(63,374.07)	46,097.21	(2,768,339.89)	(3,860,652.49)	1,391,290.64	410,114.03
Other Financing Sources (Uses)										
Proceeds from bonds issued by City		274,232.40	452,600.27	11,200.00	73,890.59	109,350.86	1,281,148.00	24,053.54	3,963,161.22	127,407.02
Insurance Recoveries for Storm Damage										1,193,715.50
Expenses related to Storm Damage										(1,193,715.50)
Insurance Recovery Related to Impaired Capital Assets		(706.82)								8,697.00
Return of Proceeds Type 1 Municipality										
Total other financing sources (uses)		<u>273,525.58</u>	<u>452,600.27</u>	<u>11,200.00</u>	<u>73,890.59</u>	<u>109,350.86</u>	<u>1,281,148.00</u>	<u>24,053.54</u>	<u>3,963,161.22</u>	<u>136,104.02</u>
Net change in fund balances	<u>\$ (91,408.40)</u>	<u>\$ 804,926.45</u>	<u>\$ 1,100,720.21</u>	<u>\$ 264,882.07</u>	<u>\$ 10,516.52</u>	<u>\$ 155,448.07</u>	<u>\$ (1,487,191.89)</u>	<u>\$ (3,836,598.95)</u>	<u>\$ 5,354,451.86</u>	<u>\$ 546,218.05</u>
Type 1 School district										
Debt service is part of the Municipality										

Source: CAFR Schedule B-2

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 General Fund Other Local Revenue by Source,
 Last Ten Fiscal Years
 (Unaudited)**

Exhibit J-5

Fiscal Year Ended June 30,	Interest on		Totals
	Investments	Miscellaneous	
2004	8,532.07	42,072.88	50,604.95
2005	41,835.87	8,305.48	50,141.35
2006	114,857.52	16,024.73	130,882.25
2007	169,479.17	20,378.43	189,857.60
2008	106,323.72	28,028.11	134,351.83
2009	23,179.82	174,909.19	198,089.01
2010	14,036.24	13,608.52	27,644.76
2011	5,062.26	18,703.58	23,765.84
2012	2,241.78	39,158.46	41,400.24
2013	-	82,070.13	82,070.13

Source: District Records

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-exempt Property	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2004	13,246,000	1,096,039,400			46,102,300		2,578,900	1,157,966,600		1,113,477	1,159,080,077	1.225	2,183,696,632
2005	12,962,900	1,118,543,700			45,937,700		2,314,400	1,179,758,700		859,394	1,180,618,094	1.279	2,739,801,904
2006	103,022,800	4,508,841,200			100,457,900		4,502,800	4,716,824,700		1,834,404	4,718,659,104	0.327	3,385,755,421
2007	122,550,100	4,443,305,200			95,193,900		4,502,800	4,665,552,000		1,870,755	4,667,422,755	0.323	4,262,941,273
2008	100,178,900	4,499,661,000			94,761,900		3,309,000	4,697,910,800		1,929,768	4,699,840,568	0.320	4,581,730,946
2009	81,086,300	4,524,043,600			94,734,700		3,309,000	4,703,173,600		1,989,400	4,705,163,000	0.333	4,554,986,034
2010	76,346,600	4,489,202,400			92,716,600		3,309,000	4,661,574,600		1,948,692	4,663,523,292	0.364	4,346,611,259
2011	79,386,100	4,414,725,100			91,501,900		3,309,000	4,598,922,100		1,764,264	4,590,686,364	0.388	4,168,739,696
2012	74,996,400	4,268,649,800			97,486,600		3,309,000	4,444,441,800		1,761,220	4,446,203,020	0.400	3,852,983,302
2013	71,758,800	4,082,642,200			94,821,800		3,309,000	4,252,531,800		1,570,162	4,254,101,962	0.413	3,501,047,366

Source: County Abstract of Rates & Municipal Tax Assessor

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Direct and Overlapping Property Tax Rates,
 Last Ten Fiscal Years
 (rate per \$100 of assessed value)
 (Unaudited)**

Fiscal Year Ended June 30,	Brigantine Board of Education			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Open Space	County Other	Municipal Local Purpose	
2004	1.084	0.142	1.226	0.714	0.038	0.115	0.981	3.074
2005	1.142	0.137	1.279	0.780	0.047	0.129	1.130	3.365
2006	0.293	0.034	0.327	0.212	0.014	0.035	0.321	0.909
2007	0.290	0.033	0.323	0.219	0.018	0.039	0.351	0.950
2008	0.288	0.032	0.320	0.219	0.020	0.040	0.388	0.987
2009	0.301	0.032	0.333	0.240	0.005	0.045	0.409	1.032
2010	0.331	0.033	0.364	0.247	0.005	0.043	0.432	1.091
2011	0.355	0.033	0.388	0.275	0.005	0.045	0.446	1.159
2012	0.366	0.034	0.400	0.266	0.005	0.044	0.488	1.203
2013	0.375	0.038	0.413	0.325	0.005	0.043	0.522	1.308

Source: District Records and Municipal Tax Collector

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Principal Property Tax Payers,
Two Years and Ten Years Ago
(Unaudited)**

Exhibit J-8

Taxpayer	2011			2003		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Brigantine Town Assoc.	\$ 17,500,000	1	0.38%	\$ 8,252,300	2	0.72%
Celebrity Resorts of NJ, LLC	14,063,100	2	0.31%	10,224,700	1	0.89%
Brigantine on the Bay, LLC	10,652,600	3	0.23%			
Narberth Property Acq., LLC	8,829,300	4	0.19%			
La Sammana Ventures	8,469,900	5	0.18%	3,850,700	3	0.33%
Sand Coast Joint Ventures	7,831,000	6	0.17%	2,181,400	5	0.19%
Taxpayer #1	7,252,700	7	0.16%			
AIN NJ Brigantine LLC CVS	6,546,800	8	0.14%			
Nita Properties, LLC	6,379,700	9	0.14%			
Taxpayer #2	5,299,600	10	0.12%			
Taxpayer #3				2,575,200	4	0.22%
Sally Shierstead Motel				1,780,700	6	0.15%
Taxpayer #4				1,298,300	7	0.11%
Washington Group Ltd.				1,271,500	8	0.11%
B & J Reality				1,179,100	9	0.10%
Carrier				1,152,200	10	0.10%
Totals	\$ 92,824,700		2.02%	\$ 33,766,100		2.94%
						\$ 1,150,359,513

Source: District CAFR & Municipal Tax Assessor

Exhibit J-9

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Property Tax Levies and Collections,
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	12,117,139.00	12,117,139.00	100%	-
2005	13,003,758.00	13,003,758.00	100%	-
2006	13,962,635.00	13,962,635.00	100%	-
2007	13,665,336.00	13,665,336.00	100%	-
2008	13,357,427.00	13,357,427.00	100%	-
2009	13,657,427.00	13,657,427.00	100%	-
2010	14,630,904.00	14,630,904.00	100%	-
2011	16,271,692.00	16,271,692.00	100%	-
2012	16,284,269.00	16,284,269.00	100%	-
2013	16,278,361.00	16,278,361.00	100%	-

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

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years
(Unaudited)**

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income	Per Capita Personal Income
	General Obligation Bonds	Certificates of Participation	Capital Leases	Capital Leases				
2004	11,896,347					11,896,347	0.29%	34,442
2005	11,214,063					11,214,063	0.32%	35,552
2006	9,877,778					9,877,778	0.37%	36,874
2007	8,608,993					8,608,993	0.45%	38,351
2008	7,768,208					7,768,208	0.51%	39,370
2009	6,482,924					6,482,924	0.59%	38,175
2010	5,168,139					5,168,139	0.77%	39,746
2011	3,984,354					3,984,354	1.01%	40,262
2012	2,629,569					2,629,569	1.53%	40,262
2013	7,599,785					7,599,785	0.53%	40,262

Exhibit J-11

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Ratios of Net General Bonded Debt Outstanding,
 Last Ten Fiscal Years
 (Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities			Percentage of Actual Taxable Value of Property	Per Capita Personal Income
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2004	11,896,347	-	11,896,347	1.03%	34,442
2005	11,214,063	-	11,214,063	0.95%	35,552
2006	9,877,778	-	9,877,778	0.21%	36,874
2007	8,608,993	-	8,608,993	0.18%	38,351
2008	7,768,208	-	7,768,208	0.17%	39,370
2009	6,482,924	-	6,482,924	0.14%	38,175
2010	5,168,139	-	5,168,139	0.11%	39,746
2011	3,984,354	-	3,984,354	0.09%	40,262
2012	2,629,569	-	2,629,569	0.06%	40,262
2013	7,599,785	-	7,599,785	0.18%	40,262

Exhibit J-12

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Direct and Overlapping Governmental Activities Debt,
 As of June 30, 2013
 (Unaudited)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Brigantine Municipality - (December 31, 2012)	\$ 29,835,156.94	100.00%	\$ 29,835,156.94
Other Debt			
County of Atlantic (December 31, 2012)	113,627,792.00	8.24%	9,360,629.16
Subtotal, Overlapping Debt			39,195,786.10
Brigantine School District Direct Debt			7,599,784.72
Total Direct and Overlapping Debt			\$ 46,795,570.82

Sources: City of Brigantine and County of Atlantic.

Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Legal Debt Margin Information,
Last Ten Fiscal Years
(Unaudited)

Exhibit J-13

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 53,633,332	\$ 65,927,267	\$ 81,625,592	\$ 103,041,107	\$ 121,604,670	\$ 133,972,579	\$ 134,714,404	\$ 131,563,788	\$ 125,844,318	\$ 121,579,069
Total net debt applicable to limit	11,896,347	11,214,063	9,877,778	8,608,993	7,768,208	6,482,924	5,168,139	3,984,354	2,629,569	7,599,785
Legal debt margin	\$ 41,736,985	\$ 54,713,204	\$ 71,747,814	\$ 94,432,114	\$ 113,836,462	\$ 127,489,655	\$ 129,546,265	\$ 127,579,434	\$ 123,214,749	\$ 113,979,284
Total net debt applicable to the limit as a percentage of debt limit	22.18%	17.01%	12.10%	8.35%	6.39%	4.84%	3.84%	3.03%	2.09%	6.25%

Equalized valuation basis	2012	2011	2010
	\$ 3,953,294,012	3,974,124,968	4,230,487,885
	<u>\$ 12,157,006,866</u>		

Average equalized valuation of taxable property	\$
	4,052,635,622

Debt limit (3% of average)	121,579,069
Net bonded school debt	7,599,785
Legal debt margin	<u>\$ 113,979,284</u>

Source: Abstract of Ratables and District Records CAFR Schedule J-7

Exhibit J-14

Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Demographic and Economic Statistics,
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	** Per Capita Personal Income	Unemployment Rate
2004	12,633	-	34,442	4.8%
2005	12,722	-	35,552	3.9%
2006	12,772	-	36,874	4.3%
2007	12,695	-	38,351	4.3%
2008	12,633	-	39,370	5.3%
2009	12,643	-	38,175	9.6%
2010	9,454	-	39,746	9.9%
2011	9,443	-	40,262	10.0%
2012	9,420	-	40,262	10.4%
2013	9,420	-	40,262	Not Available

** County wide information

Source:

U.S. Department of Commerce, Bureau of Economic Analysis,
 Regional Economic Information System; New Jersey Department of Labor,
 Bureau of Labor Force Statistics; U.S. Bureau of Census, Population Division

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Principal Employers,
 Current Year and Nine Years Ago
 (Unaudited)**

Exhibit J-15

Employer	2013			2004		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
		1				
		2				
		3				
		4				
		5				
		6				
		7				
		8				
		9				
		10				
INFORMATION NOT AVAILABLE						
Totals	-		0.00%	-		0.00%

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years
(Unaudited)

<u>Function/Program</u>	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Instruction:										
Regular instruction	112	103	93	84	82	75	73	73	71	69
Special education instruction	11	11	10	19	22	21	21	21	21	23
Other special education instruction										
Vocational education										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition										
Student & instruction related services	15	15	15	16	16	14	14	13	13	13
General administrative services	2	2	2	2	2	2	2	2	2	2
School administrative services	6	6	6	6	6	6	6	6	6	6
Business administrative services	4	4	4	4	4	4	4	4	4	4
Plant operations and maintenance	18	17	19	19	19	19	19	17	19	19
Pupil transportation										
Special schools										
Food Service										
Child Care										
Total	168	158	149	150	151	141	139	136	136	136

Source: District Personnel Records

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Operating Statistics,
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School				
2004	1,462	16,799,662	11,491	12.43%	117	1:18	1:25	1,338	1,258	-5.24%	94.02%
2005	1,370	16,746,247	12,224	5.99%	109	1:18	1:23	1,096	1,025	-18.09%	93.52%
2006	1,191	17,580,131	14,767	17.22%	103	1:13	1:13	950	899	-14.02%	94.63%
2007	1,049	16,849,191	16,070	8.11%	91	1:11	1:9	899	846	-6.22%	94.17%
2008	1,053	16,833,682	15,994	-0.47%	89	1:10	1:9	855	811	-4.18%	94.85%
2009	990	17,467,220	17,644	9.35%	74	1:12	1:11	839	782	-3.43%	93.21%
2010	988	19,171,128	19,404	9.07%	73	1:13	1:9	810	763	-2.27%	94.17%
2011	956	19,308,519	20,197	3.93%	73	1:13	1:9	796	753	-1.86%	94.60%
2012	971	18,548,366	19,102	-5.73%	71	1:11	1:9	773	733	-1.86%	94.83%
2013	931	20,876,501	22,424	14.81%	69	1:10	1:13	752	708	-1.86%	94.15%

Source: District records, ASSA and Schedules J-12, J-14

**CITY OF BRIGANTINE SCHOOL DISTRICT
 (A Component Unit of the City of Brigantine)
 School Building Information,
 Last Ten Fiscal Years
 (Unaudited)**

Exhibit J-18

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>District Buildings</u>										
<u>Elementary</u>										
Square Feet	124,794	124,794	124,794	124,794	124,794	124,794	124,794	124,794	124,794	124,794
Capacity (students)	933	933	933	933	933	933	933	933	933	933
Enrollment	674	626	526	500	467	456	480	478	473	446
<u>Middle School</u>										
Square Feet	102,087	102,087	102,087	102,087	102,087	102,087	102,087	102,087	102,087	102,087
Capacity (students)	621	621	621	621	621	621	621	621	621	621
Enrollment	543	514	447	385	385	381	333	319	295	303

Number of Schools at June 30, 2013
 Elementary - 1
 Middle - 1

Source: District Records, ASSA

CITY OF BRIGANTINE SCHOOL DISTRICT
 (A Component Unit of the City of Brigantine)
 Schedule of Required Maintenance for School Facilities,
 Last Ten Fiscal Years
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Elementary School	N/A	\$ 146,025	\$ 170,853	\$ 174,077	\$ 178,405	\$ 147,091	\$ 177,717	\$ 191,692	\$ 175,769	\$ 174,090	\$ 216,246
Middle school	N/A	119,445	136,765	142,427	146,485	120,348	145,381	156,839	143,811	142,437	176,929
Grand Total		<u>\$ 265,470</u>	<u>\$ 307,618</u>	<u>\$ 316,504</u>	<u>\$ 324,890</u>	<u>\$ 267,439</u>	<u>\$ 323,098</u>	<u>\$ 348,532</u>	<u>\$ 319,580</u>	<u>\$ 316,527</u>	<u>\$ 393,175</u>

Source: District Records

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Insurance Schedule
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Exhibit J-20

<u>Company</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>	<u>Deductible</u>
ACCASBOJIF	School Package Policy: Property - Blanket Buildings & Contents Comprehensive General & Automobile Comprehensive Crime Coverage	\$ 150,000,000 10,000,000 500,000	\$ 500 None 500
ACCASBOJIF	Boiler and Machinery - Property Damage	125,000,000	1,000
ACCASBOJIF	Workers; Compensation - Coverage A	Statutory	None
ACCASBOJIF	School Board Legal Liability - D & O Policy	10,000,000	None
ACCASBOJIF	Pollution Legal Liability - Coverage	3,000,000	25,000

Source: District Records

SINGLE AUDIT SECTION



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-1 INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
City of Brigantine School District
(A component unit of the City of Brigantine)
County of Atlantic
Brigantine, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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 the City of Brigantine School District (A component unit of the City of Brigantine), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Brigantine School District's basic financial statements, and have issued our report thereon dated November 22, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Brigantine School Districts' 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 City of Brigantine School Districts' internal control. Accordingly, we do not express an opinion on the effectiveness of 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 the City of Brigantine School Districts basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic 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 prescribed by the Division of Finance, Department of Education, and 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.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

November 22, 2013



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2 INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
City of Brigantine School District
(A component unit of the City of Brigantine)
Brigantine, New Jersey

Report on Compliance for Each Major State Program

We have audited the City of Brigantine School District's (A component unit of the City of Brigantine) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the New Jersey *State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the City of Brigantine School District's major federal and state programs for the year ended June 30, 2013. The City of Brigantine 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 the City of Brigantine 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; and New Jersey 04-04 *State Aid/Grant Compliance Supplement*. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the City of Brigantine 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 and state program. However, our audit does not provide a legal determination of the City of Brigantine School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City of Brigantine School District (A component unit of the City of Brigantine) complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

November 22, 2013

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Schedule of Expenditures of Federal Awards
for the Year ended June 30, 2013

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	From	To	Grant Period From	To	Balance at June 30, 2012	Due to Grantor at June 30, 2012	Carryover/ (Waiver) Amount	Cash Received	Budgetary Expenditures	Payable cancelled	Adjustments / Repayment for Year Balances	(Accounts Receivable) at June 30, 2013	Unearned Revenue at June 30, 2013	Due to Grantor at June 30, 2013
U.S. Department of Education																	
General Fund																	
Education Jobs Fund Program	84.410		\$ 104,394.00	7/1/2010	#	8/31/2012		\$ -	\$ -	\$ -	\$ 4,409.19	\$ (4,409.19)	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Fund																	
U.S. Department of Education Passed-Through State Department of Education:																	
Special Revenue Fund:																	
Special Education Cluster (IDEA):																	
I.D.E.A.Part B Preschool	84.173	FS0001012	\$ 7,456.00	9/1/2012		8/31/2013		\$ (23,102.90)	\$ -	\$ -	\$ 23,102.90	\$ (7,456.00)	\$ -	\$ (7,456.00)	\$ -	\$ -	\$ -
I.D.E.A.Part B Basic	84.027	FT0001012	285,613.00	9/1/2011		8/31/2012					160,700.00	(281,222.00)		(100,522.00)			
I.D.E.A.Part B Basic	84.027	FT0001013	281,222.00	9/1/2012		8/31/2013		(1.00)		1.00							
I.D.E.A.Part B Basic ARRA	84.391	FT0001011	233,261.00	9/1/2010		8/31/2011											
Total Special Education Cluster (IDEA)								(23,103.90)			183,803.90	(285,678.00)			(107,978.00)		
Title I, Part A Cluster:																	
Title I	84.010	NCLB001012	209,716.00	9/1/2011		8/31/2012		(27,751.55)			37,098.00	(9,255.04)		(0.51)	0.00		
Title I ARRA Part A	84.010	NCLB001013	217,429.00	9/1/2012		8/31/2013		(37.78)			121,970.00	(144,946.61)			(22,976.61)		
Total Title I, Part A Cluster	84.399	NCLB001010	61,673.00	9/1/2010		8/31/2011		(27,789.33)			159,015.78	(154,202.55)		(0.51)	(22,976.61)		
No Child Left Behind (NCLB):																	
Title II - Part A	84.367A	NCLB057009	56,842.00	9/1/2011		8/31/2012		(7,976.39)			7,977.00	(38,120.79)		(0.61)	(0.00)		
Title II - Part A	84.367A	NCLB057009	39,105.00	9/1/2012		8/31/2013		(424.00)			424.00	(6,522.79)					
Title II Part D	84.261D	NCLB001011	425.00	9/1/2012		8/31/2012					4,846.00	(6,519.88)			(3,673.88)		
Title III	84.365	NCLB001013	10,191.00	9/1/2012		8/31/2013											
Total Special Revenue Fund								(69,293.62)			387,664.68	(469,521.22)		(1.12)	(141,151.29)		
U.S. Department of Education Passed-through State Department of Education:																	
Enterprises Fund:																	
Food Distribution Program	10.550	N/A	17,555.12	7/1/2012		6/30/2013					17,555.12	(17,555.12)					
Child Nutrition Assistance	10.551	N/A	3,723.96	7/1/2012		6/30/2013					3,466.86	(3,723.96)			(257.10)		
School Nutrition Cluster																	
School Breakfast Program	10.553	N/A	28,242.79	7/1/2012		6/30/2013					26,419.51	(28,242.79)			(1,823.28)		
School Breakfast Program	10.553	N/A	25,200.63	7/1/2012		6/30/2012		(778.02)			778.02						
National School Lunch Program	10.555	N/A	140,126.59	7/1/2012		6/30/2013		(3,833.65)			131,347.81	(140,126.59)			(8,778.78)		
National School Lunch Program	10.555	N/A	125,697.98	7/1/2011		6/30/2012		(4,611.67)			162,378.99	(163,369.36)			(10,859.16)		
Total Child Nutrition Cluster								(4,611.67)			183,400.97	(189,648.46)			(11,116.26)		
Total Enterprises Fund								(63,905.29)			575,474.84	(663,578.87)		(1.12)	(152,267.54)		

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance is an integral part of this schedule.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2013

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Due to Grantor	Transfer From General Fund	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments / Repayment of Prior Years' Balances	Balance at June 30, 2013		MEMO	
			From	To							(Accounts Receivable)	Unearned Revenue		Due to Grantor
State Department of Education														
General Fund:														
State Aid Public Cluster:														
Special Education Aid	12-495-034-5120-011	\$ 486,114.00	7/1/2011	6/30/2012	\$ (43,153.26)	\$	\$ 431,532.26	(518,711.00)	-	-	\$ -	\$ -	\$ 44,429.98	\$ 518,711.00
Special Education Aid	13-495-034-5120-011	518,711.00	7/1/2012	6/30/2013	(117,578.64)	-	518,711.00	(1,059,602.00)	-	-	-	-	90,759.76	1,059,602.00
Adjustment Aid	12-495-034-5120-085	1,324,503.00	7/1/2011	6/30/2012	(16,935.99)	-	1,059,602.00	(1,059,602.00)	-	-	-	-	15,786.82	184,308.00
Adjustment Aid	13-495-034-5120-085	1,059,602.00	7/1/2012	6/30/2013	(1,762,821.00)	-	16,935.99	(1,762,821.00)	-	-	-	-	150,976.56	1,762,821.00
Security Aid	12-495-034-5120-084	190,781.00	7/1/2011	6/30/2012	(43,235.03)	-	1,340,268.89	(483,813.00)	-	-	-	-	42,297.35	483,813.00
Security Aid	13-495-034-5120-084	184,308.00	7/1/2012	6/30/2013	(14,616.00)	-	43,235.03	(14,616.00)	-	-	-	-	10,413.20	10,413.20
Total State Aid Public Cluster														
Transportation Aid	12-495-034-5120-014	487,035.00	7/1/2011	6/30/2012	(45,941.00)	-	483,813.00	(483,813.00)	-	-	-	-	51,748.00	51,748.00
Transportation Aid	13-495-034-5120-014	487,035.00	7/1/2012	6/30/2013	(24,751.19)	-	460,519.92	(484,987.81)	-	-	(24,457.89)	-	484,987.81	484,987.81
Non Public Transportation Aid	12-100-034-5120-014	14,616.00	7/1/2011	6/30/2012	(86,629.09)	-	3,023,165.03	(2,803,583.01)	-	-	-	-	193,273.91	2,803,583.01
Non Public Transportation Aid	13-100-034-5120-014	10,413.20	7/1/2012	6/30/2013	(49,747.10)	-	22,854.08	(253,621.94)	-	-	-	-	14,336.09	253,621.94
Extraordinary Aid	12-100-034-5120-473	45,941.00	7/1/2011	6/30/2012	26,893.02	-	257,091.00	(253,621.94)	-	-	-	-	14,336.09	253,621.94
Extraordinary Aid	13-100-034-5120-473	51,748.00	7/1/2012	6/30/2013	26,893.02	-	279,945.08	(253,621.94)	-	-	-	-	14,336.09	253,621.94
TPAF Social Security (Reimbursed-Non-Budgeted)	12-495-034-5095-002	483,878.10	7/1/2011	6/30/2012	(3,065,211.11)	-	3,023,165.03	(2,803,583.01)	-	-	-	-	193,273.91	2,803,583.01
TPAF Social Security (Reimbursed-Non-Budgeted)	13-495-034-5095-002	484,987.81	7/1/2012	6/30/2013	26,893.02	-	49,747.10	(48,987.10)	-	-	-	-	14,336.09	253,621.94
Total General Fund														
Special Revenue Fund:														
Preschool Education Aid	12-495-034-5120-086	218,544.00	7/1/2011	6/30/2012	(99.03)	-	218,544.00	(218,544.00)	-	-	-	-	3,410.06	3,410.06
Preschool Education Aid	13-495-034-5120-086	167,371.00	7/1/2012	6/30/2013	(99.03)	-	3,193.70	(3,410.06)	-	-	(216.36)	-	3,410.06	3,410.06
Total Special Revenue Fund														
State Department of Agriculture:														
Enterprise Fund:														
Child Nutrition Cluster:														
Nutri Program (State Share)	12-100-010-3360-067	3,306.57	7/1/2011	6/30/2012	(99.03)	-	99.03	(99.03)	-	-	-	-	-	3,410.06
Nutri School Lunch Program (State Share)	13-100-010-3360-067	3,410.06	7/1/2012	6/30/2013	(99.03)	-	3,193.70	(3,410.06)	-	-	(216.36)	-	-	3,410.06
Total Child Nutrition Cluster														
Total Enterprise Fund														
Total State Financial Assistance														

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-5 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
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, City of Brigantine 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 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 bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the 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 GAAP reporting, revenue is not recognized until the subsequent year or when the expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97, (A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$27,629.01 for the general fund and \$8,517.99 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis on the following page:

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-5 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2013
(CONTINUED)

Note 3: Relationship to Basic Financial Statements - Continued

	<u>Federal</u>		<u>State</u>		<u>TPAF Pension</u>		<u>Total</u>
General Fund	\$ 4,409.19	\$	3,707,218.01	\$	(903,635.00)	\$	2,807,992.20
Special Revenue Fund	469,521.22		253,621.94				723,143.16
Food Service Fund	189,648.46		3,410.06				193,058.52
	<u>\$ 663,578.87</u>	<u>\$</u>	<u>3,964,250.01</u>	<u>\$</u>	<u>(903,635.00)</u>	<u>\$</u>	<u>3,724,193.88</u>

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

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 represent 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.

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2013**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified Opinion

Internal control over financial reporting:

- 1) Material weakness(es) identified? Yes X No

- 2) Significant deficiencies? Yes X None reported

- Noncompliance material to basic financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- 1) Material weakness(es) identified? Yes X No

- 2) Significant deficiencies? Yes X None reported

Type of auditor’s report issued on compliance for major programs: Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
	Special Education Cluster:
84.027	IDEA Part B, Basic
84.173	IDEA Preschool

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2013
(CONTINUED)**

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

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

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

Internal Control over major programs:

1) Material weakness(es) identified? Yes X No

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04 Yes X No

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
	State Aid Public Cluster:
13-495-034-5120-011	Special Education Aid
13-495-034-5120-084	Security Aid
13-495-034-5120-085	Adjustment Aid

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2013
(CONTINUED)**

Section II – Financial Statement Findings

In accordance with *Government Auditing Standards*, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

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

FEDERAL AWARDS

Our audit disclosed no matters to be reported.

STATE AWARDS

Our audit disclosed no matters to be reported.

STATUS OF PRIOR YEAR FINDINGS

There were no prior year findings.

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