

**SCHOOL DISTRICT
OF**

**BURLINGTON
TOWNSHIP**

**Burlington Township Board of Education
Burlington, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013**

**Comprehensive Annual
Financial Report**

of the

Burlington Township Board of Education

Burlington, New Jersey

For the Fiscal Year Ended June 30, 2013

**Prepared by
Burlington Township Board of Education
Finance Department**

BURLINGTON TOWNSHIP SCHOOL DISTRICT

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Introductory Section

BURLINGTON TOWNSHIP SCHOOLS

Board of Education Offices
Post Office Box 428
Burlington, New Jersey 08016
www.burltwpsch.org

Telephone (609) 387-3955 x 2050

Fax (609) 387-3560

August 9, 2013

Honorable President and
Members of the Board of Education
Burlington Township School District
Burlington, New Jersey 08016

Dear Board Members:

The comprehensive annual financial report of the Burlington Township School District for the fiscal year ended June 30, 2013, is hereby submitted. Responsibility for the accuracy of the data, completeness and fairness of the presentation, including all disclosures, rests with the management of the Burlington Township Board of Education. To the best of our knowledge and belief, the data present 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 and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report has been prepared in accordance with Governmental Accounting Standards Board Statement 34 and is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose 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 State and Local Governments*" and the 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, regulations, findings and recommendations, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** Burlington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. Burlington Township 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 Pre-K through 12. These include regular and vocational, as well as special education for

Members of the Board of Education
Burlington Township

handicapped students between the ages of 3 and 21 years old. The District completed the 2012-2013 fiscal year with an enrollment of 4,021 students, which about the same as the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Average Student Enrollment	Percent Change
2003-2004	4,094	6.84
2004-2005	4,109	3.66
2005-2006	4,067	-1.02
2006-2007	4,182	1.03
2007-2008	4,179	.71
2008-2009	4,169	-2.39
2009-2010	4,055	-2.73
2010-2011	4,104	1.20
2011-2012	4,061	-1.05
2012-2013	4,021	-.98

- 2) **ECONOMIC CONDITION AND OUTLOOK:** The Burlington Township area had experienced a period of rapid development and expansion that has appeared to level off. The increasing number of families relocating to the area has resulted in an increase for educational services. Due to the economy, the Free and Reduced Lunch numbers have increased dramatically, as well as homeless counts, temporary residency affidavits cases and guardianship affidavit cases.

The district has engaged a full demographic study for the purpose of understanding the potential future enrollments in order to utilize this information in the strategic planning process.

- 3) **MAJOR INITIATIVES**
STRATEGIC PLANNING AND GOAL SETTING: The Burlington Township School District engages in a yearly goal setting process that is driven by a long-range strategic plan. The Mission of the District is *to develop the intellectual, creative, and social potential of each child through an active partnership with all members of the community.* The District has established four broad goals focused on *improving teaching and learning, fostering a safe and secure climate, engaging the community in meaningful ways, and promoting efficiency and quality through effective management and operations.* During 2012-13, within these four major goal areas, the District focused on objectives within these goal areas.

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Burlington Township

STUDENT ACADEMIC PROGRESS: Student academic progress is measured, in part, by a number of standardized assessments including the NJASK and HSPA. 77.6 percent of students were advanced or proficient in math on the HSPA in 2013, and 91.6 percent were proficient or advanced in language arts. In 2013, Burlington Township students scored an average of 502 on the mathematics SAT, 478 in critical reading, and 471 in writing. One hundred percent of Burlington Township students have met the State testing standards required for graduation. Additionally, Burlington Township High School requires four years of study in all four core content areas, which exceeds state graduation requirement. The Burlington Township attendance rate is over 95% and the dropout rate less than 1%. Ninety-five percent of Burlington Township students continue their education after high school at four-year colleges and universities, community colleges, and technical schools.

SUMMARY OF SPECIFIC INITIATIVES: The Center for Education has worked on aligning the district's curricula to the Common Core Standards. The district has completed a three year technology plan with the intent to be prepared for the upcoming PARCC on-line testing to take place in 2014-2015. The district has engaged in a five-year safety and security project entitled Project Guardian and a continuous safety and security process review team entitled Team Guardian.

- 4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principals (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 as well as to determine that the District has complied with applicable laws and regulations.

The district fiscal management team reviews the standard operating procedures on an annual basis and alters the SOPs as needed to continue to ensure the fiscal responsibility is well managed.

- 5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Capital budgets are approved for capital improvements and are accounted for in the capital project fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are reported as reservations of fund balance at June 30, 2013.

Members of the Board of Education
Burlington Township

- 6) **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 that requires it to deposit public funds in public depositories protected from loss under the provisions of the Government 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.
- 7) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, student accident, and fidelity bonds.
- 8) **FISCAL AND OPERATIONAL EFFICIENCY:** The Burlington Township Board of Education is considered efficient in all areas reviewed by the Department of Education during the mid-year budget review. This efficiency was borne from need resulting from periods of large enrollment growth and stagnant state aid during the late 1990's and 2000's. This efficiency has required the district to utilize such strategies as outsourcing almost all operational department personnel including facilities, food service, technology and transportation and in recent years, the outsourcing of in-class non-instructional support. The 2% cap on property tax increases and the state's lack of adequate funding for the district as noted in the state's aid notification indicating a shortfall to the district based on the state's current formula of more than \$7 million will continue to be a challenge for the district.
- 9) **OTHER INFORMATION: Independent Audit -** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Inverso & Stewart. In addition to meeting the requirements set forth in state statutes, the audit was also 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 general purpose 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) **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Burlington Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our central office staff. We greatly appreciate their fine work. Respectfully submitted,

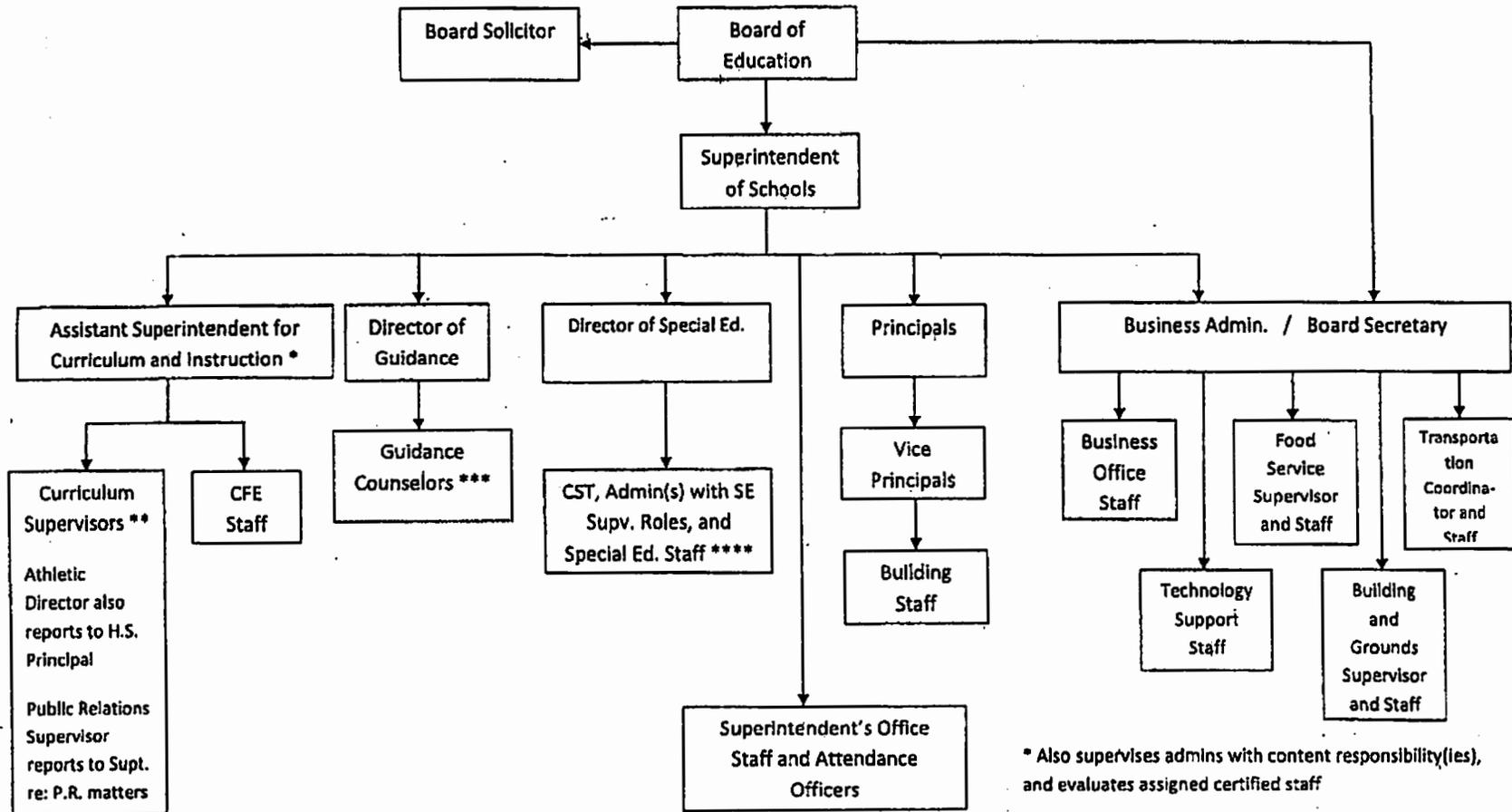
Christopher M. Manno

Christopher M. Manno
Superintendent of Schools

Mary Ann Bell

Mary Ann Bell
School Business Administrator/
Board Secretary

MAB/amb



Revised First Reading May 2013

* Also supervises admins with content responsibility(ies), and evaluates assigned certified staff

** Also evaluates assigned certified staff.

*** Guidance Counselors also report to building principals.

****Special Education teachers also report to building principals.

BOARD OF EDUCATION
TOWNSHIP OF BURLINGTON
BURLINGTON, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2013

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Maryann McMahon-Nester, President	2013
Judith Hirt, Vice President	2015
Philip Bigelow	2014
Donna Crenshaw	2015
Milton Dilligard	2013 (unexpired)
Susan Eichmann	2013
Sherry Knight	2013
Richard Lynch	2014
Israel Rivera	2015

Other Officials

Dr. Christopher M. Manno, Superintendent of Schools
Mrs. Mary Ann Bell, School Business Administrator/Board Secretary
Ms. Ann Britt, Asst. Superintendent for Curriculum & Instruction
Mrs. Cheryl De Rita, Treasurer of Monies

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

Inverso & Stewart, LLC
12000 Lincoln Drive West
Suite 402
Marlton, NJ 08053

Attorney

David Serlin
Blason II, Suite 120
505 South Lenola Road
Moorestown, NJ 08057

Bond Counsel

McManimon & Scotland, LLC
75 Livingston Avenue, 2nd Floor
Roseland, NJ 07068

Official Depositories

Beneficial Bank
NJ State Cash Management

Financial Section

INVERSO & STEWART, LLC
Certified Public Accountants

12000 Lincoln Drive West, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: iscpas@concentric.net

-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

I 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 Burlington Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 School District'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 School District's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my 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 Burlington Township School District, in the County of Burlington, State of New Jersey, as of June 30, 2013, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed 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. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Burlington Township School District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the financial statements.

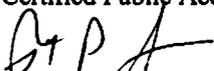
The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to 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 my opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated August 9, 2013 on my consideration of the Burlington Township School District's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Burlington Township School District's internal control over financial reporting and compliance.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso

Certified Public Accountant
Public School Accountant

Marlton, New Jersey
August 9, 2013

INVERSO & STEWART, LLC
 Certified Public Accountants

12000 Lincoln Drive West, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: iscpas@concentric.net

-Member of-
 American Institute of CPAs
 New Jersey Society of CPAs

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

INDEPENDENT AUDITOR'S REPORT

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

I 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 the *Government Auditing Standards*, issued by the Comptroller General of the United States; and the 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 Burlington Township School District, in the County of Burlington, 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 School District's basic financial statements, and have issued my report thereon dated August 9, 2013.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District'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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Burlington Township School District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant

Marlton, New Jersey
August 9, 2013

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Burlington Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013**

As management of the Board of Education of Burlington Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$34,224,779 (*net position*).
- Governmental activities have deficit unrestricted net position of \$1,788,509. The accounting treatments in the governmental funds for compensated absences payable, and the June state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this balance.
- The total net position of the School District increased by \$2,543,478, or an 8.03% increase from the prior fiscal year-end balance. The majority of the increase is attributable to the decrease in Debt.
- Fund balance of the School District's governmental funds increased by \$549,037 resulting in an ending fund balance of \$6,623,048. This increase is largely due to the results of operations in the General Fund.
- Business-type activities have unrestricted net position of \$164,406 which may be used to meet the School District's ongoing obligations of the food service operations and performing arts center.
- The School District's long-term obligations decreased by \$3,953,390 which is the result a reduction in serial bond debt, capital leases, and compensated absences.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities consolidate the Food Service Fund and the Performing Arts Center Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's two enterprise funds (Food Service Fund and the Performing Arts Center Fund) are listed individually and are considered to be major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2013. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2013.

The assets of the primary government activities exceeded liabilities by \$33,682,737 with an unrestricted deficit balance of \$1,788,509. The net position of the primary government does not include internal balances.

A net investment of \$28,803,444 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 4,021 public school students, represents 85.51% of the School District's net position. Net position of \$2,924,446 has been restricted to provide resources for future capital expansion and renovation projects, \$946,000 for maintenance reserve, \$54,507 for repayment of debt and \$2,700,672 has been restricted for future budget appropriation.

As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable and the June state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

**Burlington Township School District
Comparative Summary of Net Position
As of June 30, 2013 and 2012**

	Governmental Activities		Business-Type Activities		District-Wide	
	2013	2012	2013	2012	2013	2012
Assets:						
Current assets	\$ 6,850,469	\$ 6,641,491	\$ 537,509	\$ 545,389	\$ 7,387,978	\$ 7,186,880
Capital assets	61,330,216	63,072,916	377,635	392,795	61,707,851	63,465,711
Total assets	68,180,685	69,714,407	915,144	938,184	69,095,829	70,652,591
Liabilities:						
Current Liabilities	4,669,634	4,596,880	373,102	378,099	5,042,736	4,974,979
Noncurrent Liabilities	29,828,314	33,627,531			29,828,314	33,627,531
Total liabilities	34,497,948	38,224,411	373,102	378,099	34,871,050	38,602,510
Net position	\$ 33,682,737	\$ 31,489,996	\$ 542,042	\$ 560,085	\$ 34,224,779	\$ 32,050,081
Net position consists of:						
Net investment in						
Capital assets	\$ 28,803,444	\$ 26,690,199	\$ 377,636	\$ 392,795	\$ 29,181,080	27,082,994
Restricted net position	6,667,802	5,767,114			6,667,802	5,767,114
Unrestricted net position	(1,788,509)	(967,317)	164,406	167,290	(1,624,103)	(967,317)
Net position	\$ 33,682,737	\$ 31,489,996	\$ 542,042	\$ 560,085	\$ 34,224,779	\$ 31,882,791

Governmental Activities

Governmental activities increased the net position of the School District by \$2,561,521 during the current fiscal year. Key elements of the increase net position for governmental activities are as follows:

- Repayment of bond principal \$3,755,000.

Business-type Activities

Business-type activities decreased the School District's net position by \$18,043. Key elements of the decrease in net position for business-type activities are as follows:

- The Food Service Fund had a net loss of \$17,267 and the Performing Arts Center had a net loss of \$776.

Burlington Township School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Year Ended June 30, 2013 and 2012

	Governmental Activities		Business-Type Activities		District-Wide	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues						
Charges for services			\$ 1,119,399	\$ 1,182,023	\$ 1,119,399	\$ 1,182,023
Operating grants and Contributions	\$ 7,675,389	\$ 6,410,954	566,926	542,082	8,242,315	6,953,036
Capital grants and Contributions						
General Revenues:						
Property Taxes	39,727,475	38,619,163			39,727,475	38,619,163
Unrestricted State Aid	19,476,178	19,149,798			19,476,178	19,149,798
Other Revenues	851,849	518,946	476	2,750	852,325	521,696
Total Revenues	67,730,891	64,698,861	1,686,801	1,726,855	69,417,692	66,425,716
Expenses:						
Governmental Activities:						
Instruction	28,403,840	26,857,691			28,403,840	26,857,691
Tuition	2,296,865	2,939,828			2,296,865	2,939,828
Related Services	5,994,396	5,371,027			5,994,396	5,371,027
Administrative Services	2,932,338	2,739,761			2,932,338	2,739,761
Central Services	953,592	885,797			953,592	885,797
Operations and Maintenance	5,494,750	4,682,876			5,494,750	4,682,876
Transportation	2,662,537	2,611,623			2,662,537	2,611,623
Employee Benefits	14,741,082	12,904,618			14,741,082	12,904,618
Charter School	52,122	124,018			52,122	124,018
Interest on long-term Debt	1,523,662	1,443,649			1,523,662	1,443,649
Other	114,186	143,678			114,186	143,678
Business-Type Activities:						
Food Service Operations			1,657,407	1,729,954	1,657,407	1,729,954
Performing Arts Center			47,437	43,668	47,437	43,668
Total Expenses	65,169,370	60,704,566	1,704,844	1,773,622	66,874,214	62,478,188
Increase in net position						
Before transfers	2,561,521	3,994,295	(18,043)	(46,767)	2,543,478	3,947,528
Transfers						
Changes in net position	2,561,521	3,994,295	(18,043)	(46,767)	2,543,478	3,947,528
Net position, July 1,	31,121,216	27,495,701	560,085	606,852	31,681,301	28,102,553
Net position, June 30,	\$ 33,682,737	\$ 31,489,996	\$ 542,042	\$ 560,085	\$ 34,224,779	\$ 32,050,081

Financial Analysis of the Governmental Funds

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$6,623,048, an increase of \$549,037 in comparison with the prior year. The majority of the increase is attributable to the results of operations in the general fund

The unreserved fund balance for the School District at the end of the fiscal year includes a combination of an unreserved deficit fund balance for the General Fund of \$44,754, \$23,206 in the Capital Projects Fund and \$54,507 in the Debt Service Fund. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$2,924,446, 2) \$946,000 for maintenance reserve, 3) \$2,343,864 appropriated as a revenue source in the subsequent year's budgets, and 3) \$170,351 reserved for encumbrances 4) \$205,428 is reserve for excess surplus.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was \$190,117, or an increase of .33%. The increase to the budget was due to a withdrawal from capital reserve of \$188,500 and \$1,617 appropriated for Education Jobs Fund.

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$1,672,546, while total fund balance (budgetary basis) was \$8,243,664. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$60,633,841. Unassigned fund balance (budgetary basis) represents 2.76% of expenditures while total fund balance (budgetary basis) represents 13.59% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2013, totaled \$61,707,852 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$1,757,859, or a 2.77% decrease. This decrease is due to depreciation expense.

**Capital Asset (net of accumulated depreciation)
June 30, 2013 and 2012**

	Governmental Activities		Business-Type Activities		District-Wide	
	2013	2012	2013	2012	2013	2012
Land	\$ 1,621,644	\$ 1,621,644			\$ 1,621,644	\$ 1,621,644
Construction in progress						
Site Improvements	136,009	133,127			136,009	133,127
Buildings and Building Improvements	56,773,463	58,392,289	\$ 346,173	\$ 353,698	57,119,636	58,745,987
Equipment	2,799,100	2,925,856	31,463	39,097	2,830,563	2,964,953
Total	\$ 61,330,216	\$ 63,072,916	\$ 377,636	\$ 392,795	\$ 61,707,852	\$ 63,465,711

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2013, the School District had \$32,475,000 in serial bonds payable, \$51,772 in capital leases payable, and \$1,003,314 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$98,190,690. The available amount as of June 30, 2013 is \$65,715,690.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2013-14 fiscal year.

- For the 2013-14 fiscal year the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$1,366,645 or 3.81 % as salaries continue to increase contractually. The 2013-14 General Fund Budget is \$1,204,281 greater than the previous year or a 2.09% increase.
- The tax rate increased from \$1.782 in 2012 to \$1.844 in 2013, a 3.48% increase

For the Future

The Burlington Township School District is in good financial condition presently. However, a major concern is the continued enrollment growth of the District with an increased reliance on local property taxes as state aid has remained stagnant.

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

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Burlington Township School District Business Administrator, Box 428, Burlington, New Jersey, 08016.

Basic Financial Statements

District-Wide Financial Statements

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 2,524,560	\$ 270,856	\$ 2,795,416
Receivables, net	2,532,430	100,470	2,632,900
Inventory		35,216	35,216
Internal balances	(130,967)	130,967	
Restricted assets:			
Restricted cash and cash equivalents	1,924,446		1,924,446
Capital assets, net (Note 5)	61,330,216	377,635	61,707,851
Total assets	<u>68,180,685</u>	<u>915,144</u>	<u>69,095,829</u>
LIABILITIES:			
Internal balances	(371,969)	371,969	
Accounts payable	377,486	1,133	378,619
Intergovernmental payables	1,801		1,801
Unearned revenue	27,910		27,910
Other liabilities	192,193		192,193
Accrued interest	740,441		740,441
Noncurrent liabilities (Note 7):			
Due within one year	3,701,772		3,701,772
Due beyond one year	29,828,314		29,828,314
Total liabilities	<u>34,497,948</u>	<u>373,102</u>	<u>34,871,050</u>
NET POSITION:			
Net investment in capital assets	28,803,444	377,636	29,181,080
Restricted for:			
Capital Projects	2,966,623		2,966,623
Other purposes	3,701,179		3,701,179
Unrestricted	(1,788,509)	164,406	(1,624,103)
Total position	<u>\$ 33,682,737</u>	<u>\$ 542,042</u>	<u>\$ 34,224,779</u>

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$ 18,587,884		\$ 384,117	\$ (18,203,767)		\$ (18,203,767)
Special education	7,859,851		852,441	(7,007,410)		(7,007,410)
Other instruction	1,956,105			(1,956,105)		(1,956,105)
Support Services:						
Tuition	2,296,865			(2,296,865)		(2,296,865)
Student & instruction related services	5,994,396		43,768	(5,950,628)		(5,950,628)
General administrative services	761,629			(761,629)		(761,629)
School administrative services	2,170,709			(2,170,709)		(2,170,709)
Central services	953,592			(953,592)		(953,592)
Plant operations and maintenance	5,494,750		8,374	(5,486,376)		(5,486,376)
Pupil transportation	2,662,537			(2,662,537)		(2,662,537)
Employee benefits	14,741,082		5,158,198	(9,582,884)		(9,582,884)
Charter schools	52,122			(52,122)		(52,122)
Interest on long-term debt	1,523,662		1,228,491	(295,171)		(295,171)
Unallocated depreciation and amortization	114,186			(114,186)		(114,186)
Total governmental activities	<u>65,169,370</u>		<u>7,675,389</u>	<u>(57,493,981)</u>		<u>(57,493,981)</u>
Business-type activities:						
Performing Arts Center	47,437	\$ 1,072,889	566,926		\$ 1,592,378	1,592,378
Food service	1,657,407	46,510			(1,610,897)	(1,610,897)
Total business-type activities	<u>1,704,844</u>	<u>1,119,399</u>	<u>566,926</u>		<u>(18,519)</u>	<u>(18,519)</u>
Total primary government	<u>\$ 66,874,214</u>	<u>\$ 1,119,399</u>	<u>\$ 8,242,315</u>	<u>\$ (57,493,981)</u>	<u>\$ (18,519)</u>	<u>\$ (57,512,500)</u>
General revenues:						
Taxes:						
				35,829,683		35,829,683
				3,897,792		3,897,792
				19,476,178		19,476,178
				2,248	476	2,724
				849,601		849,601
				<u>60,055,502</u>	<u>476</u>	<u>60,055,978</u>
				2,561,521	(18,043)	2,543,478
				31,121,216	560,085	31,681,301
				<u>\$ 33,682,737</u>	<u>\$ 542,042</u>	<u>\$ 34,224,779</u>

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

Fund Financial Statements

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2013

ASSETS	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Assets:					
Cash and cash equivalents	\$ 2,524,560				\$ 2,524,560
Receivables, net	1,222,960	\$ 615,098	\$ 692,608		2,530,666
Interfund receivables, net	1,605,091			\$ 54,507	1,659,598
Restricted cash and cash equivalents	<u>1,924,446</u>				<u>1,924,446</u>
Total assets	<u>\$ 7,277,057</u>	<u>\$ 615,098</u>	<u>\$ 692,608</u>	<u>\$ 54,507</u>	<u>\$ 8,639,270</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	361,006	16,480			377,486
Accounts payable - State		1,801			1,801
Interfund payables	368,987	589,607	650,431		1,609,025
Unearned revenues	<u>20,700</u>	<u>7,210</u>			<u>27,910</u>
Total liabilities	<u>750,693</u>	<u>615,098</u>	<u>650,431</u>		<u>2,016,222</u>
Fund Balances:					
Restricted Fund Balance:					
Reserve for excess surplus	205,428				205,428
Excess surplus designated for subsequent year's expenditures	257,917				257,917
Maintenance reserve	946,000				946,000
Capital reserve	2,924,446				2,924,446
Assigned Fund Balance:					
Year-end encumbrances	151,380		18,971		170,351
Designated for subsequent year's expenditures	2,085,947			8,680	2,094,627
Unassigned fund balance	<u>(44,754)</u>		<u>23,206</u>	<u>45,827</u>	<u>24,279</u>
Total fund balances	<u>6,526,364</u>		<u>42,177</u>	<u>54,507</u>	<u>6,623,048</u>
Total liabilities and fund balances	<u>\$ 7,277,057</u>	<u>\$ 615,098</u>	<u>\$ 692,608</u>	<u>\$ 54,507</u>	

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 \$89,876,135 and the accumulated depreciation is \$28,545,919.	61,330,216
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds.	(740,441)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(33,530,086)</u>
Net position of governmental activities	<u>\$33,682,737</u>

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
for the Fiscal Year Ended June 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$ 35,829,683			\$ 3,897,792	\$ 39,727,475
Tuition charges	403,855				403,855
Transportation fees	56,806				56,806
Interest earned	2,248				2,248
Miscellaneous	388,940				388,940
Total revenues-local sources	36,681,532			3,897,792	40,579,324
Local sources		\$ 66,142			66,142
State sources	24,537,764			1,228,491	25,766,255
Federal sources	72,414	1,246,756			1,319,170
Total revenues	61,291,710	1,312,898		5,126,283	67,730,891
EXPENDITURES:					
Current expense:					
Regular instruction	16,507,714	384,117			16,891,831
Special education instruction	7,007,410	852,441			7,859,851
Other instruction	1,956,105				1,956,105
Support services and undistributed costs:					
Tuition	2,296,865				2,296,865
Student & instruction related services	5,950,628	43,768			5,994,396
General administrative services	761,629				761,629
School administrative services	1,942,336				1,942,336
Central services	632,905				632,905
Admin Info Technology	320,687				320,687
Plant operations and maintenance	5,003,333				5,003,333
Pupil transportation	2,662,537				2,662,537
Employee benefits	14,716,884	24,198			14,741,082
Charter Schools	52,122				52,122
Capital outlay	822,686	8,374	154,659		985,719
Debt service:					
Principal				3,755,000	3,755,000
Interest and other charges				1,325,456	1,325,456
Total expenditures	60,633,841	1,312,898	154,659	5,080,456	67,181,854
Excess (deficiency) of revenues over (under) expenditures	657,869		(154,659)	45,827	549,037
Other Financing Sources (Uses):					
Transfers in					
Transfers out					
Total other financing sources (uses)					
Net change in fund balance	657,869		(154,659)	45,827	549,037
Fund balances, July 1	5,868,495		196,836	8,680	6,074,011
Fund balances, June 30	\$ 6,526,364	-	\$ 42,177	\$ 54,507	\$ 6,623,048

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
for the Fiscal Year Ended June 30, 2013

Total net change in fund balances - governmental funds (from B-2)	\$	549,037
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p style="padding-left: 40px;">Capital outlays are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	\$ (2,283,726)	
Capital outlay	<u>541,026</u>	(1,742,700)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		3,755,000
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		100,945
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		(198,206)
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 (+).		<u>97,445</u>
Change in net position of governmental activities	\$	<u>2,561,521</u>

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-type Activities Enterprise Funds		Total
	Food Service Program	Performing Arts Center	
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 137,642	\$ 133,214	\$ 270,856
Accounts receivable	89,614	10,855	100,469
Interfund receivable	127,837	3,130	130,967
Inventories	35,217		35,217
Total current assets	390,310	147,199	537,509
Noncurrent assets:			
Building and Building Improvements	\$376,275		376,275
Equipment	456,400		456,400
Less accumulated depreciation	(832,675)		(832,675)
	(455,040)		(455,040)
Total noncurrent assets	377,635		377,635
Total assets	\$ 767,945	\$ 147,199	\$ 915,144
LIABILITIES			
Current liabilities:			
Accounts payable	\$ -	\$ 1,133	\$ 1,133
Interfund payable	371,969		371,969
Total liabilities	371,969	1,133	373,102
NET POSITION			
Net Investment in Capital Assets	377,636		377,636
Unrestricted	18,340	146,066	164,406
Total net position	\$ 395,976	\$ 146,066	\$ 542,042

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
for the Fiscal Year Ended June 30, 2013

	Business-type Activities		Total
	Food Service Program	Performing Arts Center	
Enterprise Funds			
Operating revenues:			
Charges for services:			
Daily sales-reimbursable programs	\$ 472,618		\$ 472,618
Daily sales-non-reimbursable programs	477,186		477,186
Special functions	123,085		123,085
Rentals		\$ 46,510	46,510
Total operating revenue	1,072,889	46,510	1,119,399
Operating expenses:			
Salaries and benefits	747,657	26,931	774,588
Direct expenses	17,972	9,754	27,726
Repair and maintenance	12,305		12,305
Supplies and materials	47,016	10,752	57,768
Depreciation	15,159		15,159
Management fee	24,955		24,955
Cost of sales	781,753		781,753
Other costs	10,590		10,590
Total operating expenses	1,657,407	47,437	1,704,844
Operating income (loss)	(584,518)	(927)	(585,445)
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	13,865		13,865
Federal sources:			
National school lunch program	378,920		378,920
National school breakfast program	72,917		72,917
U.S.D.A. commodities	101,224		101,224
Local sources:			
Interest revenue	325	151	476
Total nonoperating revenues (expenses)	567,251	151	567,402
Change in net position	(17,267)	(776)	(18,043)
Total net position - July 1	413,243	146,842	560,085
Total net position - June 30	\$ 395,976	\$ 146,066	\$ 542,042

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
for the Fiscal Year Ended June 30, 2013

	Business-type Activities		Total
	Enterprise Funds		
	Food Service Program	Performing Arts Center	
Cash flows from operating activities:			
Receipts from customers	\$ 1,079,659	\$ 45,550	\$ 1,125,209
Payments to employees	(812,153)	(26,931)	(839,084)
Payments to suppliers	(795,088)	(22,082)	(817,170)
Net cash used for operating activities	<u>(527,582)</u>	<u>(3,463)</u>	<u>(531,045)</u>
Cash flows from noncapital financing activities:			
State sources	14,188		14,188
Federal sources	438,560		438,560
Net cash provided by non-capital financing activities	<u>452,748</u>		<u>452,748</u>
Cash flows from capital activities:			
Purchases of fixed assets			
Cash flows from investing activities:			
Interest and dividends	325	151	476
Net cash provided by investing activities	<u>325</u>	<u>151</u>	<u>476</u>
Net increase in cash and cash equivalents	(74,509)	(3,312)	(77,821)
Balances - July 1	212,151	136,526	348,677
Balances - June 30	<u>\$ 137,642</u>	<u>\$ 133,214</u>	<u>\$ 270,856</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (584,518)	\$ (927)	\$ (585,445)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	15,159		15,159
Federal commodities	101,224		101,224
(Increase) decrease in inventories	1,699		1,699
(Increase) decrease in accounts receivable	6,771	(960)	5,811
(Increase) decrease in interfund receivable	(64,497)		(64,497)
Increase (decrease) in accounts payable	(3,420)	(1,576)	(4,996)
Increase (decrease) in interfund payable			
Total adjustments	<u>56,936</u>	<u>(2,536)</u>	<u>54,400</u>
Net cash provided by (used for) operating activities	<u>\$ (527,582)</u>	<u>\$ (3,463)</u>	<u>\$ (531,045)</u>

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

	Unemployment Compensation Insurance Trust	Flexible Spending Account	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS:			
Cash and cash equivalents	\$ 401,384	\$ 8,707	\$ 1,383,539
Accounts receivable			
Interfund receivable	<u>118,000</u>	<u> </u>	<u>74,193</u>
Total assets	<u>\$ 519,384</u>	<u>\$ 8,707</u>	<u>\$ 1,457,732</u>
LIABILITIES:			
Payroll deductions and withholdings			261,937
Reserve for summer payroll			620,869
Due to education association			24,281
Accounts payable	20,845		
Other liabilities			50,783
Interfund payable			1,764
Due to student groups			<u>498,098</u>
Total liabilities	<u>20,845</u>	<u> </u>	<u>\$ 1,457,732</u>
NET POSITION:			
Held in trust for unemployment claims and other purposes	<u>\$ 498,539</u>	<u>\$ 8,707</u>	

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2013

	<u>Unemployment Compensation Insurance Fund</u>	<u>Flexible Spending Account</u>
ADDITIONS:		
Contributions:		
Employee contributions	\$ 49,059	\$ 74,067
Employer contributions	426,087	
Total Contributions	<u>475,146</u>	<u>74,067</u>
Investment earnings:		
Interest	163	
Net investment earnings	<u>163</u>	
Total additions	<u>475,309</u>	<u>74,067</u>
DEDUCTIONS:		
Unemployment claims	90,169	
Flexible account payments		65,360
Total deductions	<u>90,169</u>	<u>65,360</u>
Change in net position	385,140	8,707
Net position - July 1	<u>113,399</u>	
Net position - June 30	<u>\$ 498,539</u>	<u>\$ 8,707</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Township of Burlington School District (School District) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. The Burlington School District has an approximate enrollment at June 30, 2013 of 4,021 students.

The primary criteria for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School district over which the Board exercises operating control.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

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

The School District's basic financial statements consists of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

Enterprise Funds - The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Enterprise Funds (Continued)

The School District's enterprise funds are:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Performing Arts Center Fund – This fund accounts for the financial transactions related to the performing arts center operations of the School District.

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

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

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

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: trust funds and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds; an unemployment compensation trust fund, a flexible spending account, a student activity fund, and a payroll fund.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end; tuition, grants, fees, and rentals.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The budget, as detailed on Exhibit C-1, Exhibit C-2 and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected in the balance sheet as deferred revenues at fiscal year end.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. 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.

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

N.J.S.A. 17:9-41et 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 Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2013 and 2012 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed, and is not recorded since any amounts are considered immaterial to the basic financial statements.

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2013, the amounts earned by these employees were included a separate District bank account.

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 School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and are recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

Net Position - Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or law or regulations of other governments.

Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance - The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2013.

Restricted – This fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

Assigned – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – This fund balance classification is the residual classification for the General Fund. It represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program and rental fees for the performing arts center. Non-operating revenues principally consist of interest income earned on various interest bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

New Accounting Standards Adopted - During the fiscal year ended June 30, 2013, the School District adopted the following new accounting standards issued by the Government Accounting Standards Board (GASB):

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position

This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. This Statement also identifies net position as the residual of all other elements presented in a statement of financial position and amends the net asset reporting requirements in Statement No. 34, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by naming that measure as net position, rather than net assets.

This statement only impacted financial terminology as opposed to financial statement reporting for the fiscal year ended June 30, 2013.

GASB Statement No. 65, Items Previously Reported as Assets and Liabilities

This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as limiting the use of the term deferred in financial statement presentations.

Implementation of this statement affected the financial statements as noted in Note 21.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17.9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. Banks that qualify as public depositories under New Jersey statutes hold cash deposits, with bank balances totaling \$8,901,177 at June 30, 2013.

During the fiscal year, the School district participated in the New Jersey Cash Management Fund. This Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial risk. Accordingly, the School District’s deposits with the New Jersey Cash Management Fund of \$102,536 were uninsured and uncollateralized.

3. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District 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.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

3. CAPITAL RESERVE ACCOUNT (CONTINUED)

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school 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-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance – July 1, 2012		\$ 2,035,340
Increased by:		
Interest earned	\$ 2,248	
Return from fund balance	5,358	
Board resolution	<u>1,235,000</u>	

Decreased by:		
Transfer to General Fund Budget		<u>353,500</u>

Balance – June 30, 2013		<u>\$ 2,294,446</u>

The June 30, 2013 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted capital projects.

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2013 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2013 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Fund</u>	<u>Total</u>
State Aid	\$ 1,053,180		\$ 692,608	\$ 885	\$ 1,746,673
Federal Aid	1,617	\$ 615,098		34,362	651,077
Other	<u>168,163</u>			<u>65,222</u>	<u>233,385</u>
	<u>\$ 1,222,960</u>	<u>\$ 615,098</u>	<u>\$ 692,608</u>	<u>\$ 100,469</u>	<u>\$ 2,631,135</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

5. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2013</u>
Governmental Activities:				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,621,644			\$ 1,621,644
Construction in progress	_____	_____	_____	_____
Total capital assets, not being Depreciated	<u>1,621,644</u>			<u>1,621,644</u>
<i>Capital Assets, being depreciated:</i>				
Site Improvements	844,900	26,520		871,420
Building and Building Improvements	80,351,243	4,225		80,355,468
Equipment	6,959,412	542,417	474,226	7,027,603
Totals at historical cost	<u>88,155,555</u>	<u>573,162</u>	<u>474,226</u>	<u>88,254,491</u>
<i>Less Accumulated Depreciation:</i>				
Site Improvements	(711,773)	(23,638)		(735,411)
Building and Building Improvements	(21,958,954)	(1,623,051)		(23,582,005)
Equipment	(4,033,556)	(637,037)	(442,090)	(4,228,503)
Totals accumulated depreciation	<u>(26,704,283)</u>	<u>(2,283,726)</u>	<u>(442,090)</u>	<u>(28,545,919)</u>
Total Capital Assets, being depreciated, net	<u>61,451,272</u>	<u>(1,710,564)</u>	<u>32,136</u>	<u>59,708,572</u>
Governmental Activities Capital Assets, Net	<u>\$ 63,072,916</u>	<u>\$ (1,710,564)</u>	<u>\$ 32,136</u>	<u>\$ 61,330,216</u>

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2013</u>
Business-Type Activities:				
<i>Capital Assets, being depreciated:</i>				
Building and Building Improvements	\$ 376,275			\$ 376,275
Equipment	456,400			456,400
Less accumulated depreciation	<u>(439,880)</u>	<u>\$ (15,159)</u>	_____	<u>(455,039)</u>
Total Capital Assets, being depreciated, net	<u>392,795</u>	<u>(15,159)</u>	_____	<u>377,636</u>
Business-Type Activities Capital Assets, Net	<u>\$ 392,795</u>	<u>\$ (15,159)</u>	_____	<u>\$ 377,636</u>

Depreciation expense in the amount of \$2,283,726 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 1,598,608
Administration	228,373
Plant Operations and Maintenance	342,559
Unallocated	<u>114,186</u>
Total depreciation expense	<u>\$ 2,283,726</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

6. INVENTORY

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

Food	\$ 23,473
Supplies	<u>11,744</u>
	<u>\$ 35,217</u>

7. LONG-TERM OBLIGATIONS

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

	<u>Balance June 30, 2012</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2013</u>	<u>Amounts Due Within One Year</u>
Compensated Absences Payable	\$ 1,100,759	\$	\$ 97,445	\$ 1,003,314	
Capital Lease Payable	152,717		100,945	51,772	\$ 51,772
Bonds Payable	<u>36,230,000</u>	<u> </u>	<u>3,755,000</u>	<u>32,475,000</u>	<u>3,650,000</u>
	<u>\$ 37,483,476</u>	<u>\$</u>	<u>\$ 3,953,390</u>	<u>\$ 33,530,086</u>	<u>\$ 3,701,772</u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are as follows:

Refunding Bonds - Authorized and issued, \$400,000, dated June 1, 2003, for refunding a portion of the 1993 bonds issued for Expansion of Bernice Young Elementary School, the final maturity is due August 1, 2013 with interest rate of 2.90%.

School Bonds - Authorized and issued, \$2,200,000, dated April 15, 2004, for the construction of a new Middle School and additions and/or renovations to the existing schools, the final maturity is due July 15, 2024 with an interest rate of 4.0 %.

Refunding Bonds - Authorized and issued, \$16,250,000, dated September 1, 2004, for refunding a portion of the 2004 bonds issued for the construction of a new Middle School. The final maturity is due January 1, 2020 with interest rates varying from 3.75% to 5.00%

Refunding Bonds - Authorized and issued, \$13,625,000, dated April 1, 2012, for refunding a portion of the 2004 bonds issued for the acquisition of land, construction of a new elementary school, expansion of Fountain Woods Elementary School and High School. The final maturity is due January 1, 2020 with interest rates varying from 3.50% to 5.00%

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

7. LONG-TERM OBLIGATIONS (Continued)

Debt Service Requirements

Principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,650,000	\$ 1,362,962	\$ 5,012,962
2015	3,505,000	1,231,788	4,736,788
2016	3,620,000	1,072,738	4,692,738
2017	3,745,000	908,237	4,653,237
2018	3,830,000	760,088	4,590,088
2019-2023	11,035,000	1,797,075	12,832,075
2024-2025	3,090,000	154,750	3,244,750
	<u>\$ 32,475,000</u>	<u>\$ 7,287,638</u>	<u>\$ 36,762,638</u>

As of June 30, 2013 the District had no authorized but not issued bonds.

Refunding -

On April 1, 2012 the School District issued \$13,795,000 in general obligation refunding bonds with a variable interest rate of 2.00% to 5.00% to advance refund \$13,968,000 of outstanding callable 2004 series bonds with a variable interest rate of 4.125% to 4.625%. The net proceeds of \$15,403,147 (after payment of issuance costs) were used to purchase U.S. Treasury Securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2004 series bonds.

The School District advanced refunded the 2004 series bonds to reduce its total debt service payments over the next fifteen years by \$593,859 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$513,510.

Compensated Absences

Compensated absences will be paid from the fund from which the employees' salaries are paid.

Capital Leases

As of June 30, 2013, the District had the following capital leases:

<u>Purpose</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Computers	August 1, 2014	6.14%	\$ 244,755

The following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments at June 30, 2013:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 51,772	\$ 3,178	\$ 54,950
	<u>\$ 51,772</u>	<u>\$ 3,178</u>	<u>\$ 54,950</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

8. OPERATING LEASES

The District has various commitments for office equipment under operating leases which fully expire in 2016. Total operating lease payments made during the year ended June 30, 2013 and 2012 were \$145,328 and \$139,263, respectively. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2014	\$ 208,460
June 30, 2015	209,724
June 30, 2016	207,087
June 30, 2017	190,355
June 30, 2018	<u>25,996</u>
Total future minimum lease payments	<u>\$ 841,622</u>

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund is a cost-sharing contributory defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. Chapter 78 P.L. 2011 changed the employee contribution rate as follows: Effective with the first payroll check to be paid on or after October 1, 2011 plan members rate will increase to 6.5% with an additional increase of .14% beginning in July 2012 and continuing each year until the rate reaches 7.5% in July 2018. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. Chapter 78 P.L. 2011 changed the employee contribution rate as follows: Effective with the first payroll check to be paid on or after October 1, 2011 plan members rate will increase to 6.5% with an additional increase of .14% beginning in July 2012 and continuing each year until the rate reaches 7.5% in July 2018. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

The School District's contributions to the PERS, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2013	\$ 108,542	\$ 259,527	\$ 21,906	\$ 389,975	\$ 389,975
2012	155,772	311,544	29,774	497,090	497,090
2011	161,413	257,201	31,794	450,408	450,408

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on 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), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. 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. Chapter 78 P.L. 2011 changed the employee contribution rate as follows: Effective with the first payroll check to be paid on or after October 1, 2011 plan members rate will increase to 6.5% with an additional increase of .14% beginning in July 2012 and continuing each year until the rate reaches 7.5% in July 2018. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. The employee contributions along with the School District's contribution for each pay period are 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's contributions to the DCRP were as follows:

<u>Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2013	\$ 17,544	\$ 17,544
2012	27,677	27,677
2011	29,443	29,443

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

9. PENSION PLANS (CONTINUED)

Related Party Investments – The Division of Pensions and Benefits does not invest in securities issued by the School District.

10. POST-RETIREMENT BENEFITS

The School District contributes to the New Jersey State Health Benefits Program (SHBP), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP was established to provide medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in 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 State of New Jersey Division of Pension issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011 there were 87,288 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 to members of PERS and Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2011.

The State establishes the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contribution to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the year ended June 30, 2013 was \$1,748,192, which equaled the required contributions. The State's contribution to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2013, the School District has recognized as revenues and expenditures \$1,546,050 of on-behalf payments made by the State of New Jersey for normal retirement costs related to TPAF and \$1,839,758 for employer's share of social security contributions for TPAF members, as calculated on their base salaries.

12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The District has chosen to purchase insurance to transfer the risk to outside parties.

Property and Liability Insurance - The District maintains commercial insurance coverage for all risks of loss, including property, liability, employee health, accident insurance and public official surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A complete schedule of insurance coverage can be found in the "Statistical Section" of this report.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

12. RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Business 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 four years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	\$ 49,059	\$ 426,087	\$ 163	\$ 90,169	\$ 498,539
2011-2012	47,072	177,936	536	156,785	113,399
2010-2011	29,651	340,401	437	343,069	44,640
2009-2010	56,744	30,921	144	95,852	17,220
2008-2009	49,778		185	61,826	25,263

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

14. COMPENSATED ABSENCES

The School 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.

School District employees are granted vacation and sick leave in varying amounts in accordance with the School District's personnel policies. Unused sick leave may be accumulated carried forward to the subsequent years. Employees who retire from the School District shall be paid for unused sick leave in accordance with the School District's agreement or personnel policy.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2013, the liability for compensated absences in the governmental fund was \$1,003,314.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

15. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2013. The following interfund balances were recorded on the various balance sheets as of June 30, 2013:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 1,605,091	\$ 368,987
Special Revenue		589,607
Capital Projects		650,431
Debt Service	54,507	
Proprietary	130,967	371,969
Fiduciary	192,193	1,764
	<u>\$ 1,982,758</u>	<u>\$ 1,982,758</u>

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2013, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. FLEXIBLE BENEFITS PROGRAM

The School District offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring dependent care expenses and medical, dental or prescription expenses not covered by other insurance. The School District, who is the plan administrator, has contracted with a third party administrator to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to the third party administrator for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the School District.

The following is a summary of School District contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance of the School District's fiduciary fund for the current and prior two years.

<u>Fiscal Year</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	\$	\$ 74,067	\$ 65,360	\$ 8,707
2011-2012		49,731	49,731	
2010-2011				

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

18. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$44,754 in the General Fund as of June 30, 2013 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$44,754 is equal to or less than the June state aid payment.

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2013, a deficit of \$1,788,509 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2013	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ (44,754)
Liabilities:	
Accrued interest Payable	(740,441)
Compensated Absences	<u>(1,003,314)</u>
Unrestricted Net Position (Deficit)	<u>\$ (1,788,509)</u>

20. FUND BALANCES

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District’s fund balance are summarized as follows:

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013 is \$205,428 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$257,917 of excess fund balance generated during the 2011-2012 fiscal year has been restricted and designated for utilization in the 2013-2014 budget.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2013**

20. FUND BALANCES (CONTINUED)

Capital Reserve – As of June 30, 2013, the balance in the capital reserve account is \$2,924,446, all of which is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long Range Facilities Plan.

Maintenance Reserve Account – As of June 30, 2013, the balance in the maintenance reserve account is \$946,000. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Capital Projects Fund – As of June 30, 2013, the restricted fund balance amount was \$42,177 of which \$18,971 was restricted for Year-End Encumbrances.

Debt Service Fund – As of June 30, 2013, the restricted fund balance amount was \$54,507 and is restricted for future debt service expenditures.

ASSIGNED

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the School District’s intent to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District’s fund balance are summarized as follows:

General Fund:

Other Purposes – At June 30, 2013 the School District has \$151,380 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Designated for Subsequent Year’s Expenditures – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2013, \$2,085,947 of general fund balance at June 30, 2013.

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District’s unassigned fund balance is summarized as follows:

General Fund – As of June 30, 2013, a deficit balance of \$44,754 was unassigned.

21. RESTATEMENT OF NET POSITION

As a result of the implementation of *GASB Statement No. 65, Items Previously Reported as Assets and Liabilities*, net position of governmental activities as of June 30, 2012 has been restated as follows:

Net Position, June 30, 2012	\$	31,489,996
Expense of Bond Issuance Costs (1)		<u>(368,780)</u>
Net Position, June 30, 2012 (Restated)	\$	<u>31,121,216</u>

(1) Formerly reported as a deferred asset and amortized over the life of the related debt.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 35,829,683	\$ -	\$ 35,829,683	\$ 35,829,683	\$ -
Tuition - other LEAS	38,000		38,000	377,646	\$339,646
Tuition - from individuals				26,209	26,209
Transportation fees	15,001		15,001	56,806	41,805
Capital reserve interest	2,000		2,000	2,248	248
Unrestricted miscellaneous revenue	60,000		60,000	388,940	328,940
Total local sources	35,944,684		35,944,684	36,681,532	736,848
State sources:					
Categorical special education aid	2,260,044		2,260,044	2,260,044	
Equalization aid	14,938,999		14,938,999	14,938,999	
Categorical security aid	400,485		400,485	400,485	
Categorical transportation aid	786,905		786,905	786,905	
Homeless tuition				236,897	236,897
Additional non-public transportation aid				29,462	29,462
Extraordinary aid	400,000		400,000	933,087	533,087
On-behalf TPAF Pension (non-budgeted)				1,546,050	1,546,050
On-behalf TPAF post retirement (non-budgeted)				1,748,192	1,748,192
Reimbursed TPAF social security contributions (non-budgeted)				1,839,758	1,839,758
Total state sources	18,786,433		18,786,433	24,719,879	5,933,446
Federal sources:					
Education Jobs Fund		1,617	1,617	1,617	
Medicaid Reimbursement	46,699		46,699	70,797	24,098
Total federal sources	46,699	1,617	48,316	72,414	24,098
TOTAL REVENUES	54,777,816	1,617	54,779,433	61,473,825	6,694,392
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	74,144	(74,144)		808,905	
Kindergarten	734,441	74,464	808,905	808,905	
Grades 1-5	5,101,340	(43,464)	5,057,876	5,018,944	38,932
Grades 6-8	3,918,106	21,788	3,939,894	3,905,966	33,928
Grades 9-12	5,523,228	61,259	5,584,487	5,531,226	53,261
Total Instruction	15,351,259	39,903	15,391,162	15,265,041	126,121
Regular Programs - Home Instruction:					
Salaries of teachers	126,000	56,284	182,284	182,284	
Purchased Prof. - Ed. Services	22,888	(9,078)	13,810	8,175	5,635
Total Home Instruction	148,888	47,206	196,094	190,459	5,635
Regular Programs - Undistributed Instruction:					
Other salaries for instruction					
Other purchased services	266,335	(2,000)	264,335	237,221	27,114
General supplies	589,652	117,399	707,051	656,258	50,793
Textbooks	353,450	(179,297)	174,153	158,735	15,418
Total Undistributed Instruction	1,209,437	(63,898)	1,145,539	1,052,214	93,325
Total - Regular Programs - Instruction	16,709,584	23,211	16,732,795	16,507,714	225,081

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

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Visual Impairments					
Purchased Prof.- Ed. Services	\$ -	\$ 516	\$ 516	\$ 516	\$ -
Total Visual Impairments	<u> </u>	<u>516</u>	<u>516</u>	<u>516</u>	<u> </u>
Auditory Impairments					
Salaries of teachers	54,504		54,504	54,504	
Purchased Prof.- Ed. Services	89,718	59,521	149,239	140,407	8,832
General supplies	2,000	(2,000)			
Total Auditory Impairments	<u>146,222</u>	<u>57,521</u>	<u>203,743</u>	<u>194,911</u>	<u>8,832</u>
Behavioral Disabilities					
Salaries of teachers	67,820	(62,158)	5,662	4,544	1,118
Other salaries for instruction					
Purchased professional - educ services	1,200	(1,200)			
General supplies					
Textbooks					
Total behavioral disabilities	<u>69,020</u>	<u>(63,358)</u>	<u>5,662</u>	<u>4,544</u>	<u>1,118</u>
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	370,339	(80,000)	290,339	273,236	17,103
Other salaries for instruction	169,045	1,617	170,662	142,053	28,609
Purchased professional - educ services	605,652	17,999	623,651	542,509	81,142
General supplies	11,570	(500)	11,070	6,120	4,950
Textbooks	2,000	(848)	1,152	213	939
Total Multiple Disabilities	<u>1,158,606</u>	<u>(61,732)</u>	<u>1,096,874</u>	<u>964,131</u>	<u>132,743</u>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	3,246,699	279,766	3,526,465	3,526,465	
Other salaries for instruction	619,811	(43,839)	575,972	535,146	40,826
Purchased professional education services	19,980	322,267	342,247	342,247	
General supplies	17,150	8,900	26,050	24,229	1,821
Textbooks	14,000	(8,400)	5,600	3,308	2,292
Total Resource Room/Resource Center	<u>3,917,640</u>	<u>558,694</u>	<u>4,476,334</u>	<u>4,431,395</u>	<u>44,939</u>
Special Educ Instruction: Autism					
Salaries of teachers	403,092	(235,928)	167,164	167,164	
Other salaries for instruction	59,636		59,636	41,573	18,063
Purchased professional - educ services	741,013	36,291	777,304	672,884	104,420
General supplies	7,700		7,700	3,870	3,830
Total Autism	<u>1,211,441</u>	<u>(199,637)</u>	<u>1,011,804</u>	<u>885,491</u>	<u>126,313</u>
Special Educ Instruction: Preschool Disabilities - PT					
Salaries of teachers		151,917	151,917	129,855	22,062
Other salaries for instruction	9,922		9,922	1,965	7,957
General supplies	3,500		3,500	1,533	1,967
Total Preschool Disabilities - Part-Time	<u>13,422</u>	<u>151,917</u>	<u>165,339</u>	<u>133,353</u>	<u>31,986</u>

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

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BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Educ Instruction: Preschool Disabilities - FT					
Salaries of teachers	\$ 301,843	\$ (160,674)	\$ 141,169	\$ 140,359	\$ 810
Other salaries for instruction	174,775	8,757	183,532	183,532	
Purchased professional - educ services	139,315	(61,220)	78,095	69,178	8,917
Total Preschool Disabilities - Full-Time	615,933	(213,137)	402,796	393,069	9,727
Total Special Education - Instruction	7,132,284	230,784	7,363,068	7,007,410	355,658
Basic Skills/Remedial - Instruction					
Salaries of teachers	638,061	(150,129)	487,932	478,392	9,540
Other salaries for instruction	29,866	130	29,996	21,881	8,115
Purchased professional - educ services	3,000	37,943	40,943	39,793	1,150
General supplies	150		150	109	41
Total Basic Skills/Remedial - Instruction	671,077	(112,056)	559,021	540,175	18,846
Bilingual Education - Instruction					
Salaries of teachers	261,798		261,798	258,346	3,452
General supplies	3,500	(306)	3,194	701	2,493
Textbooks					
Total Bilingual Instruction- Instruction	265,298	(306)	264,992	259,047	5,945
Vocational Programs - Local - Instruction					
Salaries of teachers	124,260		124,260	124,025	235
General supplies	24,000	(800)	23,200	21,164	2,036
Total Vocational Programs- Instruction	148,260	(800)	147,460	145,189	2,271
School-Sponsored Cocurricular Act - Inst.					
Salaries	143,758		143,758	132,847	10,911
Supplies and materials	84,022	(5,524)	78,498	61,214	17,284
Total School-Sponsored Cocurr. Act. - Inst	227,780	(5,524)	222,256	194,061	28,195
School-Sponsored Athletics - Inst.					
Salaries	354,874	17,707	372,581	371,974	607
Purchased services (300-500)	34,140	15,500	49,640	42,620	7,020
Supplies and materials	54,650	1,500	56,150	54,388	1,762
Transfer to cover deficit (agency funds)	80,000	(17,000)	63,000	63,000	
Total School-Sponsored Athletics - Inst	523,664	17,707	541,371	531,982	9,389
Summer School					
Salaries	174,000	(6,438)	167,562	162,547	5,015
Other Salaries of Instructions	59,000	(7,005)	51,995	51,995	
Purchased Professional & Technical Services	15,300	(10,552)	4,748		4,748
General Supplies	1,400	392	1,792	1,003	789
Total Summer School	249,700	(23,603)	226,097	215,545	10,552
Other Supplemental/At-Risk Programs					
Salaries of Teacher Tutors	53,800	(11,848)	41,952	13,045	28,907
Salaries of Reading Specialist		71,159	71,159	57,061	14,098
Total Other Supplemental/At-Risk Programs	53,800	59,311	113,111	70,106	43,005

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

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BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction					
Tuition to other LEA's w/ the state - reg.	\$ 145,607	\$ (71,996)	\$ 73,611	\$ 73,611	\$ -
Tuition to other LEA's w/ the state - spl.	17,601	17,601	35,202	35,202	
Tuition to county voc. school dist. - reg.	283,680	(19,680)	264,000	264,000	
Tuition to CSSD & reg. day schools	1,191,893	(400,673)	791,220	435,098	356,124
Tuition to priv. sch. for the disabled w/ state	1,322,027	141,776	1,463,803	1,285,763	178,040
Tuition to priv. sch. for the disabled o/s state	49,480	(49,480)			
Tuition - state facilities	31,365		31,365	31,365	
Tuition - Other	100,828	71,000	171,828	171,828	
Total Undistributed Expenditures - Instruction	3,142,481	(311,452)	2,831,029	2,286,865	534,164
Undistributed Expenditures - Attend. and Social Work					
Salaries	103,546		103,546	95,741	7,805
Other Purchased Serv.	1,530	282	1,812	1,812	
Total Undistributed Expenditures - Attendance	105,076	282	105,358	97,553	7,805
Undistributed Expenditures - Health Services					
Salaries	432,038	(10,965)	421,073	419,927	1,146
Purchased prof. and technical services	34,212	20,677	54,889	51,206	3,683
Supplies and materials	12,050	(1,761)	10,289	9,420	869
Total Undistributed Expenditures - Health Svcs.	478,300	7,951	486,251	480,553	5,698
Undist. Expend. - Speech, OT, PT, - Related Services					
Salaries	644,619	(58,692)	585,927	576,919	9,008
Purchased prof. and educational services	60,374	301,896	362,270	358,905	3,365
Supplies and materials	7,500		7,500	4,391	3,109
Total Undst. Expend. - Speech, OT, PT. - Rel. Serv.	712,493	243,204	955,697	940,215	15,482
Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.					
Purchased prof. and educational services	22,066	352,544	374,610	374,610	
Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv.	22,066	352,544	374,610	374,610	
Undist. Expend. - Guidance					
Salaries of other professional staff	1,221,650	(115,778)	1,105,872	1,105,872	
Salaries of secretarial and clerical assistants	220,390		220,390	220,389	1
Other purchased prof. and technical services	105,174	(68,620)	36,554	35,067	1,487
Other purchased prof. services	1,938		1,938	348	1,590
Supplies and materials	38,300	(8,958)	29,342	18,902	10,440
Other objects	1,400		1,400	536	864
Total Undst. Expend. - Guidance	1,588,852	(193,358)	1,395,496	1,381,114	14,382
Undist. Expend. - Child Study Team					
Salaries of other professional staff	846,835	(175)	846,660	795,459	51,201
Salaries of secretarial and clerical assistants	127,385	807	128,192	128,192	
Other purchased prof. and technical services	3,000	1,614	4,614	4,614	
Residential costs	50,000	(25,614)	24,386		24,386
Miscellaneous purchased services	1,000		1,000	467	533
Supplies and materials	26,995	7,000	33,995	32,281	1,714
Other objects	1,600		1,600		1,600
Total Undst. Expend. - Child Study Team	1,056,815	(16,368)	1,040,447	961,013	79,434

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

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BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	\$ 583,431	\$ (5,710)	\$ 577,721	\$ 577,721	\$ -
Salaries of other professional staff	82,458	7,243	89,701	89,699	2
Salaries of secretarial and clerical assistants	44,797	439	45,236	45,236	
Other Salaries	176,212	14,436	190,648	190,648	
Salaries of Facilitators, Math & Literacy	134,028	(12,122)	121,906	121,906	
Purchased prof. and educational services	20,000		20,000	17,200	2,800
Other purchased services (400-500)	12,812	4,788	17,600	13,593	4,007
Supplies and materials	47,000		47,000	43,260	\$3,740
Other Objects	9,500		9,500	8,041	1,459
Total Undst. Expend. - Improvement of Instr. Services	1,110,238	9,074	1,119,312	1,107,304	12,008
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	198,115		198,115	158,242	39,873
Purchased professional and technical services	267,974	31,613	299,587	182,799	116,788
Other purchased services (400-500)		319	319	319	
Supplies and materials	234,898	28,690	263,588	240,233	23,355
Total Undst. Expend. - Educ. Media Serv./Sch. Library	700,987	60,622	761,609	581,593	180,016
Undist. Expend. - Instructional Staff Training					
Salaries of other professional staff	36,443		36,443	21,587	14,856
Purchased prof. and educational services					
Other purchased services (400-500)	9,200	(2,000)	7,200	5,086	2,114
Total Undst. Expend. - Instructional Staff Training	45,643	(2,000)	43,643	26,673	16,970
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	325,647	1,395	327,042	326,692	350
Legal services	85,039	69,229	154,268	154,268	
Audit fees	31,314	486	31,800	31,800	
Architectural/Engineering Services					
Other purchased professional services	12,620	6,424	19,044	19,044	
Communications / telephone	131,528	32,737	164,265	161,238	3,027
BOE Other Purchased Services	1,000		1,000	767	233
Other purchased services (400-500)	40,079	(11,068)	29,011	27,794	1,217
General supplies	10,700	(2,159)	8,541	8,484	57
BOE In-House Training/Meeting Supplies	10,500	(5,684)	4,816	4,816	
Miscellaneous expenditures	26,000	(19,838)	6,162	5,802	360
BOE Membership Dues and Fees	23,460	(2,536)	20,924	20,924	
Total Undst. Expend. - Supp. Serv. General Admin.	697,887	68,986	766,873	761,629	5,244
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	1,333,578	(1,598)	1,331,980	1,329,539	2,441
Salaries of secretarial and clerical assistants	480,868	265	481,133	479,570	1,563
Other purchased services (400-500)	6,100		6,100	195	5,905
Supplies and materials	137,389	32,221	169,610	117,732	51,878
Other Objects	15,300		15,300	15,300	
Total Undst. Expend. - Supp. Serv. School Admin.	1,973,235	30,888	2,004,123	1,942,336	61,787
Undist. Expend. - Central Services					
Salaries	525,455	27,402	552,857	552,857	
Purchased prof services		19,939	19,939	2,900	17,039
Misc. Purchased services	33,050	5,721	38,771	36,808	1,963
Supplies and materials	22,950	16,071	39,021	36,628	2,393
Other objects	4,300	258	4,558	3,712	846
Total Undst. Expend. - Central Services	585,755	69,391	655,146	632,905	22,241

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

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BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Admin Info Technology					
Purchased Technical Services	\$ 210,375	\$ -	\$ 210,375	\$ 210,375	\$ -
Supplies and materials	111,568	259	111,827	110,312	1,515
Total Undst. Expend. - Admin Info Technology	321,943	259	322,202	320,687	1,515
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	314,308	(6,013)	308,293	290,361	\$17,932
Cleaning, repair, and maintenance services	269,599	167,721	437,320	433,119	4,201
General supplies	77,100	78,350	155,450	148,264	7,186
Total Undst. Expend. - Required Maint. Sch. Facilities	661,005	240,058	901,063	871,744	29,319
Undist. Expend. - Custodial Services					
Salaries of Non-Instructional Aides	205,681	(16,460)	189,221	189,221	
Purchased professional & tech. services	2,129,731	4,093	2,133,824	2,105,046	28,778
Other purchased property services	35,000	(13,000)	22,000	18,405	3,595
Insurance	184,350	13,796	198,146	193,263	4,883
General supplies	71,615	18,306	89,921	81,921	8,000
Energy (Electricity)	1,024,845	(61,121)	963,724	957,467	6,257
Energy (Natural Gas)	642,303	(350,750)	291,553	186,012	105,541
Total Undst. Expend. - Custodial Services	4,293,525	(405,136)	3,888,389	3,731,335	157,054
Undist. Expend. - Care & Upkeep of Grounds					
Purchased professional & tech. services	52,534	(23,000)	29,534	2,845	26,689
Cleaning, repair, and maintenance services	20,400	(19,368)	1,032	1,032	1,032
General supplies	46,000	17,228	63,228	59,267	3,961
Total Undst. Expend. - Care & Upkeep of Grounds	118,934	(25,140)	93,794	61,912	31,882
Undist. Expend. - Security					
Salaries	71,123	182,760	253,883	253,883	
Purchased professional & tech. services	5,610	5,800	11,410	9,864	1,546
Cleaning, repair, and maintenance services	16,450	9,850	26,300	26,300	
General supplies	13,550	42,350	55,900	48,295	7,605
Total Undst. Expend. - Security	106,733	240,760	347,493	338,342	9,151
Total Undst. Expend. - Oper. & Maint. of Plant Services	5,180,197	50,542	5,230,739	5,003,333	227,406
Undist. Expend. - Student Trans. Services					
Salaries for Non-Instructional Aides	76,185	(10,381)	65,804	65,804	
Salaries for pupil trans (bet home & sch) - reg ed.	107,100	3,604	110,704	110,704	
Salaries for pupil trans (bet home & sch) - spl. ed.	182,768	41,016	223,784	223,784	
Salaries for pupil trans (other than bet home & sch)	25,000	2,041	27,041	27,041	
Cleaning, repair, and maintenance services	38,760	(8,755)	30,005	30,005	
Contr. serv. (bet. home & sch.) - vendors	1,580,231	111,537	1,691,768	1,672,830	18,938
Contr. serv. (other than bet. home & sch.) - vendors	161,632	27,036	188,668	147,211	41,457
Contr. serv. (sp ed stds) - vendors	556,917	(225,116)	331,801	245,699	86,102
Contr. serv. (sp ed stds) - joint agreements	58,601	(34,674)	23,927	17,238	6,689
Contr. serv. Aid in Lieu Pymts - Non Public	159,120	(19,120)	140,000	118,668	21,132
Misc. purchased services - transportation	2,000	197	2,197	2,197	
Supplies and materials	4,799		4,799	1,156	3,643
Total Undst. Expend. - Student Trans. Services	2,953,113	(112,615)	2,840,498	2,662,537	177,961

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

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Instruction - Employee Benefits					
Social security contributions	\$ 489,360	\$ 31,061	\$ 520,421	\$ 504,647	\$ 15,774
Other retirement contributions - PERS	425,878	(7,456)	418,422	407,519	10,903
Unemployment Compensation	125,000	265,140	390,140	390,140	
Workmen's Compensation	391,328	(65,376)	325,952	315,337	10,615
Health benefits	7,394,736	92,630	7,487,366	7,470,473	16,893
Tuition reimbursement	90,000	30,991	120,991	120,991	
Other employee benefits	306,013	100,595	406,608	373,777	32,831
Total Regular Programs - Instruction	9,222,315	447,585	9,669,900	9,582,884	87,016
Support Services - General Administration - Employee Benefits					
Social security contributions	82,500	(82,500)			
Unemployment Compensation	125,000	(125,000)			
Workmen's Compensation	27,500	(27,500)			
Health benefits	845,088	(845,088)			
Tuition reimbursement	22,000	(22,000)			
Other employee benefits	77,000	(77,000)			
Total Other Support Services	1,179,088	(1,179,088)			
Total Allocated Benefits	10,401,403	(731,503)	9,669,900	9,582,884	87,016
On-behalf TPAF Pension Contributions (non-budgeted)				1,546,050	(1,546,050)
On-behalf TPAF post retirement (non-budgeted)				1,748,192	(1,748,192)
Reimbursed TPAF social security contributions (non-budgeted)				1,839,758	(1,839,758)
Total Undistributed Expenditures - TPAF				5,134,000	(5,134,000)
Total Undistributed Expenditures	\$ 31,076,484	\$ (473,551)	\$ 30,602,933	\$ 34,287,804	\$ (3,684,871)
Total General Current Expense	\$ 57,057,931	\$ (284,827)	\$ 56,773,104	\$ 59,759,033	\$ (2,985,929)
EXPENDITURES:					
CAPITAL OUTLAY:					
Equipment:					
Kindergarten		4,530	4,530	4,530	
Grades 6-8	137,000		137,000	123,208	13,792
Grades 9-12	10,719		10,719	9,049	1,670
Admin. Info. Tech.		141,422	141,422	137,765	3,657
Undistributed Expenditures - Required Maint.	64,722	32,660	97,382	97,278	104
Undist. Exp. - Non-Instructional - Business and Support Svcs		107,832	107,832	107,832	
Total Equipment	212,441	286,444	498,885	479,662	19,223
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	15,000		15,000	15,000	
Other purchased prof. and tech services		38,900	38,900	38,900	
Construction services	25,000	149,600	174,600	19,677	154,923
Land Improvements	140,000		140,000	139,965	35
Assessment for Debt Service on SDA funding	129,482		129,482	129,482	
Total Facilities Acquisition and Construction Services	309,482	188,500	497,982	343,024	154,958
Total Capital Outlay	521,923	474,944	996,867	822,686	174,181

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

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2013

(Continued from prior page)	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Transfer of Funds to Charter Schools	\$ 83,304	\$ -	\$ 83,304	\$ 52,122	\$ 31,182
Total Expenditures	<u>57,663,158</u>	<u>190,117</u>	<u>57,853,275</u>	<u>60,633,841</u>	<u>(2,780,566)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(2,885,342)</u>	<u>(188,500)</u>	<u>(3,073,842)</u>	<u>839,984</u>	<u>3,913,826</u>
Other Financing Sources(Uses): Operating transfer out - Capital Projects Fund	_____	_____	_____	_____	_____
Total Other Financing Sources	_____	_____	_____	_____	_____
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(2,885,342)	(188,500)	(3,073,842)	839,984	3,913,826
Fund Balance, July 1	<u>7,403,680</u>	_____	<u>7,403,680</u>	<u>7,403,680</u>	_____
Fund Balance, June 30	<u>\$ 4,518,338</u>	<u>\$ (188,500)</u>	<u>\$ 4,329,838</u>	<u>\$ 8,243,664</u>	<u>\$ 3,913,826</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 257,917	
Reserve for Excess Surplus				205,428	
Maintenance Reserve				946,000	
Capital Reserve Account				2,924,446	
Assigned Fund Balance:					
Year-end Encumbrances				151,380	
Designated for Subsequent Year's Expenditures				2,085,947	
Unassigned Fund Balance				<u>1,672,546</u>	
				8,243,664	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(1,717,300)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 6,526,364</u>	

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

BURLINGTON TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Education Jobs Fund
Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Federal sources:					
Education Jobs Fund	\$ -	\$ 1,617	\$ 1,617	\$ 1,617	
Total Revenue	<u>-</u>	<u>1,617</u>	<u>1,617</u>	<u>1,617</u>	
EXPENDITURES:					
CURRENT EXPENSE:					
Special Education - Instruction:					
Multiple Disabilities					
Other Salaries for Instruction	-	1,617	1,617	1,617	
Total Multiple Disabilities	<u>-</u>	<u>1,617</u>	<u>1,617</u>	<u>1,617</u>	
Total General Current Expense	<u>-</u>	<u>1,617</u>	<u>1,617</u>	<u>1,617</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

BURLINGTON SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources	\$ 73,352		\$ 73,352	\$ 66,142	\$ (7,210)
State sources	1,801		1,801		(1,801)
Federal sources	<u>1,349,807</u>		<u>1,349,807</u>	<u>1,246,756</u>	<u>(103,051)</u>
Total revenues	<u>1,424,960</u>		<u>1,424,960</u>	<u>1,312,898</u>	<u>(112,062)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	403,363	\$ 5,743	409,106	316,322	92,784
Other salaries for instruction	2,981	319	3,300	3,300	
Professional education services	23,334	(4,185)	19,149	19,148	1
Purchased professional - tech. services	29,150		29,150	29,150	
Tuition	823,291		823,291	823,291	
General supplies	57,677	(2,316)	55,361	45,347	10,014
Textbooks	<u>370</u>		<u>370</u>		<u>370</u>
Total instruction	<u>1,340,166</u>	<u>(439)</u>	<u>1,339,727</u>	<u>1,236,558</u>	<u>103,169</u>
Support services:					
Personal services - employee benefits	30,858	439	31,297	24,198	7,099
Purchased professional - educ. services	1,294		1,294		1,294
Other purchased services	500		500	500	
Purchased professional and technical services					
Supplies and materials	<u>43,768</u>		<u>43,768</u>	<u>43,268</u>	<u>500</u>
Total support services	<u>76,420</u>	<u>439</u>	<u>76,859</u>	<u>67,966</u>	<u>8,893</u>
Facilities acquisition and construction services:					
Instructional equipment					
Noninstructional equipment	<u>8,374</u>		<u>8,374</u>	<u>8,374</u>	
Total facilities acq. and const. services	<u>8,374</u>		<u>8,374</u>	<u>8,374</u>	
Total expenditures	<u>1,424,960</u>		<u>1,424,960</u>	<u>1,312,898</u>	<u>112,062</u>
Total outflows	<u>1,424,960</u>		<u>1,424,960</u>	<u>1,312,898</u>	<u>112,062</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					

**Burlington Township School District
Notes to Required Supplementary Information
Budgetary Comparison**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 61,473,825	\$ 1,312,898
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,535,185	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,717,300)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 61,291,710</u>	<u>\$ 1,312,898</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 60,633,841	\$ 1,312,898
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 60,633,841</u>	<u>\$ 1,312,898</u>

Other Supplementary Information

**Special Revenue Fund
Detail Statements**

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2013

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Totals
REVENUES:			
Local sources	\$ -	\$ 66,142	\$ 66,142
State sources			
Federal sources	<u>383,846</u>	<u>862,910</u>	<u>1,246,756</u>
Total Revenues	<u>383,846</u>	<u>929,052</u>	<u>1,312,898</u>
EXPENDITURES:			
Instruction:			
Salaries of teachers	306,597	9,725	316,322
Other salaries for instruction	3,300		3,300
Professional education services	19,148		19,148
Purchased prof and tech services		29,150	29,150
Tuition		823,291	823,291
General supplies	<u>31,347</u>	<u>14,000</u>	<u>45,347</u>
Total instruction	<u>360,392</u>	<u>876,166</u>	<u>1,236,558</u>
Support services:			
Personal services-employee benefits	23,454	744	24,198
Other purchased services (400-500)		500	500
Supplies and materials		43,268	43,268
Other objects			
Total support services	<u>23,454</u>	<u>44,512</u>	<u>67,966</u>
Facilities acquisition and const. serv.:			
Instructional equipment			
Non-instructional equipment		<u>8,374</u>	<u>8,374</u>
Total facilities acquisition and const. serv.		<u>8,374</u>	<u>8,374</u>
Total Expenditures	<u>383,846</u>	<u>929,052</u>	<u>1,312,898</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u> </u>	<u> </u>	<u> </u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2013

E.S.E.A. as amended by No Child Left Behind (N.C.L.B.)

	<u>Title I</u>	<u>Title I</u>	<u>Title IIA</u>	<u>Title IIA</u>	<u>Title III</u>	<u>Title III</u>	<u>Carried</u>
	<u>Current Yr.</u>	<u>Prior Yr.</u>	<u>Current Yr.</u>	<u>Prior Yr.</u>	<u>Current Yr.</u>	<u>Prior Yr.</u>	<u>Forward</u>
							<u>(Exh. E-1A)</u>
REVENUES:							
Local sources							
State sources							
Federal sources	\$ 190,805	\$ 117,316	\$ 26,157	\$ 28,542	\$ 15,992	\$ 5,034	\$ 383,846
Total Revenues	190,805	117,316	26,157	28,542	15,992	5,034	383,846
EXPENDITURES:							
Instruction:							
Salaries of teachers	147,961	99,999	22,498	26,514	5,749	3,876	306,597
Other salaries for instruction		3,300					3,300
Professional education services	13,000	6,148					19,148
General supplies	18,525	219	1,938		9,803	862	31,347
Total instruction	179,486	109,666	24,436	26,514	15,552	4,738	360,392
Support services:							
Personal services-employee benefits	11,319	7,650	1,721	2,028	440	296	23,454
Supplies and materials							
Total support services	11,319	7,650	1,721	2,028	440	296	23,454
Facilities acquisition and const. serv.:							
Instructional equipment							
Non-instructional equipment							
Total facilities acquisition and const. serv.:							
Total Expenditures	190,805	117,316	26,157	28,542	15,992	5,034	383,846
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)							

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2013

	<u>Individuals with Disabilities Act (IDEA)</u>							<u>Totals</u>
	<u>Basic Current Yr.</u>	<u>Preschool Current Yr.</u>	<u>Race to the Top Current Yr.</u>	<u>YSA Grant</u>	<u>Target Grant</u>	<u>Foundation Grant</u>	<u>NJSBAIG Grant</u>	
REVENUES:								
Local sources				\$ 500	\$ 43,268	\$ 14,000	\$ 8,374	\$ 66,142
State sources								-
Federal sources	\$ 823,291	\$ 29,150	\$ 10,469					862,910
Total Revenues	<u>823,291</u>	<u>29,150</u>	<u>10,469</u>	<u>500</u>	<u>43,268</u>	<u>14,000</u>	<u>8,374</u>	<u>929,052</u>
EXPENDITURES:								
Instruction:								
Salaries of teachers			9,725					9,725
Purchased professional and technical services		29,150						29,150
Tuition	823,291							823,291
General supplies						14,000		14,000
Total instruction	<u>823,291</u>	<u>29,150</u>	<u>9,725</u>			<u>14,000</u>		<u>876,166</u>
Support services:								
Personal services-employee benefits			744					744
Other purchased services (400-500)				500				500
Supplies and materials					43,268			43,268
Total support services			<u>744</u>	<u>500</u>	<u>43,268</u>			<u>44,512</u>
Facilities acquisition and const. serv.:								
Non-instructional equipment							8,374	8,374
Total facilities acquisition and const. serv.:							<u>8,374</u>	<u>8,374</u>
Total Expenditures	<u>823,291</u>	<u>29,150</u>	<u>10,469</u>	<u>500</u>	<u>43,268</u>	<u>14,000</u>	<u>8,374</u>	<u>929,052</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)								

**Capital Projects Fund
Detail Statements**

**BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year ended June 30, 2013**

Revenues and Other Financing Sources:

Transfer from capital reserve
Total revenues and other financing sources

-

Expenditures and Other Financing (Uses):

Purchased professional services
Construction services
Cancelled State SCC Grant
Transfer to Debt Service Fund
Total expenditures and other financing (uses)

\$ 11,637
143,022

154,659

Excess (deficiency) or revenues over (under) expenditures

(154,659)

Fund Balance - July 1, 2012

196,836

Fund Balance - June 30, 2013

\$ 42,177

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Aquisition of Land for the New Middle School
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant				
Transfer from capital outlay	\$ 510,000		\$ 510,000	\$ 510,000
Bond proceeds	1,500,000		1,500,000	1,500,000
Total revenues	<u>2,010,000</u>		<u>2,010,000</u>	<u>2,010,000</u>
Expenditures and Other Financing Uses:				
Purchased professional services	340,490		340,490	340,490
Construction services				
Purchase of land	1,657,393		1,657,393	1,657,393
	<u>1,997,883</u>		<u>1,997,883</u>	<u>1,997,883</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 12,117</u>	<u>-</u>	<u>\$ 12,117</u>	<u>\$ 12,117</u>

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	12/10/03
Bonds Authorized	\$ 1,500,000
Bonds Issued	\$ 1,500,000
Original Authorized Cost	\$ 1,500,000
Additional Authorized Cost	\$ 510,000
Revised Authorized Cost	\$ 2,010,000

Percentage Increase over Original Authorized Cost	34.00%
Percentage Completion	100.00%
Original target completion date	12/31/04
Revised target completion date	N/A

**BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Administrative Alterations at the Thomas O. Hopkins School
From Inception and for the Fiscal Year ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 1,420,184		\$ 1,420,184	\$ 1,420,184
Transfer from capital reserve				
Bond proceeds	1,585,361		1,585,361	1,585,361
Total revenues	<u>3,005,545</u>		<u>3,005,545</u>	<u>3,005,545</u>
Expenditures and Other Financing Uses:				
Purchased professional services	214,640		214,640	214,640
Construction services	2,790,905		2,790,905	2,790,905
	<u>3,005,545</u>		<u>3,005,545</u>	<u>3,005,545</u>
Excess (deficiency) or revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project Number	SP#0620-025-03-1071			
Grant Date	04/14/04			
Bond Authorization Date	12/09/03			
Bonds Authorized	\$ 1,585,361			
Bonds Issued	\$ 1,585,361			
Original Authorized Cost	\$ 2,892,500			
Additional Authorized Cost	\$ 113,045			
Revised Authorized Cost	\$ 3,005,545			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	12/31/06			
Revised target completion date	Unknown			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Bernice Young Elementary School Addition
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 1,832,291		\$ 1,832,291	\$ 1,832,291
Transfer from capital reserve				
Bond proceeds	2,143,658		2,143,658	2,143,658
	<u>3,975,949</u>		<u>3,975,949</u>	<u>3,975,949</u>
Total revenues				
Expenditures and Other Financing Uses:				
Purchased professional services	422,434		422,434	422,434
Construction services	3,553,515		3,553,515	3,553,515
	<u>3,975,949</u>		<u>3,975,949</u>	<u>3,975,949</u>
Excess (deficiency) or revenues over (under) expenditures				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project Number	SP#0620-025-03-1072			
Grant Date	04/14/04			
Bond Authorization Date	12/09/03			
Bonds Authorized	\$ 2,143,658			
Bonds Issued	\$ 2,143,658			
Original Authorized Cost	\$ 3,921,473			
Additional Authorized Cost	\$ 54,476			
Revised Authorized Cost	\$ 3,975,949			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original target completion date	12/31/05			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Construction of New Middle School
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 12,380,229		\$ 12,380,229	\$ 12,380,229
Transfer from capital reserve				
Bond proceeds	17,819,831		17,819,831	17,819,831
Total revenues	<u>30,200,060</u>		<u>30,200,060</u>	<u>30,200,060</u>
Expenditures and Other Financing Uses:				
Purchased professional services	2,063,787		2,063,787	2,063,787
Construction services	28,136,273		28,136,273	28,136,273
	<u>30,200,060</u>		<u>30,200,060</u>	<u>30,200,060</u>
Excess (deficiency) or revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project Number	SP#0620-NO1-03-1073			
Grant Date	04/14/04			
Bond Authorization Date	12/09/03			
Bonds Authorized	\$ 17,819,831			
Bonds Issued	\$ 17,819,831			
Original Authorized Cost	\$ 30,309,280			
Additional Authorized Cost	\$ (109,220)			
Revised Authorized Cost	\$ 30,200,060			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	95.00%			
Original target completion date	12/31/06			
Revised target completion date	08/21/07			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Fountain Woods - Security System
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SDA Grant	\$ 176,855		\$ 176,855	\$ 176,855
Transfer from capital reserve	223,550		223,550	223,550
Total revenues	<u>400,405</u>		<u>400,405</u>	<u>400,405</u>
Expenditures and Other Financing Uses:				
Purchased professional services		\$ 11,637	11,637	11,637
Construction services	377,944		377,944	377,944
	<u>377,944</u>	<u>11,637</u>	<u>389,581</u>	<u>389,581</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 22,461</u>	<u>\$ (11,637)</u>	<u>\$ 10,824</u>	<u>\$ 10,824</u>
Additional project information:				
Project Number	#0620-010-09-OZFA			
Grant Date	06/09/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 400,405			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 400,405			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original target completion date	06/30/11			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
High School - ADA Access and Security Systems
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 43,996		\$ 43,996	\$ 43,996
Transfer from capital reserve	55,612		55,612	55,612
Total revenues	<u>99,608</u>	<u> </u>	<u>99,608</u>	<u>99,608</u>
Expenditures and Other Financing Uses:				
Purchased professional services	\$ 18,700		18,700	18,700
Construction services	44,438	\$ 26,145	70,583	70,583
	<u>63,138</u>	<u>26,145</u>	<u>89,283</u>	<u>89,283</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 36,470</u>	<u>\$ (26,145)</u>	<u>\$ 10,325</u>	<u>\$ 10,325</u>
Additional project information:				
Project Number	#0620-037-09-1102			
Grant Date	06/09/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 99,608			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 99,608			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	06/30/11			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Young School - Security System
From Inception and for the Fiscal Year ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SDA Grant	\$ 96,974		\$ 96,974	\$ 96,974
Transfer from capital reserve	113,299		113,299	113,299
Total revenues	<u>210,273</u>		<u>210,273</u>	<u>210,273</u>
Expenditures and Other Financing Uses:				
Purchased professional services	36,694		36,694	36,694
Construction services	173,579		173,579	173,579
	<u>210,273</u>		<u>210,273</u>	<u>210,273</u>
Excess (deficiency) or revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project Number	#0620-010-09-1001			
Grant Date	10/13/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 210,273			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 210,273			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/11			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Middle School - Security System
From Inception and for the Fiscal Year ended June 30, 2013

	Prior Periods	Current Year	Total	Revised Authorized Costs
Revenues and Other Financing Sources:				
State sources - SDA Grant	\$ 127,652		\$ 127,652	\$ 127,652
Transfer from capital reserve	149,141		149,141	149,141
Total revenues	276,793		276,793	276,793
Expenditures and Other Financing Uses:				
Purchased professional services	41,944		41,944	41,944
Construction services	234,849		234,849	234,849
	276,793		276,793	276,793
Excess (deficiency) or revenues over (under) expenditures	-	-	-	-
Additional project information:				
Project Number	#0620-010-09-1005			
Grant Date	10/13/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 276,793			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 276,793			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/11			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
High School - Security System
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SDA Grant	\$ 77,480		\$ 77,480	\$ 77,480
Transfer from capital reserve	90,522		90,522	90,522
Total revenues	<u>168,002</u>		<u>168,002</u>	<u>168,002</u>
Expenditures and Other Financing Uses:				
Purchased professional services	36,694		36,694	36,694
Construction services	116,540	\$ 14,768	131,308	131,308
	<u>153,234</u>	<u>14,768</u>	<u>168,002</u>	<u>168,002</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 14,768</u>	<u>\$ (14,768)</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project Number	#0620-010-09-1001			
Grant Date	10/13/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 168,002			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 168,002			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	12/31/11			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Fountain Woods School - Security System
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SDA Grant	\$ 85,513		\$ 85,513	\$ 85,513
Transfer from capital reserve	99,907		99,907	99,907
Total revenues	185,420		185,420	185,420
Expenditures and Other Financing Uses:				
Purchased professional services	38,694		38,694	38,694
Construction services	\$35,706	\$ 102,109	137,815	137,815
	74,400	102,109	176,509	176,509
Excess (deficiency) or revenues over (under) expenditures	\$ 111,020	\$ (102,109)	\$ 8,911	\$ 8,911
Additional project information:				
Project Number	#0620-010-09-1001			
Grant Date	10/13/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 185,420			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 185,420			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	12/31/11			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Security System Improvements
From Inception and for the Fiscal Year ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Federal sources - COPS Grant	\$ 200,000		\$ 200,000	\$ 200,000
Transfer from capital reserve	200,000		200,000	200,000
Total revenues	400,000		400,000	400,000
Expenditures and Other Financing Uses:				
Purchased professional services	11,000		11,000	11,000
Construction services	389,000		389,000	389,000
	400,000		400,000	400,000
Excess (deficiency) or revenues over (under) expenditures	-	-	-	-
Additional project information:				
Project Number	#2010CKWX0768			
Grant Date	09/30/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 400,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 400,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	06/30/12			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Project Expenditures
Year Ended June 30, 2013

<u>Issue/Project Title</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Transfer to Debt Service Fund</u>	<u>Unexpended Balance</u>
			<u>Prior Years</u>	<u>Current Year</u>		
Acquisition of Land and to make Onsite and Offsite Improvements to such Land (1)	12/10/02	\$ 2,010,000	\$ 1,997,883			\$ 12,117
Fountain Woods School - Security System	12/21/05	400,405	377,944	\$ 11,637		10,824
High School - ADA Access and Security System	08/09/10	99,608	83,138	28,145		10,325
High School - Security System	10/13/10	168,002	153,234	14,768		
Fountain Woods School - Security System	10/13/10	185,420	74,400	102,109		8,911
Total		\$ 2,863,435	\$ 2,666,599	\$ 154,659	\$ -	\$ 42,177

**Proprietary Funds
Detail Statements**

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Net Position
as of June 30, 2013

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 137,642	\$ 133,214	\$ 270,856
Accounts receivable:			
State	885		885
Federal	34,362		34,362
Other	54,367	10,855	65,222
Interfund	127,837	3,130	130,967
Inventories	<u>35,217</u>		<u>35,217</u>
Total current assets	<u>390,310</u>	<u>147,199</u>	<u>537,509</u>
Fixed assets:			
Buildings and Improvements	376,275		376,275
Equipment	<u>456,400</u>		<u>456,400</u>
Total Fixed Assets	832,675		832,675
Less Accumulated depreciation	<u>(455,040)</u>		<u>(455,040)</u>
Total fixed assets	<u>377,635</u>		<u>377,635</u>
Total assets	<u>\$ 767,945</u>	<u>\$ 147,199</u>	<u>\$ 915,144</u>
LIABILITIES:			
Current liabilities:			
Accounts payable	\$ -	\$ 1,133	\$ 1,133
Interfund payable	<u>371,969</u>		<u>371,969</u>
Total current liabilities	<u>371,969</u>	<u>1,133</u>	<u>373,102</u>
NET POSITION:			
Net investment in capital assets	377,636		377,636
Unrestricted	<u>18,340</u>	<u>\$146,066</u>	<u>164,406</u>
Total net position	<u>\$ 395,976</u>	<u>\$ 146,066</u>	<u>\$ 542,042</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Revenues, Expenses and Changes in Net Position
for the Fiscal Years ended June 30, 2013

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
OPERATING REVENUES:			
Local sources:			
Daily sales-reimbursable programs:			
School lunch program	\$ 472,618		\$ 472,618
Total - daily sales-reimbursable programs	472,618		472,618
Daily sales non-reimbursable programs			
Special Functions	477,186		477,186
Rentals	123,085		123,085
Total - nonreimbursable programs	600,271	\$ 46,510	646,781
Total operating revenue	<u>1,072,889</u>	<u>46,510</u>	<u>1,119,399</u>
OPERATING EXPENSES:			
Salaries and Benefits	747,657	26,931	774,588
Direct expenses	17,972	9,754	27,726
Repairs and maintenance	12,305		12,305
Supplies and materials	47,016	10,752	57,768
Depreciation	15,159		15,159
Management fee	24,955		24,955
Cost of Sales	781,753		781,753
Other	10,590		10,590
Total operating expenses	<u>1,657,407</u>	<u>47,437</u>	<u>1,704,844</u>
Operating income (loss)	<u>(584,518)</u>	<u>(927)</u>	<u>(585,445)</u>
Non-operating revenues:			
State sources:			
State school lunch program	13,865		13,865
Federal sources:			
National school lunch program	378,920		378,920
National school breakfast program	72,917		72,917
U.S.D.A. commodities	101,224		101,224
Miscellaneous revenue			
Interest revenue	325	151	476
Total non-operating revenues	<u>567,251</u>	<u>151</u>	<u>567,402</u>
Net Income (loss)	(17,267)	(776)	(18,043)
Net position - July 1	<u>413,243</u>	<u>146,842</u>	<u>560,085</u>
Net position - June 30	<u>\$ 395,976</u>	<u>\$ 146,066</u>	<u>\$ 542,042</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
for the Fiscal Year ended June 30, 2013

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
Cash flows from operating activities:			
Cash receipts from customers	\$ 1,079,659	\$ 45,550	\$ 1,125,209
Cash payments to employees for services	(812,153)	(26,931)	(839,084)
Cash payments to suppliers for goods and services	<u>(795,088)</u>	<u>(22,082)</u>	<u>(817,170)</u>
Net cash used by operating activities	<u>(527,582)</u>	<u>(3,463)</u>	<u>(531,045)</u>
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements	<u>452,748</u>		<u>452,748</u>
Net cash provided by noncapital financing activities	<u>452,748</u>		<u>452,748</u>
Cash flows from capital financing activities:			
Purchases of fixed assets			
Net cash used by capital financing activities			
Cash flows from investing activities:			
Interest on investments	<u>325</u>	<u>151</u>	<u>476</u>
Net cash provided by investing activities	<u>325</u>	<u>151</u>	<u>476</u>
Net increase (decrease) in cash and cash equivalents	(74,509)	(3,312)	(77,821)
Cash and cash equivalents, July 1	<u>212,151</u>	<u>136,526</u>	<u>348,677</u>
Cash and cash equivalents, June 30	<u>\$ 137,642</u>	<u>\$ 133,214</u>	<u>\$ 270,856</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (584,518)	\$ (927)	\$ (585,445)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	15,159		15,159
Federal commodities	101,224		101,224
Change in assets and liabilities:			
(Increase)/decrease in inventory	1,699		1,699
(Increase)/decrease in accounts receivable	6,771	(960)	5,811
(Increase)/decrease in interfund receivable	(64,497)		(64,497)
Increase/(decrease) in accounts payable	(3,420)	(1,576)	(4,996)
Increase/(decrease) in interfund payable			
Net cash used by operating activities	<u>\$ (527,582)</u>	<u>\$ (3,463)</u>	<u>\$ (531,045)</u>

**Fiduciary Funds
Detail Statements**

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Net Position
June 30, 2013

	Agency Funds			Employee Benefit Trust Funds		Total
	Student Activity	Other Trust	Payroll	Unemployment Compensation Insurance Fund	Flexible Spending Account	
ASSETS:						
Cash and cash equivalents	\$ 498,098	\$ -	\$ 908,851	\$ 401,384	\$ 8,707	\$ 1,817,040
Accounts receivable						
Interfund receivable		74,193		118,000	-	192,193
TOTAL ASSETS	\$ 498,098	\$ 74,193	\$ 908,851	\$ 519,384	\$ 8,707	\$ 2,009,233
LIABILITIES						
LIABILITIES:						
Cash Overdraft	\$ -	\$ 23,410	\$ -	\$ -	\$ -	\$ 23,410
Accounts payable			-	20,845		20,845
Payroll deductions and withholdings			261,937		-	261,937
Reserve for summer payroll			620,869			620,869
Due to education association			24,281			24,281
Interfund payable			1,764			1,764
Other trust liabilities		50,783	-			50,783
Due to student groups	498,098					498,098
Total liabilities	498,098	74,193	908,851	20,845	-	1,501,987
NET POSITION						
Reserved for unemployment claims and other purposes				498,539	8,707	507,246
Total net position	\$ -	\$ -	\$ -	\$ 498,539	\$ 8,707	\$ 507,246

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Fiduciary Fund
 Comparative Statement of Changes in Fiduciary Net Position
 for the Fiscal Year ended June 30, 2013

	Trust Funds		Total
	Unemployment Compensation Insurance Fund	Flexible Spending Account	
REVENUES:			
Local sources:			
Employee contributions	\$ 49,059	\$ 74,067	\$ 123,126
Employer contributions	426,087		426,087
Interest on Investments	163		163
Total Revenues	475,309	74,067	549,376
EXPENDITURES:			
Current Expense:			
Undistributed Expenditures:			
Unemployment claims	90,169		90,169
Flexible Account payments		65,360	65,360
Total Expenditures	90,169	65,360	155,529
Excess (deficiency) of revenues over (under) expenditures)	385,140	8,707	393,847
Net Assets July 1	113,399		113,399
Net Assets June 30	\$ 498,539	\$ 8,707	\$ 507,246

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
for the Fiscal Year ended June 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2013</u>
Elementary Schools:				
Fountain Woods	\$ 37,391	\$ 35,201	\$ 31,708	\$ 40,884
Springside School				
Young School	<u>28,973</u>	<u>15,071</u>	<u>16,580</u>	<u>27,464</u>
Total Elementary Schools	<u>66,364</u>	<u>50,272</u>	<u>48,288</u>	<u>68,348</u>
Middle Schools:				
Hopkins Middle School	<u>49,788</u>	<u>113,972</u>	<u>111,221</u>	<u>52,539</u>
Total Middle Schools	<u>49,788</u>	<u>113,972</u>	<u>111,221</u>	<u>52,539</u>
High School:				
High School	<u>384,005</u>	<u>646,046</u>	<u>652,840</u>	<u>377,211</u>
Total High School	<u>384,005</u>	<u>646,046</u>	<u>652,840</u>	<u>377,211</u>
Total	<u><u>\$ 500,157</u></u>	<u><u>\$ 810,290</u></u>	<u><u>\$ 812,349</u></u>	<u><u>\$ 498,098</u></u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
for the Fiscal Year ended June 30, 2013

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
ASSETS:				
Cash and cash equivalents	\$ 619,470	\$ 34,973,010	\$ 34,683,629	\$ 908,851
Total assets	<u>\$ 619,470</u>	<u>\$ 34,973,010</u>	<u>\$ 34,683,629</u>	<u>\$ 908,851</u>
LIABILITIES:				
Payroll deductions and withholdings	\$ 33,823	\$ 14,976,520	\$ 14,748,406	\$ 261,937
Net payroll		18,998,410	18,998,410	
Reserve for summer payroll	560,335	997,007	936,473	620,869
Due to education association	23,746	535		24,281
Interfund payable	1,566	538	340	1,764
Total liabilities	<u>\$ 619,470</u>	<u>\$ 34,973,010</u>	<u>\$ 34,683,629</u>	<u>\$ 908,851</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Other Trust Agency Fund
Schedule of Receipts and Disbursements
for the Fiscal Year ended 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				
Interfund receivable	\$ 82,371	\$ 6,846	\$ 15,024	\$ 74,193
Total assets	<u>\$ 82,371</u>	<u>\$ 6,846</u>	<u>\$ 15,024</u>	<u>\$ 74,193</u>
LIABILITIES:				
Cash overdraft	38,434		15,024	23,410
Other trust agency liabilities	43,937	6,846		50,783
Total liabilities	<u>\$ 82,371</u>	<u>\$ 6,846</u>	<u>\$ 15,024</u>	<u>\$ 74,193</u>

Long-Term Debt Schedules

BURLINGTON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Serial Bonds
June 30, 2013

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2012	Issued	Retired	Balance June 30, 2013
			Date	Amount					
Refunding Bonds	6/01/03	\$ 4,580,000	08/1/13	\$ 400,000	2.900%	\$ 925,000		\$ 525,000	\$ 400,000
School Bonds	4/15/04	23,473,000	07/15/13 07/15/14	1,080,000 1,120,000	4.000% 4.000%	3,235,000		1,035,000	2,200,000
Refunding Bonds	9/01/04	25,935,000	01/15/14 01/15/15 01/15/16 01/15/17 01/15/18 01/15/19 01/15/20	2,170,000 2,385,000 2,460,000 2,540,000 2,585,000 2,380,000 1,730,000	3.750% 5.000% 5.000% 4.000% 4.500% 4.500% 4.400%	18,275,000		2,025,000	16,250,000
Balance Forward						<u>\$ 22,435,000</u>	<u>---</u>	<u>\$ 3,585,000</u>	<u>\$ 18,850,000</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Serial Bonds
June 30, 2013

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Rate of Interest</u>	<u>Balance July 1, 2012</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2013</u>
			<u>Date</u>	<u>Amount</u>					
Balance Brought Forward						\$ 22,435,000		\$ 3,585,000	\$ 18,850,000
Refunding Bonds	4/1/2012	\$ 13,795,000	07/15/15	\$ 1,160,000	5.000%	13,795,000		170,000	13,625,000
			07/15/16	1,205,000	3.500%				
			07/15/17	1,245,000	4.500%				
			07/15/18	1,290,000	3.750%				
			07/15/19	1,335,000	5.000%				
			07/15/20	1,385,000	5.000%				
			07/15/21	1,430,000	4.000%				
			07/15/22	1,485,000	4.500%				
			07/15/23	1,540,000	4.500%				
			07/15/24	1,550,000	4.400%				
Total						<u>\$ 36,230,000</u>	<u>\$ -</u>	<u>\$ 3,755,000</u>	<u>\$ 32,475,000</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Obligations Under Capital Leases
June 30, 2013

<u>Series</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Amount Outstanding 6/30/2012</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding 6/30/2013</u>
Computer Equipment	3.50%	\$ 251,960	\$ 52,168	\$ -	\$ 52,168	\$ -
Computer Equipment	6.14%	244,755	<u>100,549</u>		<u>48,778</u>	<u>51,771</u>
			<u>\$ 152,717</u>	<u>-</u>	<u>\$100,946</u>	<u>\$ 51,771</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 3,897,792	\$ -	\$ 3,897,792	\$ 3,897,792	\$ -
Miscellaneous					
Total revenues - local sources	<u>3,897,792</u>		<u>3,897,792</u>	<u>3,897,792</u>	
State sources:					
Debt service aid type II	<u>1,228,491</u>		<u>1,228,491</u>	<u>1,228,491</u>	
Total revenues - state sources	<u>1,228,491</u>		<u>1,228,491</u>	<u>1,228,491</u>	
Total Revenues	<u>5,126,283</u>		<u>5,126,283</u>	<u>5,126,283</u>	
EXPENDITURES:					
Regular debt service:					
Interest on bonds	1,541,283	(170,000)	1,371,283	1,325,456	45,827
Redemption of principal	3,585,000	170,000	3,755,000	3,755,000	
Expenses of refunding bonds					
Total Expenditures	<u>5,126,283</u>		<u>5,126,283</u>	<u>5,080,456</u>	<u>45,827</u>
Excess (Deficiency) of revenues over (under) expenditures				45,827	45,827
Fund Balance, July 1	<u>8,680</u>		<u>8,680</u>	<u>8,680</u>	
Fund Balance, June 30	<u>\$ 8,680</u>	<u>\$ -</u>	<u>\$ 8,680</u>	<u>\$ 54,507</u>	<u>\$ 45,827</u>
Recapitulation of Excess (Deficiency) or revenues over (under) expenditures					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,827</u>	<u>\$ 45,827</u>

Statistical Section

Burlington Township School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
Net investment in capital assets	\$ (17,098,562)	\$ (17,486,149)	\$ 3,418,432	\$ 16,925,859	\$ 22,517,472	\$ 25,976,649	\$ 20,705,914	\$ 22,676,427	\$ 26,690,199	\$ 28,803,444
Restricted for:										
Capital projects	35,545,837	6,492,118	6,246,076	6,952,014	3,160,892	2,660,697	2,523,398	3,063,652	2,232,176	2,966,623
Debt service	(915,802)	(320,400)	318,791	187,912	(247,917)	(801,361)	(839,652)	-	-	-
Other purposes	6,244,961	32,446,840	16,282,276	4,649,355	5,918,231	7,186,997	3,573,930	2,882,023	3,534,938	3,701,179
Unrestricted	77,103	85,953	217,388	139,240	23,426	(930,620)	(861,535)	(1,326,401)	(967,317)	(1,788,509)
Total governmental activities net position	\$ 23,853,537	\$ 21,218,382	\$ 26,480,963	\$ 28,854,380	\$ 31,372,104	\$ 34,092,362	\$ 25,102,055	\$ 27,495,701	\$ 31,489,996	\$ 33,682,737
Business-type activities:										
Net investment in capital assets	\$ 148,738	\$ 188,632	\$ 178,593	\$ 145,155	\$ 486,002	\$ 438,572	\$ 423,113	\$ 407,954	\$ 392,795	\$ 377,838
Unrestricted	238,314	189,899	326,107	478,316	196,722	192,518	215,713	198,898	167,290	164,406
Total business-type activities net position	\$ 387,050	\$ 378,531	\$ 504,690	\$ 623,471	\$ 684,724	\$ 631,090	\$ 638,826	\$ 606,852	\$ 560,085	\$ 542,042
District-wide:										
Net investment in capital assets	\$ (16,949,826)	\$ (17,297,517)	\$ 3,595,015	\$ 17,071,014	\$ 23,005,474	\$ 26,415,221	\$ 21,129,027	\$ 23,284,381	\$ 27,082,994	\$ 29,181,080
Restricted:										
Capital projects	35,545,837	6,492,118	6,246,076	6,952,014	3,160,892	2,660,697	2,523,398	3,063,652	2,232,176	2,966,623
Debt service	(915,802)	(320,400)	318,791	187,912	(247,917)	(801,361)	(839,652)	-	-	-
Other purposes	6,244,961	32,446,840	16,282,276	4,649,355	5,918,231	7,186,997	3,573,930	2,882,023	3,534,938	3,701,179
Unrestricted	315,417	275,852	543,495	615,556	220,148	(738,102)	(845,822)	(1,127,503)	(800,027)	(1,624,103)
Total district net position	\$ 24,240,587	\$ 21,596,893	\$ 26,685,653	\$ 29,475,851	\$ 32,056,828	\$ 34,723,452	\$ 25,740,881	\$ 28,102,553	\$ 32,050,081	\$ 34,224,779

Burlington Township School District
 Changes in Net Position, Last Ten Fiscal Years
 (accrual basis of accounting)

Exhibit J-2

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 17,001,759	\$ 17,908,405	\$ 15,431,761	\$ 16,719,895	\$ 17,591,711	\$ 18,863,496	\$ 19,998,369	\$ 17,473,133	\$ 17,648,544	\$ 18,587,884
Special education	3,802,676	5,024,276	4,528,850	4,885,732	5,391,006	6,042,930	6,496,898	6,928,846	7,390,064	7,859,851
Other instruction	1,210,060	1,317,696	1,146,316	1,203,920	1,286,152	1,619,940	1,809,304	1,736,065	1,819,083	1,956,105
Support Services:										
Tuition	1,865,565	2,715,772	2,353,701	2,174,982	2,023,950	1,797,027	2,238,280	2,548,267	2,939,828	2,296,865
Student & instruction related services	5,268,449	4,945,626	4,188,960	4,438,732	4,874,624	5,282,806	5,727,629	5,465,268	5,371,027	5,994,396
School administrative services	2,063,870	2,111,728	1,773,779	1,908,900	1,984,343	2,155,806	2,260,879	2,099,864	2,065,641	2,170,709
General and business administrative services	1,488,710	1,370,550	1,192,011	1,162,081	1,260,007	1,354,085	1,476,548	1,383,470	1,559,917	1,715,221
Plant operations and maintenance	5,933,040	7,876,530	3,610,428	3,081,060	4,973,358	4,083,205	11,087,692	5,250,208	4,682,876	5,494,750
Pupil transportation	2,545,352	2,629,193	2,281,447	2,387,026	2,520,410	2,623,668	2,713,136	2,566,829	2,811,623	2,662,537
Unallocated employee benefits	-	-	8,428,740	10,266,474	11,313,384	10,412,728	11,905,328	11,919,088	12,904,818	14,741,082
Special schools	62,153	76,632	96,430	143,343	92,057	213,353	-	-	-	-
Charter schools	-	-	-	-	-	-	72,937	120,663	124,018	52,122
Interest on long-term debt	2,115,700	2,282,410	2,398,650	2,271,940	2,143,243	2,041,060	1,898,026	1,759,084	1,443,649	1,523,662
Unallocated depreciation and amortization	67,693	1,416,565	77,282	175,214	161,476	161,978	188,562	132,853	143,678	114,186
Total governmental activities expenses	43,425,027	49,675,383	47,508,355	50,819,299	55,615,721	58,652,082	67,871,578	59,383,635	60,704,566	65,169,370
Business-type activities:										
Community Arts Center	11,950	2,460	17,975	26,873	19,309	48,847	31,846	27,648	43,668	47,437
Food Service	1,048,425	1,138,568	1,139,549	1,169,818	1,382,454	1,383,332	1,406,827	1,581,505	1,729,954	1,657,407
Total business-type activities expense	1,060,375	1,141,048	1,157,524	1,196,691	1,401,763	1,432,179	1,438,673	1,609,153	1,773,622	1,704,844
Total district expenses	\$ 44,485,402	\$ 50,816,431	\$ 48,665,879	\$ 52,015,990	\$ 57,017,484	\$ 58,084,261	\$ 69,310,251	\$ 60,992,788	\$ 62,478,188	\$ 66,874,214
Program Revenues:										
Governmental activities:										
Operating grants and contributions	4,950,884	\$ 4,045,427	5,376,588	6,507,066	6,917,517	5,588,518	6,434,197	6,624,272	6,410,954	7,675,389
Total governmental activities program revenues	4,950,884	4,045,427	5,376,588	6,507,066	6,917,517	5,588,518	6,434,197	6,624,272	6,410,954	7,675,389

(Continued)

Burlington Township School District
 Changes in Net Position, Last Ten Fiscal Years
 (accrual basis of accounting)

Exhibit J-2

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-type activities:										
Charges for services:										
Performing Arts Center	23,218	18,430	50,279	27,804	31,008	44,027	36,706	49,346	30,420	46,510
Food service	856,077	857,082	950,211	985,625	993,391	955,229	1,007,202	1,085,543	1,151,603	1,072,889
Operating grants and contributions	252,623	256,245	281,657	296,516	333,060	376,368	399,517	438,090	542,082	566,926
Total business-type activities program revenues	1,131,918	1,131,757	1,282,147	1,309,945	1,357,449	1,375,624	1,443,425	1,572,979	1,724,105	1,686,325
Total district program revenues	\$ 6,082,782	\$ 6,177,184	\$ 6,658,735	\$ 7,817,011	\$ 8,274,966	\$ 6,964,142	\$ 7,877,622	\$ 8,187,251	\$ 8,135,059	\$ 9,381,714
Net (Expense)/Revenue:										
Governmental activities	\$ (38,474,163)	\$ (46,629,956)	\$ (42,131,767)	\$ (44,312,233)	\$ (48,698,204)	\$ (51,063,564)	\$ (61,437,381)	\$ (52,759,363)	\$ (54,293,612)	\$ (57,493,991)
Business-type activities	73,543	(9,291)	124,623	113,254	(44,314)	(54,555)	4,752	(36,174)	(49,517)	(18,519)
Total district-wide net expense	\$ (38,400,620)	\$ (46,639,247)	\$ (42,007,144)	\$ (44,198,979)	\$ (48,742,518)	\$ (51,118,119)	\$ (61,432,629)	\$ (52,795,537)	\$ (54,343,129)	\$ (57,512,500)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 22,135,219	\$ 23,301,820	\$ 25,498,048	\$ 27,848,255	\$ 27,507,030	\$ 32,233,166	\$ 32,249,821	\$ 33,393,814	\$ 34,745,745	\$ 35,629,683
Taxes levied for debt service	1,990,555	2,753,707	3,724,611	3,150,626	2,916,758	2,994,462	3,625,196	3,903,669	3,873,418	3,697,792
Unrestricted grants and contributions	29,824,041	18,329,449	17,254,004	14,751,753	19,402,329	17,595,704	15,762,374	17,467,163	19,149,799	19,476,178
State aid restricted for debt service	-	-	-	-	-	-	-	-	-	-
Investment earnings	147,223	553,607	802,971	591,025	102,416	55,722	38,312	53,167	35,967	2,248
Miscellaneous income	98,654	55,898	114,734	343,891	1,287,395	904,768	771,371	335,176	482,979	849,601
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	54,195,692	42,984,781	47,394,368	46,685,650	51,215,928	53,783,622	52,447,074	55,153,009	58,287,907	60,055,502
Business-type activities:										
Investment earnings	256	745	-	-	4,053	921	2,984	4,200	2,750	476
Miscellaneous income	-	27	1,536	3,527	103,514	-	-	-	-	-
Total business-type activities	256	772	1,536	3,527	107,567	921	2,984	4,200	2,750	476
Total district-wide	\$ 54,195,948	\$ 42,995,553	\$ 47,395,904	\$ 46,689,177	\$ 51,323,495	\$ 53,784,743	\$ 52,450,058	\$ 55,157,209	\$ 58,290,657	\$ 60,055,978
Change in Net Position:										
Governmental activities	\$ 15,721,529	\$ (8,519)	\$ 5,262,601	\$ 2,373,417	\$ 2,517,724	\$ 2,720,258	\$ (8,990,307)	\$ 2,393,646	\$ 3,994,295	\$ 2,561,521
Business-type activities	73,799	(2,635,175)	126,159	116,781	63,253	(53,634)	7,738	(31,974)	(48,767)	(18,043)
Total district-wide	\$ 15,795,328	\$ (2,643,694)	\$ 5,388,760	\$ 2,490,198	\$ 2,580,977	\$ 2,666,624	\$ (8,982,571)	\$ 2,361,672	\$ 3,945,528	\$ 2,543,478

**Burlington Township School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)**

Exhibit J-3

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund:										
Reserved for:										
Encumbrances	\$ 755,515	\$ 1,178,447	\$ 328,111	\$ 382,183	\$ 38,610	\$ 26,107	\$ 221,326	\$ 161,820	\$ 48,437	\$ 151,380
Capital reserve	2,202	2,243	2,320	2,430	902,466	1,937,273	1,667,959	1,627,549	2,035,340	2,924,446
Maintenance reserve						100,000	-	200,000	546,000	946,000
Excess surplus	2,057,743	2,647,147	1,924,399	2,315,891	3,532,849	3,450,510	-	320,203	257,917	205,428
Excess surplus - designated for subsequent year's expenditures	1,469,795	2,057,743	2,647,147	1,924,398	2,315,891	3,532,849	3,352,604	-	322,773	257,917
Legally restricted	96,057									
Unreserved - designated for subsequent year's expenditures	362,689		20,428	32,683	36,681	77,531	-	2,200,000	2,351,131	2,085,947
Unreserved	543,351	214,252	277,091	356,554	395,768	(281,583)	(300,778)	273,238	306,897	(44,754)
Total general fund	\$ 5,287,352	\$ 6,099,632	\$ 5,199,496	\$ 5,014,139	\$ 7,222,265	\$ 8,842,687	\$ 4,941,111	\$ 4,782,810	\$ 5,868,495	\$ 6,528,364
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ 1,503,162	\$ 26,569,303	\$ 11,367,991	\$ 4,960,858	\$ 1,630,965	\$ 249,755	\$ -	\$ 918,630	\$ 149,493	\$ 18,971
Unreserved, reported in:										
Special revenue fund		(5,800)	(5,800)	(5,800)	(5,800)	-	-	-	-	-
Capital projects fund	35,543,635	6,489,875	6,243,756	1,988,726	627,461	473,669	855,439	517,473	47,343	23,206
Debt service fund	147,458	788,378	1,385,331	1,203,203	708,666	107,168	4,752	-	8,680	54,507
Total all other governmental funds	\$ 37,194,255	\$ 33,841,756	\$ 18,991,278	\$ 8,146,987	\$ 2,961,292	\$ 830,592	\$ 860,191	\$ 1,436,103	\$ 205,516	\$ 96,684

Burlington Township School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-4

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Tax levy	\$ 24,125,774	\$ 26,055,527	\$ 29,222,659	\$ 30,998,881	\$ 34,641,833	\$ 35,227,628	\$ 35,875,017	\$ 37,297,503	\$ 38,619,163	\$ 39,727,475
Tuition charges	41,106	5,400	71,944	109,529	80,806	534,292	516,165	192,341	244,212	403,855
Transportation charges	15,443	23,469	19,671	18,728	18,208	65,843	97,481	52,842	11,255	56,806
Interest earnings	147,223	553,807	802,971	591,025	325,459	55,722	38,312	53,167	35,967	2,248
Miscellaneous	42,105	27,129	35,005	225,677	965,338	307,816	161,366	112,066	290,874	455,082
State sources	33,567,856	18,715,613	19,260,484	20,124,662	20,938,975	22,063,488	17,878,623	22,535,771	23,547,311	25,766,255
Federal sources	1,207,049	1,228,937	1,256,913	1,124,214	1,162,826	1,117,551	4,314,307	1,533,591	1,950,079	1,319,170
Total revenue	59,146,556	46,609,882	50,669,647	53,192,716	58,133,445	59,372,340	58,881,271	61,777,281	64,698,881	67,730,891
Expenditures										
Instruction										
Regular instruction	13,401,738	14,151,604	15,267,583	15,744,985	16,633,664	17,731,137	17,968,505	15,879,162	16,156,784	16,891,831
Special education instruction	3,139,135	4,151,901	4,528,850	4,885,732	5,391,006	6,042,930	6,496,898	6,928,846	7,390,064	7,859,851
Other special instruction	998,913	1,088,902	1,146,316	1,203,920	1,286,152	1,618,940	1,809,304	1,738,065	1,819,083	1,956,105
Other instruction	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	1,865,565	2,715,772	2,353,701	2,174,982	2,023,950	1,797,027	2,236,280	2,548,267	2,939,828	2,296,865
Student & instruction related services	4,349,141	4,086,907	4,188,960	4,438,732	4,874,624	5,282,808	5,727,629	5,465,268	5,371,027	5,994,396
School administrative services	1,703,739	1,132,579	1,192,011	1,784,056	1,863,023	1,964,998	1,953,319	1,903,703	1,849,768	1,942,336
General and business admin.services	1,138,465	1,652,589	1,732,438	1,162,081	1,260,007	1,354,085	1,476,548	1,383,470	1,559,917	1,715,221
Plant operations and maintenance	2,909,466	2,840,580	3,289,324	3,247,299	4,090,850	4,130,816	4,449,035	4,818,319	4,672,305	5,003,333
Pupil transportation	2,101,206	2,172,681	2,281,447	2,387,026	2,520,410	2,623,668	2,713,136	2,568,828	2,611,623	2,662,537
Other support services	6,326,017	6,538,147	8,428,740	10,266,474	11,313,384	10,412,728	11,905,328	11,919,088	12,904,618	14,741,082
Special Schools	62,153	76,632	96,430	143,343	92,057	213,353	-	-	-	-
Charter School	-	-	-	-	-	-	72,937	120,663	124,018	52,122
Capital outlay	2,713,792	4,611,715	16,843,772	11,748,822	4,829,936	1,981,977	742,178	949,767	2,354,764	985,719
Debt service:										
Principal	1,610,000	1,695,000	2,630,000	2,695,000	2,730,000	2,890,000	3,240,000	3,320,000	3,400,000	3,755,000
Interest and other charges	1,767,532	2,236,892	2,440,889	2,323,189	2,201,951	2,089,114	1,962,151	1,820,226	1,828,983	1,325,456
Total expenditures	44,086,882	49,149,901	68,420,461	64,205,641	61,111,014	60,134,579	62,753,248	61,359,670	64,982,782	67,181,854
Excess (Deficiency) of revenues over (under) expenditures	15,059,694	(2,540,019)	(15,750,814)	(11,012,925)	(2,977,569)	(762,239)	(3,871,977)	417,611	(283,921)	549,037
Other Financing sources (uses)										
Proceeds from borrowing	23,473,000	-	-	-	-	251,960	-	-	144,306	-
Accounts receivable cancelled	-	-	-	(16,723)	-	-	-	-	(5,287)	-
Transfers in	-	-	-	871,916	102,416	57,477	279,162	551,171	208,680	-
Transfers out	-	-	-	(871,916)	(102,416)	(57,477)	(279,162)	(551,171)	(208,680)	-
Total other financing sources (uses)	23,473,000	-	-	(16,723)	-	251,960	-	-	139,019	-
Net change in fund balances	\$ 38,532,694	\$ (2,540,019)	\$ (15,750,814)	\$ (11,029,648)	\$ (2,977,569)	\$ (510,279)	\$ (3,871,977)	\$ 417,611	\$ (144,902)	\$ 549,037
Debt service as a percentage of noncapital expenditures	8.16%	8.83%	10.23%	9.57%	8.76%	8.56%	8.39%	8.51%	8.35%	7.67%

Source: District records

Burlington Township School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-5

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Transportation</u>	<u>Tuition</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Rentals</u>	<u>Donations</u>	<u>Preschool</u> <u>Program Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2004	\$ 89,914	\$ 15,443	\$ 41,106	\$ -	\$ 7,800	\$ 2,500		\$ 23,077	\$ 179,840
2005	111,822	23,469	5,400	-	6,600			17,841	165,132
2006	180,460	19,671	71,944	9,623	7,200			6,296	295,194
2007	229,109	18,728	109,529	150,707	6,000			5,127	519,200
2008	223,043	18,208	80,806	926,080	7,800			31,458	1,287,395
2009	50,970	65,843	534,292	294,903	7,200			2,530	955,738
2010	28,464	97,481	516,165	84,786	7,000		\$ 63,487	2,452	799,835
2011	42,406	52,842	192,341	15,398	53,774		18,000	2,821	377,582
2012	28,177	244,212	11,255	99,785	83,084	13,300	25,400	5,943	511,156
2013	8,101	56,806	403,855	31,459	70,269	-	20,300	261,059	851,849
	<u>\$ 992,466</u>	<u>\$ 612,703</u>	<u>\$ 1,966,693</u>	<u>\$ 1,612,741</u>	<u>\$ 256,727</u>	<u>\$ 15,800</u>	<u>\$ 127,187</u>	<u>\$ 358,604</u>	<u>\$ 5,942,921</u>

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Source: District records

**Burlington Township School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2004	\$ 33,699,050	\$ 850,511,399	\$ 4,685,300	\$ 1,779,350	\$ 261,954,700	\$ 130,853,300	\$ 32,500,000	\$1,315,983,099	\$ 3,368,308	\$1,319,352,405	\$ 111,441,199	\$ 1.075	\$ 1,841,766,178
2005	62,368,200	1,638,150,980	6,244,000	1,790,050	369,438,400	203,500,900	57,190,000	2,336,682,510	4,743,348	2,341,425,858	185,742,200	1.248	2,059,689,341
2006	59,427,950	1,646,405,160	5,185,000	1,790,150	393,292,600	197,906,400	56,490,000	2,360,497,260	4,297,620	2,364,794,880	201,382,650	1.310	2,461,766,850
2007	67,750,950	1,660,667,238	5,185,000	1,781,250	388,969,200	190,480,200	55,090,000	2,369,033,538	3,965,685	2,372,999,223	202,453,350	1.460	2,716,891,365
2008	63,418,950	1,676,485,258	4,835,000	1,762,250	383,155,900	198,590,200	55,090,000	2,383,337,558	3,945,609	2,387,283,167	238,151,750	1.475	2,959,089,855
2009	60,892,900	1,682,202,658	4,835,000	824,400	354,987,100	231,471,100	55,090,000	2,390,303,158	4,411,793	2,394,714,951	241,617,150	1.498	2,859,956,299
2010	58,070,100	1,686,539,858	5,221,800	893,100	345,873,600	231,660,600	55,090,000	2,383,369,058	4,690,705	2,388,259,763	248,407,150	1.561	2,741,357,925
2011	62,090,000	1,688,245,058	2,119,300	893,100	345,198,250	223,132,600	55,090,000	2,374,768,308	4,396,827	2,379,165,135	252,726,950	1.624	2,666,755,461
2012	63,813,100	1,539,973,957	2,119,300	888,700	342,544,250	219,982,600	55,090,000	2,224,391,907	4,662,239	2,229,054,146	248,770,450	1.782	2,324,940,541
2013	67,610,200	1,527,747,957	2,021,300	874,900	339,142,450	228,582,600	54,290,000	2,220,269,407	3,488,570	2,223,767,977	252,810,450	1.844	2,260,097,655

Source: Municipal Tax Assessor

Note:

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies.

b Tax rates are per \$100.

**Burlington Township School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)**

Exhibit J-7

Fiscal Year Ended June 30,	Burlington School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Burlington	Burlington County	Fire District	
2004	\$ 1.822	\$ 0.153	\$ 1.975	\$ 0.353	\$ 0.651	\$ 0.097	\$ 3.076
2005	1.163	0.085	1.248	0.220	0.399	0.059	1.926
2006	1.194	0.116	1.310	0.253	0.457	0.062	2.082
2007	1.337	0.123	1.460	0.289	0.481	0.062	2.292
2008	1.350	0.125	1.475	0.334	0.480	0.065	2.354
2009	1.347	0.151	1.498	0.351	0.454	0.067	2.370
2010	1.398	0.163	1.561	0.382	0.435	0.069	2.447
2011	1.461	0.163	1.624	0.410	0.422	0.070	2.526
2012	1.607	0.175	1.782	0.453	0.392	0.077	2.704
2013	1.673	0.171	1.844	0.483	0.381	0.078	2.786

Source: Municipal Tax Collector

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

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

**Burlington Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Exhibit J-8

Taxpayer	2012-2013		Taxpayer	2003-2004	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Whitesell Inc.	\$ 92,578,500	4.16%	Whitesell, Inc.	\$ 78,466,000	3.41%
1900 River Road, LLC	40,300,000	1.81%	NGP Capital Partners	40,000,000	1.74%
Midmall	26,075,500	1.17%	Midmall Resources	26,000,000	1.13%
Burlington Coat Factory	23,000,000	1.03%	Burlington Coat Factory	24,600,000	1.07%
130 Holdings, LLC	18,028,000	0.81%	Burlington Center	20,500,000	0.89%
Sunset Associates	17,200,000	0.77%	Sunset Associates	18,500,000	0.80%
Willow Point Apartments	15,400,000	0.69%	130 Holdings, LLC	18,330,000	0.80%
Burlington Mall LLC, Center	13,506,000	0.61%	JS Hovanian	13,400,000	0.58%
JS Hovanian	13,400,000	0.60%	Northgate Village Realty	13,270,000	0.58%
Northgate Village Real	13,245,000	0.60%	Willow Point Apts.	11,070,000	0.48%
Total	\$ 272,733,000	12.26%		\$ 264,136,000	20.49%

Source: Municipal Tax Assessor

**Burlington Township School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	\$ 24,125,774	\$ 24,125,774	100.00%	-
2005	26,055,527	26,055,527	100.00%	-
2006	29,222,659	29,222,659	100.00%	-
2007	30,998,881	30,998,881	100.00%	-
2008	34,641,833	34,641,833	100.00%	-
2009	35,227,628	35,227,628	100.00%	-
2010	35,875,017	35,875,017	100.00%	-
2011	37,297,503	37,297,503	100.00%	-
2012	38,619,163	38,619,163	100.00%	-
2013	39,727,475	39,727,475	100.00%	-

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

- a** School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

**Burlington Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**
(dollars in thousands, except per capita)

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^b
	General Obligation Bonds	Unfunded Pension Liability	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2004	\$ 57,699,000					\$ 57,699,000	0.67%	2,645
2005	57,308,000					57,308,000	6.49%	2,641
2006	54,678,000					54,678,000	5.84%	2,531
2007	51,983,000					51,983,000	5.38%	2,438
2008	49,253,000		\$ 505,000			49,758,000	4.90%	2,336
2009	46,363,000		255,000			46,618,000	4.70%	2,185
2010	43,123,000		340,852			43,463,852	4.06%	1,922
2011	39,803,000		249,001			40,052,001	3.66%	1,769
2012	36,230,000		152,717			36,382,717	c	1,601
2013	32,475,000		51,772			32,526,772	c	c

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

- a Based on Per Capita Income for Burlington County
- b Based on School District Population as of July 1,
- c Not available

Burlington Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Exhibit J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2004	\$ 57,699,000		\$ 57,699,000	4.37%	2,645
2005	57,308,000		57,308,000	2.45%	2,641
2006	54,678,000		54,678,000	2.31%	2,531
2007	51,983,000		51,983,000	2.19%	2,438
2008	49,253,000		49,253,000	2.06%	2,312
2009	46,363,000		46,363,000	1.94%	2,174
2010	43,123,000		43,123,000	1.81%	1,907
2011	39,803,000		39,803,000	1.67%	1,758
2012	36,230,000		36,230,000	1.63%	1,595
2013	32,475,000		32,475,000	1.46%	c

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

a See Exhibit J-6 for property tax data.

b Population data can be found in Exhibit J-14.

c Not available

**Burlington Township School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2012**

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Burlington	\$ 20,555,903	100.000%	\$ 20,555,903
Burlington County General Obligation Debt	345,173,192	4.823%	16,647,013
			<hr/>
Subtotal, overlapping debt			37,202,916
Burlington Township School District Direct Debt			<hr/> 35,910,000
Total direct and overlapping debt			<hr/> \$ 73,112,916 <hr/>

Sources: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation.

Note: Debt outstanding data provided by each governmental unit.
Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Burlington. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**Burlington Township School District
 Legal Debt Margin Information,
 Last Ten Fiscal Years
 (dollars in thousands)**

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2013

	Equalized valuation basis
	2012 \$ 2,247,541,585
	2011 2,460,899,801
	2010 <u>2,655,860,328</u>
	[A] <u>\$ 7,364,301,714</u>
Average equalized valuation of taxable property	[A/3] \$ 2,454,767,238
Debt limit (4% of average equalized valuation)	[B] 98,190,890 ^a
Net bonded school debt	[C] <u>32,475,000</u>
Legal debt margin	[B-C] <u>\$ 65,715,690</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 60,105,028	\$ 69,699,313	\$ 82,448,192	\$ 94,504,169	\$ 106,981,689	\$ 112,475,672	\$ 113,023,058	\$ 109,495,779	\$ 104,584,802	\$ 98,190,690
Total net debt applicable to limit	<u>57,699,000</u>	<u>57,308,000</u>	<u>54,678,000</u>	<u>51,983,000</u>	<u>49,253,000</u>	<u>46,363,000</u>	<u>43,123,000</u>	<u>39,803,000</u>	<u>36,230,000</u>	<u>32,475,000</u>
Legal debt margin	<u>\$ 2,406,028</u>	<u>\$ 12,391,313</u>	<u>\$ 27,770,192</u>	<u>\$ 42,521,169</u>	<u>\$ 57,728,689</u>	<u>\$ 66,112,672</u>	<u>\$ 69,900,058</u>	<u>\$ 69,692,779</u>	<u>\$ 68,354,802</u>	<u>\$ 65,715,690</u>
Total net debt applicable to the limit as a percentage of debt limit	96.00%	82.22%	66.32%	55.01%	46.04%	41.22%	38.15%	36.35%	34.64%	33.07%

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

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

**Burlington Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2004	21,814	\$ 862,002,024	\$ 39,516	4.5%
2005	21,698	882,804,828	40,686	3.8%
2006	21,604	936,857,460	43,365	4.2%
2007	21,325	968,581,500	45,420	4.2%
2008	21,305	1,015,673,265	47,673	5.1%
2009	21,331	991,806,176	46,496	8.9%
2010	22,615	1,071,747,465	47,391	9.4%
2011	22,635	1,093,677,930	48,318	8.5%
2012	22,719	e	e	9.5%
2013	e	e	e	e

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development.
- b Personal income for Burlington County.
- c Per Capita for Burlington County.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development.
- e Not available.

**Burlington Township School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

Exhibit J-16

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Instruction										
Regular	245	247	249	251	268	268	269	270	237	327
Special education	44	47	49	52	67	71	73	72	122	127
Other special education										
Vocational	1	1	-	-						
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	74	76	78	78	88	78	81	81	86	97
School administrative services	36	37	37	37	42	37	40	38	33	27
General and business administrative services	3	3	3	3	2	3	3	3	3	3
Plant operations and maintenance	4	4	4	4	5	5	5	5	5	5
Pupil transportation	9	11	11	11	10	12	12	10	11	11
Business and other support services	9	10	11	11	11	10	10	11	8	8
Special Schools										
Food Service										
Child Care										
Total	425	436	442	447	493	484	493	490	505	605

Source: District Personnel Records

Burlington Township School District
 Operating Statistics,
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2004	4,024	37,995,538	9,442	4.88%	290	18:1	13:1	13:1	4,094	3,908	6.84%	95.46%
2005	4,123	40,606,294	9,849	6.87%	295	18:1	13:1	13:1	4,109	3,934	3.66%	95.74%
2006	4,112	44,505,800	10,823	9.88%	298	18:1	13:1	13:1	4,067	3,889	-1.02%	95.62%
2007	4,199	47,438,630	11,298	4.38%	303	18:1	13:1	13:1	4,182	3,998	1.03%	95.60%
2008	4,164	51,349,127	12,332	9.15%	335	18:1	13:1	13:1	4,179	3,986	-0.71%	95.38%
2009	4,160	53,173,488	12,782	3.65%	339	18:1	13:1	13:1	4,169	3,970	-2.39%	95.23%
2010	4,190	56,808,919	13,558	6.07%	342	18:1	13:1	13:1	4,055	3,867	-2.73%	95.36%
2011	4,097	55,269,677	13,490	-0.50%	342	18:1	13:1	13:1	4,104	3,926	1.21%	95.66%
2012	4,095	57,399,035	14,017	3.91%	342	18:1	13:1	13:1	4,061	3,886	-1.05%	95.69%
2013	4,027	61,115,679	15,176	3.91%	342	18:1	13:1	13:1	4,021	3,835	-0.98%	95.37%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Burlington Township School District
School Building Information
Last Ten Fiscal Years**

Exhibit J-18

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>District Building</u>										
<u>Elementary</u>										
Bernice Young Elementary (1962)										
Square Feet	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071
Capacity (students)	644	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280
Enrollment	902	911	1,088	1,088	1,088	1,035	951	871	892	886
Springside Elementary (1915)										
Square Feet	22,475	22,475	22,475	22,475	22,475					
Capacity (students)	238	238	238	238	238					
Enrollment	222	222	156	156	156					
Fountain Woods Elementary (1999)										
Square Feet	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648
Capacity (students)	1,229	1,229	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278
Enrollment	1,276	1,322	1,184	1,184	1,184	956	847	944	884	900
Thomas O. Hopkins Middle (1970)										
Square Feet	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116
Capacity (students)	597	597	597	597	597	597	597	597	597	597
Enrollment	588	608	640	640	640	311	335	334	322	315
Burlington Township Middle School (2008)										
Square Feet					181,700	181,700	181,700	181,700	181,700	181,700
Capacity (students)					1,058	1,058	1,058	1,058	1,058	1,058
Enrollment						1,029	1,011	1,028	1,003	951
Burlington High School (1964)										
Square Feet	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125
Capacity (students)	1,120	1,120	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Enrollment	1,029	1,057	1,042	1,042	1,042	829	910	927	960	975
<u>Other</u>										
New Middle School (2007) (Under Construction)										
Square Feet	-	-	181,700	181,700						
Capacity (students)	-	-	1,058	1,058						
Number of Schools at June 30, 2013										
Elementary = 3										
Middle School = 1										
Senior High School = 1										

Source: District Facilities Office

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

**Burlington Township School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years**

Exhibit J-19

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

* School Facilities	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Fountain Woods School	\$ 102,619	\$ 103,071	\$ 122,043	\$ 100,891	\$ 96,837	\$ 112,218	\$ 102,135	\$ 130,517	\$ 150,124	\$ 156,914	\$ 1,177,369
Springside School	38,482	38,652	45,766	31,789	18,010						172,699
Young School	68,413	68,714	81,362	70,837	86,709	104,585	103,542	108,764	125,103	130,762	948,791
Hopkins School	68,413	68,714	81,362	70,189	64,321	83,149	79,436	87,012	100,082	104,609	807,267
Middle School					145,830	160,369	147,527	195,776	225,185	235,371	1,110,058
High School	149,654	150,313	177,981	142,324	135,704	146,853	151,183	203,027	233,526	244,088	1,734,453
Total School Facilities	\$ 427,581	\$ 429,464	\$ 508,514	\$ 416,011	\$ 547,411	\$ 606,974	\$ 583,823	\$ 725,096	\$ 834,020	\$ 871,744	\$ 5,950,638

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

Source: District records

**Burlington Township School District
Insurance Schedule
June 30, 2013**

Exhibit J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)		
Limits of liability per occurrence	\$ 122,309,537	\$ 1,000
Crime	100,000/500,000	\$ 250
Commercial General Liability		
General Aggregate Limit	1,000,000/3,000,000	
Abuse or Molestation Liability	1,000,000/3,000,000	
Educators Legal Liability	1,000,000/2,000,000	
Commercial Auto Coverage		
Liability	1,000,000	250
Workers' compensation	Statutory	
Umbrella Liability	15,000,000	
Student Accident Catastrophic	6,000,000	25,000
Student Accident	250,000	
Surety Bonds (2)		
Treasurer	350,000	
Board Secretary	300,000	

- (1) Utica National Insurance Group
(2) RLI Insurance Company

Source: District records

Single Audit Section

INVERSO & STEWART, LLC
 Certified Public Accountants

12000 Lincoln Drive West, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: iscpas@concentric.net

-Member of-
 American Institute of CPAs
 New Jersey Society of CPAs

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE
 AS REQUIRED BY OMB CIRCULAR A-133
 AND STATE OF NEW JERSEY OMB CIRCULAR 04-04**

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

I have audited Burlington Township School District (School District), in the County of Burlington, State of New Jersey's compliance with the types of compliance requirements described in the *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 School District's major federal and state programs for the fiscal year ended June 30, 2013. The 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

My responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on my audit of the types of compliance requirements referred to above. I conducted my 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and State of New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and State of New Jersey OMB's Circular 04-04 require that I 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 and state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal and state program. However, my audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major Federal and State Program

In my opinion, the Burlington Township School District, in the County of Burlington, State of New Jersey 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 fiscal year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the Burlington Township School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the 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 programs and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey OMB's Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Burlington Township's 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.

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the New Jersey OMB's Circular 04-04. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and Expenditures of State Financial Assistance Required by New Jersey OMB's Circular 04-04

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Burlington Township School District, in the County of Burlington, 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 School District's basic financial statements. I have issued my report thereon dated August 9, 2013, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditure of federal awards and the schedules of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant

Marlton, New Jersey
August 9, 2013

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2013

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2012			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	June 30, 2013		
					Accounts Receivable	Deferred Revenue	Due to Grantor at					Accounts Receivable	Deferred Revenue	Due to Grantor at
U.S. Department of Education														
<u>General Fund:</u>														
Education Jobs Fund	84.410A	N/A	\$ 1,617	7/1/12 - 6/30/13						\$ (1,617)		\$ (1,617)		
Medical Assistance Program (SEMI)	83.778	N/A	70,797	7/1/12 - 6/30/13				\$ 70,797	(70,797)					
Total Special Revenue Fund								70,797	(72,414)			(1,617)		
<u>Special Revenue Fund:</u>														
<u>No Child Left Behind (N.C.L.B.)</u>														
Title I	84.010A	NCLB-0620-13	214,992	9/1/12 - 8/31/13				33,818	(190,805)			(156,987)		
Title I - Prior Year	84.010A	NCLB-0620-12	202,885	9/1/11 - 8/31/12		\$ 41,730		75,367	(117,316)			(219)		
Title I - Two Years Prior	84.010A	NCLB-0620-11	122,960	9/1/10 - 8/31/11	\$ (3,660)	\$ 220		3,660		\$ (220)				
Title IIA	84.367A	NCLB-0620-13	64,910	9/1/12 - 8/31/13					(26,157)			(26,157)		
Title IIA - Prior Year	84.367A	NCLB-0620-12	71,825	9/1/11 - 8/31/12		26,685			(28,542)			(1,847)		
Title III	84.365A	NCLB-0620-13	22,721	9/1/12 - 8/31/13				10,201	(15,992)			(5,791)		
Title III - Prior Year	84.365A	NCLB-0620-12	20,451	9/1/11 - 8/31/12	(2,114)			7,148	(5,034)					
Title III - Two Years Prior	84.365A	NCLB-0620-11	18,403	9/1/10 - 8/31/11	(26)					26				
<u>Individuals With Disabilities Act (I.D.E.A.)</u>														
Part B - Basic	84.027	FT-0620-13	623,291	9/1/12 - 8/31/13				432,664	(623,291)			(390,627)		
Part B - Basic - Prior Year	84.027	FT-0620-12	631,769	9/1/11 - 8/31/12	(63,177)			63,177						
Part B - Preschool	84.173	PS-0620-13	29,150	9/1/12 - 8/31/13					(29,150)			(29,150)		
Race to the Top	84.413A	RTT3-0620-13	16,157	9/1/11 - 11/30/15				6,149	(10,469)			(4,320)		
Total Special Revenue Fund					(68,977)	68,645		652,184	(1,246,756)		(194)	(615,098)		
U.S. Department of Agriculture														
<u>Enterprise Fund:</u>														
Food Distribution Program	10.550	N/A	101,224	9/1/12 - 8/30/13				101,224	(101,224)					
National School Lunch Program	10.555	N/A	378,920	9/1/12 - 8/30/13				351,229	(378,920)			(27,691)		
National School Lunch Program	10.555	N/A	387,285	9/1/11 - 8/30/12	(71,505)			71,505						
National School Breakfast Program	10.553	N/A	72,917	9/1/12 - 8/30/13				66,246	(72,917)			(6,671)		
National School Breakfast Program	10.553	N/A	46,819	9/1/11 - 8/30/12	(11,201)			11,201						
Total Enterprise Fund					(82,706)			601,405	(553,061)			(34,362)		
Total Federal Awards					\$ (171,683)	\$ 68,645		\$ 1,324,366	\$ (1,872,231)	\$ (194)		\$ (651,077)		

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
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 Award Amount	Grant Period	June 30, 2012			Cash Received	Budgetary Expenditures	Repayment of Prior Year Grant	June 30, 2013		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor
State Department of Education												
<u>General Fund</u>												
Special Education Categorical Aid	13-495-034-5120-089	\$ 2,260,044	7/1/12 - 6/30/13				\$ 2,048,955	\$ (2,260,044)		\$ (211,089)		
Special Education Categorical Aid	12-495-034-5120-089	2,107,493	7/1/11 - 6/30/12	\$ (187,052)			187,052					
Equalization Aid	13-495-034-5120-078	14,938,999	7/1/12 - 6/30/13				13,543,691	(14,938,999)		(1,395,308)		
Equalization Aid	12-495-034-5120-078	14,365,234	7/1/11 - 6/30/12	(1,275,000)			1,275,000					
Security Aid	13-495-034-5120-084	400,485	7/1/12 - 6/30/13				363,079	(400,485)		(37,406)		
Security Aid	12-495-034-5120-084	387,700	7/1/11 - 6/30/12	(34,411)			34,411					
Transportation Aid	13-495-034-5120-014	788,905	7/1/12 - 6/30/13				713,408	(788,905)		(73,497)		
Transportation Aid	12-495-034-5120-014	436,272	7/1/11 - 6/30/12	(38,722)			38,722					
Reimbursement of Nonpublic Transportation	13-103190	29,462	7/1/12 - 6/30/13					(29,462)		(29,462)		
Reimbursement of Nonpublic Transportation	12-103190	39,734	7/1/11 - 6/30/12	(39,734)			39,734					
Extraordinary Aid	13-495-034-5120-473	933,087	7/1/12 - 6/30/13					(933,087)		(933,087)		
Extraordinary Aid	12-495-034-5120-473	739,772	7/1/11 - 6/30/12	(739,772)			739,772					
Homeless Tuition Aid	13-495-034-5120-005	236,897	7/1/12 - 6/30/13				236,897	(236,897)				
On Behalf TPAF Pension	13-495-034-5095-006	1,548,050	7/1/12 - 6/30/13				1,548,050	(1,548,050)				
On Behalf TPAF Post Retirement Medical	13-495-034-5095-001	1,748,192	7/1/12 - 6/30/13				1,748,192	(1,748,192)				
Reimbursed TPAF Social Security Contributions	13-495-034-5095-002	1,839,758	7/1/12 - 6/30/13				1,748,127	(1,839,758)		(90,631)		
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	1,751,440	7/1/11 - 6/30/12	(88,065)			88,065					
Total General Fund				(2,402,756)	---	---	24,352,155	(24,719,679)	---	(2,770,460)	---	---
130 Special Revenue Fund												
<u>NJ Nonpublic Aid</u>												
Textbook Aid	13-100-034-5120-064	370	7/1/12 - 6/30/13				370					\$ 370
Nursing Aid	13-100-034-5120-070	513	7/1/12 - 6/30/13				513					513
Technology Aid	13-100-034-5120-373	137	7/1/12 - 6/30/13				137					137
<u>Handicapped Services:</u>												
Corrective Speech	13-000-034-5120-066	781	7/1/12 - 6/30/13				781					781
Corrective Speech	12-000-034-5120-066	711	7/1/11 - 6/30/12			\$ 711			\$ (711)			
Supplemental Instruction	12-000-034-5120-066	631	7/1/11 - 6/30/12			70			(70)			
Total Special Revenue Fund				---	---	781	1,801	---	(781)	---	---	1,801
New Jersey Economic Development Authority												
<u>Capital Projects Fund</u>												
High School	0620-010-10-1001	77,480	10/13/10 - 6/30/12	(77,480)						(77,480)		
Thomas O. Hopkins Middle School	0620-025-10-1002	84,138	10/13/10 - 6/30/12	(84,138)						(84,138)		
Middle School	0620-051-10-1005	127,652	10/13/10 - 6/30/12	(127,652)						(127,652)		
Fountain Woods	0620-037-10-1004	85,513	10/13/10 - 6/30/12	(85,513)						(85,513)		
Bernice Young School	0620-030-10-1003	96,974	10/13/10 - 6/30/12	(96,974)						(96,974)		
High School	0620-010-09-1001	178,855	6/01/10 - 9/01/12	(178,855)						(178,855)		
Fountain Woods	0620-037-09-1002	43,996	6/01/10 - 9/01/12	(43,996)						(43,996)		
Bernice Young School - Cafeteria	0620-030-05-1000	363,636	4/1/04 - 6/30/09	(325,636)			325,636			(692,608)		
Total Capital Projects Fund				(1,018,244)	---	---	325,636	---	---	(692,608)	---	---
<u>Debt Service Fund</u>												
Debt Service Aid Type II	13-495-034-5120-017	1,228,491	7/1/12 - 6/30/13				1,228,491	(1,228,491)				
State Department of Agriculture												
<u>Enterprise Fund</u>												
State School Lunch Program	13-100-010-3350-023	13,865	7/1/12 - 6/30/13				12,980	(13,865)		(885)		
State School Lunch Program	12-100-010-3350-023	16,191	7/1/11 - 6/30/12	(2,929)			2,929					
Total Enterprise Fund				(2,929)	---	---	15,909	(13,865)	---	(885)	---	---
Total State Financial Assistance				\$ (3,423,929)	---	\$ 781	\$ 25,923,992	\$ (25,962,235)	\$ (781)	\$ (3,463,973)	---	\$ 1,801

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

**Burlington Township School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2013**

1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Board of Education, Burlington Township School District Regional School District. The Board of Education is defined in Note 1 to the School Districts basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, 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.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or two June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$182,115) for the general fund and \$ -0- for the special revenue fund. See Exhibit C-3, 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 expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 72,414	\$ 24,537,764	\$ 24,610,178
Special Revenue Fund	1,246,756		1,246,756
Capital Projects Fund			
Debt Service Fund		1,228,491	1,228,491
Food Service Fund	<u>553,061</u>	<u>13,865</u>	<u>566,926</u>
Total Awards & Financial Assistance	<u>\$ 1,872,231</u>	<u>\$ 25,780,120</u>	<u>\$ 27,652,351</u>

**Burlington Township School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2013**

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. 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 School District for the year ended June 30, 2013. TPAF Social Security Contributions represents the amount reimbursed by the State for the School District's share of social security contributions for TPAF members for the year ended June 30, 2013.

6. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

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

Section 2 -- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

No findings identified.

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

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal and State programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04.

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings

FEDERAL AWARDS

Finding #2012-1

The District's Education Jobs Fund cash management report did not match the records of the District.

Current Status:

This condition has been corrected.

Finding #2012-2

Proper documentation was not consistently maintained in student files such as parent notifications of meetings, Proposed actions, and copies of evaluation reports as required by I.D.E.A. Part B.

Current Status:

This condition has been corrected.

STATE AWARDS

There were no prior year audit findings.