

# CHERRY HILL TOWNSHIP SCHOOL DISTRICT

Cherry Hill Township  
Board of Education  
County of Camden  
New Jersey

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

# **Cherry Hill Township School District**

**Cherry Hill, New Jersey**

**Comprehensive Annual Financial Report  
Year Ended June 30, 2013**

Prepared by

Business Office

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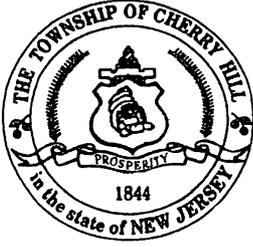
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# Introductory Section



# Cherry Hill Public Schools

Malberg Administration Building  
45 Ranoldo Terrace, P.O. Box 5015  
Cherry Hill, New Jersey 08034-0391  
(856) 429-5600  
Fax (856) 354-1864

November 15, 2013

Honorable President and  
Members of the Board of Education  
Cherry Hill School District  
Camden County  
Cherry Hill, New Jersey 08034

Dear Board Members and Constituents:

The comprehensive annual financial report of the Cherry Hill Township School District ("District") as of and for the year ended June 30, 2013 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Cherry Hill Township Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects. It is reported in a manner designed to present fairly the financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information at June 30, 2013, and the respective changes in financial position and cash flows, where applicable for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter (designed to complement management's discussion and analysis and should be read in conjunction with it), the District's organizational chart, a list of principal officials and independent auditors and advisors. The financial section includes management's discussion and analysis, the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **THE REPORTING ENTITY AND ITS SERVICES:** The Cherry Hill Township School District is an independent reporting entity within the criteria adopted by GASB Statement No. 14. All funds of the District are included in this report.

The Cherry Hill Township Board of Education and all its schools constitute the District's reporting entity. The District consists of two high schools, one alternative high school program, three middle schools, twelve elementary schools, and one pre-school. The curriculum provides a full range of educational services appropriate to grade levels Pre-K through 12.

Recognized as one of the best districts in the State, Cherry Hill Public Schools provide one of the Township's strongest selling points. Residents consistently report that they "moved here for the schools."

The Cherry Hill Board of Education and Administration strive to provide a preeminent education for all students in a fiscally responsible manner. Cherry Hill students continue to perform well on state assessments, surpassing the averages of schools in the District's wealth category—District Factor Group (DFG) GH – in nearly every testing area. In fact, the district percentages of students scoring proficient or advanced proficient on assessments for Mathematics and Language Arts have been comparable to the DFG I averages in prior years.

Participation in Advanced Placement courses remains high. The district average SAT scores are well above the state and national averages. For the class of 2013, approximately 93% of our graduates continue their education at two- or four-year colleges and universities. Dozens of our high school students are recognized each year as National Merit finalists, semifinalists, or commended students. Meanwhile, according to the State Department of Education's Taxpayers' Guide to Education Spending, Cherry Hill continues to spend below the state average in total spending per pupil and in budgetary cost per pupil. Also according to the July 2013 Taxpayers' Guide, Cherry Hill employs less than the state average in terms of student to administrator ratios.

The District occupies and maintains 1,696,737 square feet of building space and 370 acres of land.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education services for disabled youngsters. Students can purchase a nutritious hot breakfast and lunch at all of our district schools.

The District's special services encompass programs which support, accommodate, or replace the regular education program according to a variety of unique student needs. Our population of students eligible for special education services has grown dramatically – from 9.3% in 1999 to 16.9% in 2013. The inclusion program, beginning at the pre-school level, enables many special needs students to receive services in a least restrictive setting along with their typically developing peers. In-class resource programs, which are also a model for inclusion, are in place at several schools, K-12, serving IEP students within regular education classes. The District offers a variety of special class (or self-contained) programs at the elementary, middle, and high school levels.

The District provides direct services to students with disabilities as well as certain direct and consulting services related to the general school population.

As part of the core curriculum, the district offers programs in art, music, drama, athletics and many other activities necessary to provide the academic as well as social skills needed to function in society.

The Cherry Hill School District is proud of its rich cultural diversity. More than 63 native languages are spoken by Cherry Hill students and over 2,000 students have registered in our schools and have noted that they speak a language other than English in their home. By creating learning environments that help students understand and appreciate the value of diversity, Cherry Hill's educators prepare their students to be sensitive members of a multicultural community.

The District completed the 2012-13 fiscal year with an average daily enrollment of 11,371 students, which is 73 students more than the year-end enrollment for the 2012-13 school year. Following a decade of steady growth, enrollments appear to have leveled off. The following details the changes in District enrollments over the last ten years.

#### Average Daily Enrollment

<b><u>Fiscal Year</u></b>	<b><u>Student Enrollment</u></b>	<b><u>Percent Change</u></b>
2012-13	11,371	0.06%
2011-12	11,298	-0.60%
2010-11	11,366	0.19%
2009-10	11,345	-1.07%
2008-09	11,469	-1.46%
2007-08	11,639	-0.41%
2006-07	11,687	-0.75%
2005-06	11,775	1.13%
2004-05	11,643	0.74%
2003-04	11,557	1.64%

The New Jersey Department of Education categorizes school districts into District Factor Groups (DFGs) on a scale of A to J, with J being the wealthiest districts. The DFGs represent an approximate measure of a community's relative socioeconomic status, based on factors such as median family income, educational level, and percent of individuals in poverty. Cherry Hill had been a DFG I district, but was reclassified as a GH district in 2004 based on data from the 2000 census. In 2000, Cherry Hill's economically disadvantaged population was 4.3%; in 2012-2013, it was 18%. Area districts that are also classified as GH districts include Eastern Regional, Haddon Heights, and Lenape Regional.

The Cherry Hill School District is supported by an engaged and committed community. Strong parent participation is exemplified by the Cherry Hill Zone PTA, an umbrella Parent-Teacher Association with PTA representatives from each of our 19 schools and from the district's special education PTA (CH SEPTA). At the individual schools, PTA fundraising activities support author visits, cultural assemblies, services, and equipment. In addition, parent volunteers serve in a variety of roles, including room parents, library aides, and classroom helpers.

The District is also supported by an active education foundation. Since its resurgence in late 2007, the Cherry Hill Education Foundation has provided more than \$590,000 in grant funding to support innovative educational opportunities throughout the school district. Staff members apply for Foundation grants through a process that requires approvals from principals and central administration. Each Foundation donation is approved by the Board of Education.

The Cherry Hill School District has been designated a "high performing" district by the New Jersey Department of Education through the Quality Single Accountability Continuum (QSAC) district performance review. Based upon the most recent information from the Department of Education, the Cherry Hill School District received the following QSAC scores:

- Instruction and Program: 85% (Curriculum work in 2012-2013 to align with the Common Core Standards will bring the District to full compliance in this area and raise this score to 100%)
- Operations: 95%
- Governance: 100%
- Personnel: 100%
- Fiscal Management 100%

## 2. MAJOR INITIATIVES:

### *Curriculum and Instruction:*

- Implementation of curricular revisions to meet the needs of the Common Core State Standards
  - o New Jersey is a member state of the Common Core State Standards initiative, having adopted the new standards in June 2010. The adoption of the standards included the state level construction of model curriculum in the core content areas. Cherry Hill is in the midst of an articulated process of curriculum renewal and revision to meet the needs of the new standards.
  - o The review and renewal process has included English Language Arts (ELA) K-12, Mathematics K-12, Humanities K-8 and USI, USII, and World Civilizations, Science K-8
  - o The review process has included World Languages K-12 and Science 9-12
- Vertical and horizontal articulation of subject area curriculum within buildings and across the school district
  - o Subject area specific committees have been empanelled to examine review the articulation of the curriculum
    - The committees work in three levels: K-5, 6-8, 9-12
- Cultural Proficiency and Performance Character

- The continuation of the five year plan for the Cultural Proficiency committee addresses district work with staff, students, hiring, curricula, and the inclusion of instructional materials
  - An executive committee works with a consultant in the modification and the implementation of the district plan
  - A district wide committee, involving members from all nineteen schools, participates in monthly meetings
    - Information is then turn keyed to remaining staff
  - Students, parents, community members, instructional staff, support staff, and administrative staff all participate in the committee work
- Professional development
    - An articulated program of professional development is presented for certificated and support staff throughout the calendar year
    - District wide initiatives are monitored and programs are developed for deployment at each school
    - A program of 'flex option,' professional development classes are provided for certificated staff to choose from during the course of the academic year
    - A new program of professional development has been initiated for educational assistants to focus on job specific responsibilities
  - Expansion of the Standards Based Report Card at the elementary level
    - A standards based report card was introduced in K-2 for the 2012-2013 academic year
    - The SBRC is being expanded to include 3<sup>rd</sup> grade for the 2013-2014 academic year
      - This includes parent meetings and required professional development for instructional staff
  - Implementation of a new system of teacher and administrator evaluation
    - Full implementation of the Marzano teacher evaluation system began with the opening of academic year
    - An online evaluation platform is being employed
    - Professional development is included on a cyclical basis
      - For administrators and for instructional staff
      - Support materials and training are being provided
  - Development, implementation and monitoring of Student Growth Objectives (SGOs)
    - As a piece of the new state mandated evaluation model, all instructional staff are required to prepare SGOs
      - SGOs measure student growth on a specifically targeted objective, between two identified periods of time
    - The process required ongoing professional development and articulation between the administrative staff and the instructional staff

*Facilities:* The district continued to invest funds in much needed facility improvements during the 2012-2013 school year. Some of these major improvements include:

**District Wide**

- District      Remove underground tanks
- District      Roofing repairs

**Elementary Schools**

Barton ES	HVAC piping replacement
Barton ES	Roof Replacement
Paine ES	Roof Replacement Restoration
Woodcrest ES	Bus Loop
Kingston ES	Site Drainage

**Middle Schools**

Beck MS	Classroom Modifications
Rosa MS	Roof Replacement
Rosa MS	Electric Upgrades

**High Schools**

Alternative HS	Grease Trap Replacement
Alternative HS	Parking Lot Patch
Alternative HS	Electrical Repairs Crawl Space
Alternative HS	Sanitary Ejector Pump
Alternative HS	Ventilate Crawl Space
East HS	Bus Loop
East HS	Roof Replacement
East HS	Auxiliary Gym water infiltration
East HS	Water Infiltration
West HS	Jones Gym Entrance
West HS	D-Wing toilet rooms
HS East & West	Exhaust Fan Replacements
HS East & West	Hybrid Serving Modifications

*Lease Purchase program and SDA ROD grants.* As of June 30, 2013 the District was preparing for the financing of an \$8.9m lease purchase program that would target projects that increase the District's energy efficiency. Prior to settlement, the School Development Authority (SDA) announced that another round of ROD grant financing would be made available for eligible projects. The District quickly determined to submit numerous grant applications to maximize the District's lease purchase funds. As of June 30, 2013 the SDA has not announced the award of any ROD grants.

- ECONOMIC CONDITION AND OUTLOOK:** State aid and local taxes comprise the two major school revenue sources. However, in recent years both have become unpredictable. Certain factors, over which the school district has little or no control, have made planning and budgeting an extremely difficult undertaking. For example, the amount of state aid at one time represented more than 28.0% of the District's revenue. This year, state aid is 7.4% of our revenue.

The responsibility to provide a thorough and efficient education is the driving force of the budget and the ratable base is the major influence on the resulting local tax impact. The ratable base is the total value of all business and residential real estate in the Township set by the local government as a basis for levying taxes.

The Township finalized a property revaluation early this year that increased the ratable base from \$ 4,438,792,540 to \$7,564,599,160. Equalized values for the past three years are \$8,162,215,496 for 2013, \$8,274,604,501 for 2012 and \$8,973,612,013 for 2011. We are hopeful that recent stability in the real estate market will reverse the decline. This would have a positive effect on the school district tax rate.

4. **INTERNAL CONTROL:** Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state financial assistance, the District also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is also subject to periodic evaluation by the District management.

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. These amounts to be re-appropriated are reported as reservations of fund balance as of June 30, 2013.

6. **CASH MANAGEMENT:** The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
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. **OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wiss & Company LLP was appointed by the Cherry Hill Township Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 and State of New Jersey Circular 04-04-OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

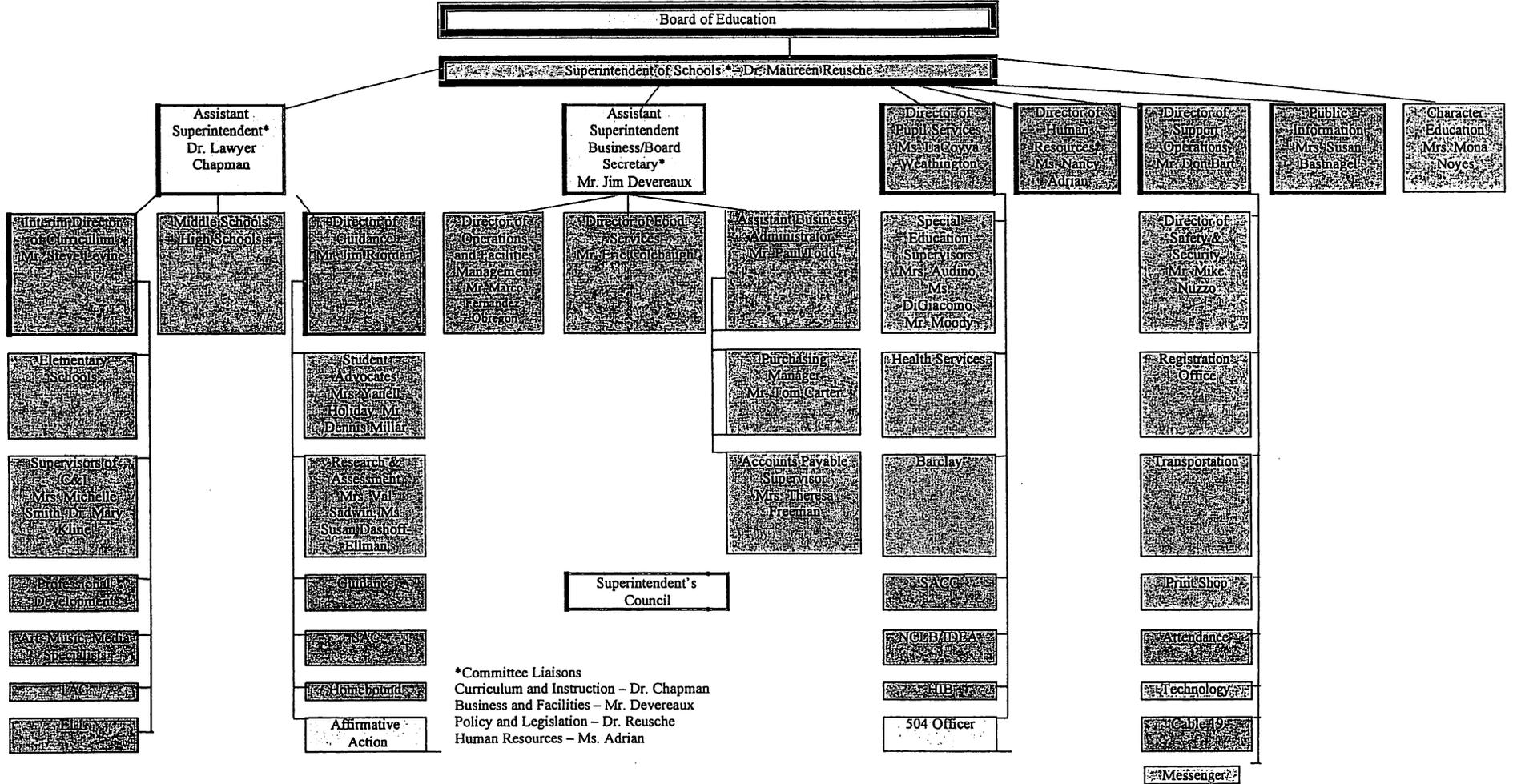
9. **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Cherry Hill Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school District and thereby contributing their full support to the development and maintenance of our financial operation. We would also like to express our thanks to the many staff members who assisted in the preparation of this report. Their help was invaluable.

Respectfully submitted,

  
\_\_\_\_\_  
Maureen Reusche, Ed.D.  
Superintendent of Schools

  
\_\_\_\_\_  
James Devereaux  
Assistant Superintendent/Business  
Board Secretary

# Cherry Hill Public Schools Organization Chart 2012-2013



Cherry Hill Township School District  
Cherry Hill, New Jersey

Roster of Officials

June 30, 2013

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Kathryn B. Judge, President	2015
Carol Matlack, Vice President	2014
Sherrie Cohen	2013
J. Barry Dickinson	2015
Eric Goodwin	2014
Colleen Horiates	2015
Seth Klukoff	2014
Steven Robbins	2013
Elliot Roth	2013
<b><u>Other Officials</u></b>	
Dr. Maureen Reusche, Superintendent	
James Devereaux, Assistant Superintendent / Business Administrator / Board Secretary	
Debra Campbell, Treasurer of School Monies	
Paul Green, Esq., Solicitor	

Cherry Hill Township School District  
Cherry Hill, New Jersey

Independent Auditors and Advisors

**Architects**

Becica Associates, LLC  
500 S. Kings Highway  
Cherry Hill, NJ 08034

**Independent Auditors**

Wiss & Company, LLP  
485C Route One South  
Iselin, NJ 08830

**Attorney**

Schenck, Price, Smith & King, LLP  
220 Park Avenue  
Florham Park, NJ 07932

**Official Depository**

Beneficial Bank  
1901 Route 70  
Cherry Hill, NJ 08003

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## Financial Section



## Independent Auditors' Report

Honorable President and Members  
of the Board of Education  
Cherry Hill Township School District  
County of Camden  
Cherry Hill, New Jersey

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Cherry Hill School District, County of Camden, New Jersey (the "District"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and requirements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, which consists of the combining and individual fund financial statements, long-term debt schedules and schedules of expenditures of federal awards and state financial assistance, as required by the U.S. Office of Management and

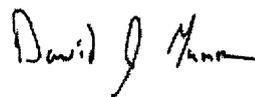
Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, respectively*, and the other information such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information identified previously is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information identified above has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2013 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 District's internal control over financial reporting compliance.



David J. Gannon  
Licensed Public School Accountant  
No. 2305



WISS & COMPANY, LLP

November 15, 2013  
Iselin, New Jersey

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Required Supplementary Information – Part I  
Management's Discussion and Analysis

Cherry Hill Township School District  
Cherry Hill, New Jersey

Management's Discussion and Analysis  
Year Ended June 30, 2013  
(Unaudited)

As management of the Cherry Hill Township School District ("District"), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the 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.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for fiscal 2013 are as follows:

- Total net position of the governmental activities and business-type activities are \$68,077,097 at June 30, 2013. It is comprised of both current and capital assets less current and outstanding long-term liabilities (Schedule A-1).
- General revenues, net of other financing uses, accounted for \$184,864,619 of total revenue or 94 percent of all revenues. Program specific revenues in the form of charges for services, grants, aid, and contributions accounted for \$12,094,227 or 6 percent of total revenues of \$196,958,846 (Schedule A-2).
- The District had \$195,516,230 in governmental fund expenditures. Of that amount, the General Fund expenditures totaled \$186,104,640 including \$15,685,831 in State TPAF pension and social security contributions. Grant-related expenditures in the special revenue fund totaled \$5,031,830. Business-type activities expenses were \$6,256,950.
- The District approved the establishment of an internal service fund for the District's self-insured prescription plan in order to account for any claims incurred but not yet reported and to further maintain adequate cash flow to support the program. This fund had \$6,177,252 in contributions, \$191,949 in rebate income, and \$5,893,201 in expenditures for claims paid.
- Various capital projects were closed out during the year ended June 30, 2013. As a result of the remaining capital projects funds, \$118,467 was returned to capital reserve, and \$1,563,648 was transferred to the general fund.
- The District transferred unrestricted funds during the year into restricted capital reserves in the amount of \$982,162 to fund future projects of the District.

## **Using this Comprehensive Annual Financial Report (CAFR)**

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

### ***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the assets, deferred outflows, deferred inflows and liabilities of the District, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements can be found on pages 23-24 of this report.

**Fund financial statements.** A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund and debt service fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund and the special revenue fund and as supplementary information for the debt service fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 25-27 of this report.

**Proprietary funds.** The District maintains proprietary fund types in the form of enterprise funds, and one internal service fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for the operations of its food service and school age child care programs, each of which are considered major funds of the District. Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service fund provides self-insurance services to other funds.

The proprietary fund financial statements can be found on pages 28-30 of this report.

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

The District uses agency funds to account for resources held for student activities and groups, unemployment compensation claims and payroll related liabilities. The fiduciary fund financial statements can be found on pages 31-32 of this report.

**Notes to the basic financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33-55 of this report.

**Other information.** The combining statements referred to earlier in connection with governmental funds and proprietary funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found on pages 56-80 of this report.

### **The School District as a Whole**

The Statement of Net Position provides the perspective of the District as a whole. Net position may serve as an indicator of a government's financial position. However, as noted earlier, net position is not the primary basis for decision making for each budget cycle.

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

The following table provides a summary of net position relating to the District's governmental and business-type activities as of June 30, 2013 and 2012:

**Cherry Hill Township School District**

**Net Position**

**June 30, 2013 and 2012**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>
Current and other assets	\$17,397,659	\$1,389,053	\$18,786,712	\$ 21,419,272	\$ 1,720,851	\$ 23,140,123
Capital assets, net	76,896,674	475,068	77,371,742	69,631,791	463,945	70,095,736
<b>Total assets</b>	<b>94,294,333</b>	<b>1,864,121</b>	<b>96,158,454</b>	<b>91,051,063</b>	<b>2,184,796</b>	<b>93,235,859</b>
Current liabilities	6,045,992	1,099,212	7,145,204	5,676,130	1,232,785	6,908,915
Long-term liabilities outstanding	20,848,619	87,534	20,936,153	24,296,985	60,530	24,357,315
<b>Total liabilities</b>	<b>26,894,611</b>	<b>1,186,746</b>	<b>28,081,357</b>	<b>29,973,115</b>	<b>1,293,315</b>	<b>31,266,430</b>
<b>Net position:</b>						
Invested in capital assets, net of related debt	55,683,206	465,284	56,148,490	45,352,378	384,092	45,736,470
Restricted	1,685,488		1,685,488	1,757,961		1,757,961
Unrestricted	10,031,028	212,091	10,243,119	13,967,609	507,389	14,474,998
<b>Total net position</b>	<b>\$67,399,722</b>	<b>\$ 677,375</b>	<b>\$68,077,097</b>	<b>\$61,077,948</b>	<b>\$ 891,481</b>	<b>\$ 61,969,429</b>

The largest portion of the District's net position is its investment in capital assets, e.g. land, construction in progress, buildings and improvements, and furniture and equipment, less any related debt (general obligation bonds payable) used to acquire those assets that are still outstanding, which amounts to \$56,148,490. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The decrease in the District's long-term liabilities is the result of the current year payments of the District's debt obligations.

An additional portion of the District's net position (restricted) represents resources that are subject to external restrictions on how they may be used, which total \$1,685,488 at June 30, 2013. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors. The decrease resulted primarily from the District having fewer projects in progress at the end of the 2013 fiscal year versus the prior year and is reflected in the decrease in the encumbrance balance of \$3,699,120 as of June 30, 2013 versus \$7,932,444 as of June 30, 2012. This reduction in encumbrances resulted in a decrease in current and other assets, specifically the cash balance, at June 30, 2013 based on the District's spending of previously encumbered balances.

The total governmental activities net position of the District increased by \$6,321,774 resulting primarily from an increase in the total investment in capital assets which was a result of the current year capital asset additions and debt payments.

Overall the activity within the business type activities remained consistent from the prior year. Total net position decreased by \$214,106 primarily as a result of the operations from the School Aged Child Care operations.

**District activities.** The key elements of the District's changes in net position for the years ended June 30, 2013 and 2012 are as follows:

**Cherry Hill Township School District**

**Change in Net Assets**

**Year end June 30, 2013 and 2012**

	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
	2013	2013	2013	2012	2012	2012
Revenues:						
Program revenues:						
Charges for services	\$ 832,048	\$ 4,830,698	\$ 5,662,746	\$ 648,370	\$ 5,038,775	\$ 5,687,145
Operating and capital grants and contributions	5,227,122	1,204,359	6,431,481	6,393,708	1,155,553	6,773,114
General revenues:						
Property taxes	152,453,342		152,453,342	149,768,152		149,768,152
Grants and Contributions not restricted to specific programs	31,009,322		31,009,322	26,180,712		26,180,712
Other	1,394,168	7,787	1,401,955	3,880,053	12,987	3,893,040
Total revenues	190,916,002	6,042,844	196,958,846	186,870,995	6,207,315	193,078,310
Expenses:						
Instructional services	116,211,177		116,211,177	110,633,419		110,633,419
Support services	67,264,339		67,264,339	66,147,804		66,147,804
Interest and other charges on long-term debt	1,118,712		1,118,712	1,265,135		1,265,135
Food Service		3,546,362	3,546,362		3,720,794	3,720,794
School Age Child Care		2,710,588	2,710,588		2,556,582	2,556,582
Total expenses	184,594,228	6,256,950	190,851,178	178,046,358	6,277,376	184,323,734
Change in net position	6,321,774	(214,106)	6,107,668	8,824,637	(70,061)	8,754,576
Net position – beginning of year	61,077,948	891,481	61,969,429	52,253,311	961,542	53,214,853
Net position – end of year	\$ 67,399,722	\$ 677,375	\$ 68,077,097	\$ 61,077,948	\$ 891,481	\$ 61,969,429

The increase in governmental activities revenues and grants and contributions not restricted to specific programs is mainly the result of the increase in property taxes and State aid. The increases in State aid were the result of increases to extraordinary aid and on-behalf TPAF pension contributions made by the State on-behalf of the District.

The decrease in the business-type revenues and expenses is mainly attributable to the decrease in meals served.

## Financial Analysis of the District's Funds

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

**Governmental funds.** The focus of the 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 District's financing requirements. The District's fund balance amounts are classified as restricted, committed, assigned or unassigned.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2013, and the increases and decreases in relation to the prior year:

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2012</u>	<u>Percent of Increase (Decrease)</u>
Local sources	\$154,783,160	81.2%	\$ 296,631	0.2 %
State sources	31,634,814	16.6%	5,385,680	20.5 %
Federal sources	4,302,736	2.2%	(1,056,434)	(19.7)%
<b>Total</b>	<b>\$190,720,710</b>	<b>100.0%</b>	<b>\$ 4,625,877</b>	<b>2.5%</b>

The increase in state sources is related to an increase in on-behalf TPAF pension contributions. The decrease in federal sources is mainly due to the reduction of Educational Jobs funding and a decrease in revenues from various grants. All other fluctuations less than 10% are considered immaterial and have not been explained.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2013 and the increases and decreases in relation to the prior year:

### Expenditures

#### Year Ending June 30, 2013

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2012</u>	<u>Percent of Increase (Decrease)</u>
Current expenditures:				
Instruction	\$ 75,897,272	38.9%	\$ 841,841	1.1 %
Undistributed expenditures	105,777,003	54.1%	6,026,913	6.0 %
Capital outlay	9,369,037	4.7%	3,797,571	68.2 %
Transfers to charter schools	93,158	0.1%	44,589	91.8 %
Debt service:				
Principal	3,045,000	1.6%	145,000	5.0 %
Interest	1,172,250	0.6%	(145,000)	(11.0) %
<b>Total</b>	<b>\$ 195,353,720</b>	<b>100.0%</b>	<b>\$ 10,710,914</b>	<b>5.8 %</b>

The increase in capital outlay expenditures resulted from a greater amount being expended on construction services as projects were reaching the completion phases. The increase in transfers to charter schools resulted from an increase in students attending charter schools. The changes in debt were directly related to the payments made during the year. All other fluctuations less than 10% are considered immaterial and have not been explained.

### General Fund Budgeting Highlights (Schedule C-1)

The District's budget is prepared according to New Jersey statutes. The most significant budgeted fund is the General Fund.

The largest difference to the budget from the revenue perspective was due to a decrease in miscellaneous income as a result of a minimum premium reimbursement from the District's previous health insurance provider during fiscal year 2012.

Fiscal discipline freed up funds in some budget areas, allowing selected budgetary transfers to be made between budgetary line items and approved by the Board for various reasons including:

- Tuition to private schools for the disabled – Approximately \$1,240,000 was transferred into the account line as a result of an increase in students placed into private schools.
- Required Maintenance for School Facilities - cleaning, repairs, and maintenance – Approximately \$812,000 was transferred into the cleaning, repairs, and maintenance account line for additional maintenance to District buildings during the fiscal year.
- Workers compensation – Approximately \$317,000 was transferred from the workers compensation account based on the premium renewal being less than anticipated.
- Architectural/engineering services and construction services – This account line was increased approximately \$7,000,000 as a result of contracts entered into prior to June 30, 2012 for work that was to be performed during the summer of 2013. These contracts roll forward in the form of encumbrances thereby increasing the 2013 fiscal year budget.

### Capital Assets and Debt Administration

*Capital Assets.* At June 30, 2013, the District's governmental funds had capital assets of \$76,896,674 (net of accumulated depreciation), including land, school buildings and improvements, machinery, equipment, vehicles and construction in progress.

The District's governmental funds' capital assets, net of accumulated depreciation consisted of the following at June 30, 2013 and 2012:

	<b>June 30</b>	
	<b>2013</b>	<b>2012</b>
Land	\$ 9,057,980	\$ 9,057,980
Construction in progress	7,091,339	18,830,374
Land Improvements	760,619	849,316
Buildings and building improvements	58,407,977	38,831,770
Machinery, equipment and vehicles	1,578,759	2,062,351
<b>Total capital assets, net</b>	<b>\$ 76,896,674</b>	<b>\$ 69,631,791</b>

Construction in progress decreased due to the completion of several building improvements. More detailed information about the District's capital assets can be found in Note 5 to the basic financial statements.

*Debt Administration.* During the 2013 fiscal year, the District's governmental funds had outstanding long-term liabilities of \$24,388,604, of which \$3,539,985 was classified as the current portion.

At June 30, 2013 and 2012, the District's long-term liabilities consisted of:

	<u>June 30</u>	
	<u>2013</u>	<u>2012</u>
Bonds payable, net of deferred interest costs and premiums	\$21,213,468	\$24,279,413
Compensated absences payable	3,175,136	3,257,717
Total long-term liabilities	<u>\$24,388,604</u>	<u>\$27,537,130</u>

More detailed information about the District's long-term liabilities and outstanding debt can be found in Note 6 to the basic financial statements.

**Requests for Information**

This financial report is designed to provide a general overview of the Cherry Hill School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the School Business Administrator, 45 Ranoldo Terrace, P.O. Box 5015, Cherry Hill, New Jersey 08034-0391.

## **Basic Financial Statements**

## Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2013.

## Cherry Hill Township School District

## Statement of Net Position

June 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 13,663,749	\$ 1,136,073	\$ 14,799,822
Accounts receivable	2,462,300	209,969	2,672,269
Internal balances	(7,453)	7,453	-
Prepaid expenses		3,667	3,667
Inventories		31,891	31,891
Deferred charges	136,798		136,798
Restricted assets:			
Cash and cash equivalents	1,142,265		1,142,265
Capital assets, non-depreciable	16,149,319		16,149,319
Capital assets, depreciable, net	60,747,355	475,068	61,222,423
Total assets	<u>94,294,333</u>	<u>1,864,121</u>	<u>96,158,454</u>
<b>Liabilities</b>			
Accounts payable	1,706,233	607,086	2,313,319
Accrued interest payable	382,500		382,500
Accrued salaries payable		49,431	49,431
Unearned revenue	417,274	432,911	850,185
Current portion of long-term obligations	3,539,985	9,784	3,549,769
Noncurrent portion of long-term obligations	20,848,619	87,534	20,936,153
Total liabilities	<u>26,894,611</u>	<u>1,186,746</u>	<u>28,081,357</u>
<b>Net Position</b>			
Net investment in capital assets	55,683,206	465,284	56,148,490
Restricted for:			
Capital projects	67,208		67,208
Debt service	15		15
Self-insurance	476,000		476,000
Other purposes	1,142,265		1,142,265
Unrestricted	10,031,028	212,091	10,243,119
Total net position	<u>\$ 67,399,722</u>	<u>\$ 677,375</u>	<u>\$ 68,077,097</u>

*See independent auditors' report and accompanying notes to basic financial statements.*

Cherry Hill Township School District

Statement of Activities

Year ended June 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Governmental activities</b>							
Instruction							
Regular Instruction	\$ 73,064,979	\$ 832,048	\$ 899,367		\$ (71,333,564)		\$ (71,333,564)
Special Education Instruction	35,606,286		3,162,909		(32,443,377)		(32,443,377)
Other Special Education Instruction	4,396,883				(4,396,883)		(4,396,883)
Other Instruction	3,143,029				(3,143,029)		(3,143,029)
Support Services							
Student and Instruction Related Services	26,230,236		969,554		(25,260,682)		(25,260,682)
School Administration	10,515,247				(10,515,247)		(10,515,247)
Other Administration Services	6,427,778				(6,427,778)		(6,427,778)
Plant Operation and Maintenance	13,576,070			\$ 195,292	(13,380,778)		(13,380,778)
Pupil transportation	10,421,850				(10,421,850)		(10,421,850)
Charter Schools	93,158				(93,158)		(93,158)
Interest on long-term debt	1,118,712				(1,118,712)		(1,118,712)
Total governmental activities	184,594,228	832,048	5,031,830	195,292	(178,535,058)		(178,535,058)
<b>Business-type activities</b>							
Food service	3,546,362	2,381,454	1,158,896			\$ (6,012)	(6,012)
School Age Child Care	2,710,588	2,449,244	45,463			(215,881)	(215,881)
Total business-type activities	6,256,950	4,830,698	1,204,359			(221,893)	(221,893)
Total primary government	\$ 190,851,178	\$ 5,662,746	\$ 6,236,189	\$ 195,292	(178,535,058)	(221,893)	(178,756,951)
<b>General revenues:</b>							
Taxes:							
Property taxes, levied for general purposes					149,444,439		149,444,439
Property taxes, levied for debt service					3,008,903		3,008,903
Federal sources					192,881		192,881
State sources—unrestricted					30,816,441		30,816,441
Investment income					164,082	7,787	171,869
Miscellaneous					1,230,086		1,230,086
Total general revenues					184,856,832	7,787	184,864,619
Change in net position					6,321,774	(214,106)	6,107,668
Net Position—beginning					61,077,948	891,481	61,969,429
Net Position—ending					\$ 67,399,722	\$ 677,375	\$ 68,077,097

See independent auditors' report and accompanying notes to basic financial statements.

## **Fund Financial Statements**

## Governmental Funds

Cherry Hill Township School District  
Governmental Funds

Balance Sheet

June 30, 2013

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
<b>Assets</b>					
Cash and cash equivalents	\$ 12,716,975	\$ 377,981	\$ 52,727	\$ 15	\$ 13,147,698
Accounts receivable:					
State	1,414,851	3,187	14,481		1,432,519
Federal	1,409	580,716			582,125
Other	255,707				255,707
Interfund Receivable	3,973				3,973
Restricted assets:					
Cash and cash equivalents	1,142,265				1,142,265
<b>Total assets</b>	<u>\$ 15,535,180</u>	<u>\$ 961,884</u>	<u>\$ 67,208</u>	<u>\$ 15</u>	<u>\$ 16,564,287</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 848,342	\$ 240,135			\$ 1,088,477
Intergovernmental payables:					
State		342,248			342,248
Other liability	43,508				43,508
Interfund payable		11,426			11,426
Unearned revenue	49,199	368,075			417,274
<b>Total liabilities</b>	<u>941,049</u>	<u>961,884</u>			<u>1,902,933</u>
<b>Fund balances:</b>					
Restricted for:					
Capital reserve	1,142,265				1,142,265
Debt service				\$ 15	15
Capital projects			\$ 67,208		67,208
Assigned to:					
Designated by the BOE for subsequent year's expenditures	6,473,330				6,473,330
Other purposes	3,699,120				3,699,120
Unassigned:					
General fund	3,279,416				3,279,416
<b>Total fund balances</b>	<u>14,594,131</u>	<u>-</u>	<u>67,208</u>	<u>15</u>	<u>14,661,354</u>
<b>Total liabilities and fund balances</b>	<u>\$ 15,535,180</u>	<u>\$ 961,884</u>	<u>\$ 67,208</u>	<u>\$ 15</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 \$131,099,418 and the accumulated depreciation is \$54,202,744.	76,896,674
Internal service funds are used by the District to charge the costs of the District's self-insurance fund to the individual funds. The assets and liabilities of the internal service funds are included with governmental activities.	476,000
Other long term assets are not available to pay for current period expenditures and, therefore are deferred in the funds. Bond Issuance Costs - deferred charges	136,798
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(382,500)
Long-term liabilities, including bonds payable, capital leases and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(24,388,604)</u>
<b>Net position of governmental activities</b>	<u>\$ 67,399,722</u>

Cherry Hill Township School District  
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2013

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
<b>Revenues</b>					
Local sources:					
Local tax levy	\$ 149,444,439			\$ 3,008,903	\$ 152,453,342
Tuition	832,048				832,048
Interest on investments	163,834				163,834
Interest on capital reserve	248				248
Miscellaneous	1,230,086	\$ 103,602			1,333,688
Total local sources	151,670,655	103,602		3,008,903	154,783,160
State sources	29,608,111	818,373	\$ 195,292	1,208,330	31,830,106
Federal sources	192,881	4,109,855			4,302,736
Total revenues	181,471,647	5,031,830	195,292	4,217,233	190,916,002
<b>Expenditures</b>					
Instruction:					
Regular instruction	48,893,601	899,367			49,792,968
Special education instruction	17,783,377	3,162,909			20,946,286
Other special instruction	2,910,098				2,910,098
Other instruction	2,247,920				2,247,920
Support services:					
Tuition	6,518,517				6,518,517
Student and instruction related services	17,782,283	941,706			18,723,989
School administration services	7,027,920				7,027,920
Other admin services	4,871,988				4,871,988
Plant operations and maintenance	10,959,522				10,959,522
Pupil transportation	10,170,981				10,170,981
Employee benefits and on-behalf TPAF social security and pension contributions	47,504,086				47,504,086
Capital outlay	9,341,189	27,848	162,510		9,531,547
Debt Service:					
Principal				3,045,000	3,045,000
Interest				1,172,250	1,172,250
Transfer of funds to charter schools	93,158				93,158
Total expenditures	186,104,640	5,031,830	162,510	4,217,250	195,516,230
(Deficiency) excess of revenues (under) over expenditures	(4,632,993)	-	32,782	(17)	(4,600,228)
Other financing sources (uses):					
Transfer in	1,682,115				1,682,115
Transfer out			(1,682,115)		(1,682,115)
Total other financing sources (uses)	1,682,115	-	(1,682,115)	-	-
Net change in fund balances	(2,950,878)	-	(1,649,333)	(17)	(4,600,228)
Fund balances, July 1	17,545,009		1,716,541	32	19,261,582
Fund balances, June 30	\$ 14,594,131	\$ -	\$ 67,208	\$ 15	\$ 14,661,354

The reconciliation of the fund balances of governmental funds to the net position of governmental activities in the statement of activities is presented in an accompanying schedule (B-3).

Cherry Hill Township School District  
Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances to the Statement of Activities

Year ended June 30, 2013

**Total net change in fund balances - governmental funds (from B-2)** **\$ (4,600,228)**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital additions are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital additions exceeded depreciation in the period.

	Depreciation expense	\$ (2,207,054)	
	Capital additions	<u>9,474,851</u>	
			7,267,797

In the statement of activities, interest on long-term debt is accrued, regardless of when due.

In the governmental funds, interest is reported when due. This represents the change from the prior year. 57,094

Governmental Funds report the effect of issuance costs, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

Deferred interest on Refunding of Bonds	\$ (135,738)	
Premium on Refunding of Bonds	156,683	
Amortization of Bond Issuance Costs	<u>(24,501)</u>	
		(3,556)

The Internal Service Fund is used by the District to charge the costs of self insurance to other funds. The activity of this fund is included in the Statement of Activities. 476,000

Loss on disposal of capital assets (2,914)

The repayment of the principal on long-term debt consumes the current financial resources of governmental funds. These transactions, however, have no effect on net position. 3,045,000

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). 82,581

**Change in net position of governmental activities (A-2)** **\$ 6,321,774**

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## Proprietary Funds

Cherry Hill Township School District  
Proprietary Funds

Statement of Net Position

Year ended June 30, 2013

	Major Funds			Governmental Activities
	Business Type Activities - Enterprise Funds		Totals	
	Food Service	School Age Child Care		
				Internal Service Fund
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 337,384	\$ 798,689	\$ 1,136,073	\$ 516,051
Accounts receivable:				
State	7,043		7,043	
Federal	182,680		182,680	
Other	15,563	4,683	20,246	191,949
Interfund Receivable	7,453		7,453	
Prepaid Expenses		3,667	3,667	
Inventory	31,891		31,891	
Total current assets	<u>582,014</u>	<u>807,039</u>	<u>1,389,053</u>	<u>708,000</u>
Noncurrent assets:				
Equipment	1,285,333	284,710	1,570,043	
Accumulated depreciation	<u>(969,729)</u>	<u>(125,246)</u>	<u>(1,094,975)</u>	
Total capital assets, net	<u>315,604</u>	<u>159,464</u>	<u>475,068</u>	
Total assets	<u>897,618</u>	<u>966,503</u>	<u>1,864,121</u>	<u>708,000</u>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	603,715		603,715	
Accrued salaries payable		49,431	49,431	
Other Liabilities	3,371		3,371	
Accrued liability for insurance claims				232,000
Purchase agreement payable	9,784		9,784	
Unearned revenue	49,934	382,977	432,911	
Total current liabilities	<u>666,804</u>	<u>432,408</u>	<u>1,099,212</u>	<u>232,000</u>
Noncurrent liabilities:				
Compensated absences		87,534	87,534	
Total noncurrent liabilities	<u>-</u>	<u>87,534</u>	<u>87,534</u>	
Total liabilities	<u>666,804</u>	<u>519,942</u>	<u>1,186,746</u>	
<b>Net Position</b>				
Net investment in capital assets	305,820	159,464	465,284	
Restricted				476,000
Unrestricted	<u>(75,006)</u>	<u>287,097</u>	<u>212,091</u>	
Total net position	<u>\$ 230,814</u>	<u>\$ 446,561</u>	<u>\$ 677,375</u>	<u>\$ 476,000</u>

Cherry Hill Township School District  
Proprietary Funds

Statement of Revenues, Expenditures and Changes in Net Position

Year ended June 30, 2013

	Major Funds			Governmental Activities Internal Service Fund
	Business Type Activities - Enterprise Funds			
	Food Service	School Age Child Care	Totals	
	Food Service	School Age Child Care	Totals	
Operating revenues:				
Local sources:				
Daily sales reimbursable programs	\$ 1,021,157		\$ 1,021,157	
Daily sales non-reimbursable programs	1,221,321		1,221,321	
Other sales	134,387		134,387	
Tuition		\$ 2,449,244	2,449,244	
Miscellaneous	4,589		4,589	\$ 191,949
Employee Contributions				366,144
Board Contributions				5,811,108
Total operating revenues	2,381,454	2,449,244	4,830,698	6,369,201
Operating expenditures				
Salaries	1,267,135	1,579,358	2,846,493	
Employee benefits	422,327	486,576	908,903	
Purchased professional services	116,716		116,716	
Other purchased services	146,018	120,853	266,871	5,893,201
Supplies and materials	238,477	50,584	289,061	
Depreciation	36,324	13,221	49,545	
Cost of sales	1,231,977		1,231,977	
Miscellaneous	87,388	59,996	147,384	
Usage fee		400,000	400,000	
Total operating expenses	3,546,362	2,710,588	6,256,950	5,893,201
Operating (loss) income	(1,164,908)	(261,344)	(1,426,252)	476,000
State sources:				
State school lunch program	30,959			
Division of youth and family services:				
Family friendly center		45,463	45,463	
Federal sources:				
School breakfast program	191,712		191,712	
National school lunch program	812,169		812,169	
HHFKA	34,604		34,604	
Food donation program	89,452		89,452	
Interest income	1,601	6,186	7,787	
Total nonoperating revenues	1,160,497	51,649	1,212,146	-
Change in net position	(4,411)	(209,695)	(214,106)	476,000
Total net position-beginning	235,225	656,256	891,481	
Total net position-ending	\$ 230,814	\$ 446,561	\$ 677,375	\$ 476,000

*See independent auditors' report and accompanying notes to basic financial statements.*

Cherry Hill Township School District  
Proprietary Funds

Statement of Cash Flows

Year ended June 30, 2013

	Major Funds			
	Business Type Activities - Enterprise Funds			Governmental Activities
	Food Service	School Age Child Care	Total	Internal Service Fund
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 2,440,570	\$ 2,452,973	\$ 4,893,543	
Receipts from contributions				\$ 6,177,252
Payments to employees	(1,267,135)	(1,532,682)	(2,799,817)	
Payments for benefits	(422,327)	(486,576)	(908,903)	(5,661,201)
Payments to suppliers	(1,879,230)	(235,100)	(2,114,330)	
Payments to district		(400,000)	(400,000)	
Net cash (used in) provided by operating activities	(1,128,122)	(201,385)	(1,329,507)	516,051
<b>Cash flows from noncapital financing activities</b>				
Cash received from state and federal sources	1,155,287	45,463	1,200,750	
Net cash provided by noncapital financing activities	1,155,287	45,463	1,200,750	
<b>Cash flows from capital and related financing activities</b>				
Purchase of capital assets	(60,667)		(60,667)	
Payments for loans	(70,069)		(70,069)	
Net cash (used in) capital and related financing activities	(130,736)		(130,736)	
<b>Cash flows from investing activities</b>				
Interest received	1,601	6,186	7,787	
Net cash provided by investing activities	1,601	6,186	7,787	
Net (decrease) increase in cash and cash equivalents	(101,970)	(149,736)	(251,706)	516,051
Cash and cash equivalents, beginning of year	439,354	948,425	1,387,779	-
Cash and cash equivalents, end of year	<u>\$ 337,384</u>	<u>\$ 798,689</u>	<u>\$ 1,136,073</u>	<u>\$ 516,051</u>
<b>Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:</b>				
Operating (loss) income	\$ (1,164,908)	\$ (261,344)	\$ (1,426,252)	\$ 476,000
Adjustments to reconcile operating (loss) to net cash (used in) provided by operating activities:				
Depreciation	36,324	13,221	49,545	
Change in assets and liabilities:				
Decrease (increase) in other accounts receivable	69,664	10,948	80,612	(191,949)
(Increase) in prepaid expenses		(3,667)	(3,667)	
(Increase) in interfund receivable	(7,453)			
Decrease in inventory	13,068		13,068	
Decrease in accounts payable	(71,722)		(71,722)	
Increase in other current liabilities				232,000
Increase in accrued expenses		8,888	8,888	
(Decrease) in unearned revenue	(3,095)	(7,219)	(10,314)	
Increase in compensated absences		37,788	37,788	
Net cash (used in) provided by operating activities	<u>\$ (1,128,122)</u>	<u>\$ (201,385)</u>	<u>\$ (1,329,507)</u>	<u>\$ 516,051</u>

**Noncash noncapital financing activities:**

The District received \$88,311 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2013.

*See independent auditors' report and accompanying notes to basic financial statements.*

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## **Fiduciary Funds**

Cherry Hill Township School District  
Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2013

	<b>Private-Purpose Scholarship Trust Funds</b>	<b>Unemployment Compensation Trust Fund</b>	<b>Agency Fund</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 200,364	\$ 543,299	\$ 839,190
Total assets	200,364	543,299	\$ 839,190
<b>Liabilities</b>			
Accounts Payable		87,131	
Payroll deductions payable			\$ 52,353
Due to student groups			786,837
Total liabilities		87,131	\$ 839,190
<b>Net position</b>			
Held in trust for unemployment claims		\$ 456,168	
Held in trust for scholarships	\$ 200,364		

*See independent auditors' report and accompanying notes to basic financial statements.*

Cherry Hill Township School District  
Fiduciary Funds

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2013

	<u>Private-Purpose Scholarship Trust Funds</u>	<u>Unemployment Compensation Trust Fund</u>
<b>Additions</b>		
Interest income	\$ 1,384	\$ 2,826
Board contributions		271,601
Total additions	<u>1,384</u>	<u>274,427</u>
<b>Deductions</b>		
Scholarship payments	32,000	
Unemployment payments		347,645
Total deductions	<u>32,000</u>	<u>347,645</u>
Change in net position	(30,616)	(73,218)
Net position-beginning	<u>230,980</u>	<u>529,386</u>
Net position-ending	<u>\$ 200,364</u>	<u>\$ 456,168</u>

*See independent auditors' report and accompanying notes to basic financial statements.*

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Description of the Reporting Entity** - The Cherry Hill Township School District (hereafter referred to as the "District") is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the District 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 members' terms expire each year. The purpose of the District is to educate students in grades kindergarten through twelfth at its nineteen schools. The District has an approximate enrollment at June 30, 2013 of 11,374 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards is the degree of oversight responsibility maintained by the 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 District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Component Units** - GASB Statement No. 14, *The Financial Reporting Entity*, provides 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 Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The District had no component units as of or for the year ended June 30, 2013.

**Basis of Presentation** - The financial statements of the 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 District's accounting policies are described in this Note.

The District's basic financial statements consist 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 and Fund Financial Statements** - The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the Government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. The New Jersey Department of Education requires that all funds be reported as major to promote consistency among school districts in the State of New Jersey.

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

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

Property taxes, interest and state equalization monies associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when the District receives cash.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

The District has reported the following major governmental funds:

**General Fund** - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. 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 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 the proceeds of specific revenues from the State and Federal Government, other than major capital projects, debt service, or the proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to an expenditure for the acquisition or construction of major capital facilities, other than those financed by Proprietary Funds. The financial resources are derived from New Jersey Schools Development Authority grants, temporary notes, capital leases 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 the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of, general long-term debt principal, interest and related costs of governmental funds.

**Proprietary Funds** - Proprietary funds are used to account for the District's ongoing activities, which are similar to those found in the private sector where the intent of the District is that the 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 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.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

The District has reported the following major proprietary funds:

***Food Service Fund*** - This fund accounts for the financial transactions related to the food service operations of the District. The stated intent of the food service enterprise fund is that the costs (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

***School Age Child Care Fund*** - This fund accounts for financial activity related to providing day care services for District students before school, after school, and during the summer. The school age child care enterprise fund accounts for all revenues and expenses in the operation of the program similar to a private business enterprise. The stated intent is that the cost of providing goods and services to the students on a continuing basis is financed or recovered primarily through charges for services and tuition charges for the school age child care enterprise fund.

***Internal Service Fund (Self-Insurance)*** - The self-insurance internal service fund is used in order to account for any claims incurred but not yet reported and to further maintain adequate cash flow to support the prescription program.

Additionally, the District reports fiduciary funds, which focus 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 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 District has four fiduciary funds, an unemployment compensation trust fund, a private-purpose scholarship fund, a student activity agency fund, and payroll agency fund. The following is a description of the fiduciary funds of the District.

***Trust and Agency Funds*** - The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

***Trust Fund*** - These unemployment compensation and private purpose scholarship funds are accounted for using the economic resources measurement focus. The unemployment compensation fund is used to account for contributions from employees and the District and interest earned on the balance as well as payments to the State for reimbursement of unemployment claims. The private purpose scholarship fund is utilized to provide scholarships to students and to account for the related transactions.

***Agency Funds (Payroll and Student Activity Fund)*** - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 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 unearned 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. 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 District, available means expected to be received within sixty days of fiscal year-end.

Amounts reported as program revenues include 1) charged to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Non-exchange transactions, in which the 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 district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an 'accounts receivable.' The County Board of Taxation is responsible for the assessment of properties, and the Municipal Tax Collector is responsible for collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien. With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations are 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 District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. The restricted formula aids are recorded in the special revenue fund in accordance with the Audit Program promulgated by the New Jersey Department of Education which requires that these grants be realized in an amount equal to program expenditures.

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.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

The District reports unearned revenue on its balance sheet and statement of net position. Unearned revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenue also arises when resources are received by the District before it has legal claim to them, as when federal or state assistance is received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

*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 (unearned) 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. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April school Board election to the date of the November general election, thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(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:23-2.11. Budgetary transfers were made during the current year in accordance with statutory guidelines. The over-expenditure in the general fund is due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

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 last two state aid payments for budgetary purposes only and the accounting for special revenue fund, as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund are maintained on the 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.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

The budgets, 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 District does not report encumbrances outstanding at fiscal 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 last 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. Open encumbrances in governmental funds, other than the special revenue fund, are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

***Cash, Cash Equivalents and Investments*** - Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. treasury and agency obligations and certificates of deposit with maturities of greater than three months and less than one year 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. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional 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 amount of their deposits to the Governmental Units.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

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

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

**Interfund Receivables / Payables** - Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due

within one year. 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.

**Inventories** - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method. Inventories are recorded as expenditures when consumed rather than when purchased.

**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 capital assets are recorded at their estimated fair market value as of the date received. The District maintains a capitalization threshold of \$2,000. The 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:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land 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

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

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

The entire compensated absence liability is reported on the district-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. Unearned revenue in the general fund and special revenue fund represents cash, which has been received but not yet earned and also includes outstanding encumbrances in the special revenue fund. Unearned revenue in the enterprise fund represents cash receipts from students for meals that have been received in advance, commodities received and in inventory, and fees for school age child care programs received in advance of the program offering.

***Accrued Liabilities and Long-Term Obligations*** - All payables, accrued liabilities, and long-term obligations are reported in 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.

***Net Position*** - Net position represents the difference between assets and liabilities in the government-wide financial statements. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

*Fund Balance* - GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

- 1) Nonspendable - includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
- 2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 3) Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- 4) Assigned - amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- 5) Unassigned - includes all spendable amounts not contained in the other classifications in the general fund. This classification 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 the 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 both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Of the \$14,594,131 of General Fund fund balance (B-1) at June 30, 2013, \$3,699,120 of encumbrances is assigned to other purposes, \$1,142,265 has been restricted for capital reserve, \$6,473,330 has been classified as assigned fund balance designated for subsequent year's expenditures and \$3,279,416 is classified as unassigned. The Capital Projects Fund fund balance at June 30, 2013 is \$67,208 which is restricted for capital projects. The Debt Service Fund fund balance at June 30, 2013 is \$15 to be utilized for the subsequent year's debt service expenditures. In accordance with the State of New Jersey Statutes, the fund balance estimated to be utilized in the subsequent year budget is not legally restricted and therefore has been classified in the balance sheet as fund balance designated for subsequent year's expenditures and is not restricted.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

*Net Position* - GASB Statement Number 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* became effective for financial statements for periods beginning after December 15, 2011 and established standards for reporting deferred outflows of resources, deferred inflows of resources and net position. The adoption of this statement resulted in a change

in the presentation of the statement of net assets to what is now referred to as the statement of net position and the term "net assets" is changed to "net position" throughout the financial statements.

Net position represents the difference between assets, deferred inflows, deferred outflows and liabilities in the Government-wide and proprietary fund financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net positions are reported as restricted in the Government-wide and fund financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

*Calculation of Excess Surplus* - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for restricted fund balance -- excess surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District did not generate excess fund balance during the 2012-2013 school year.

*Implementation of GASB No. 65* - In March, 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities* ("GASB No. 65"). 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. The provisions of this statement will improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. The District has not completed the process of evaluating the impact that will result from adopting GASB No. 65.

*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 District, these revenues are sales for the food service program, tuition for the school aged child care program, and contributions toward the costs of prescription benefits. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state program revenues.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

*Interfund Activity* - Transfers between governmental and business-type activities on the district-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

*Estimates* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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.

*On-Behalf Payments* - Revenues and expenditures of the general fund include payments made by the State of New Jersey for social security and post-retirement pension and medical contributions for certified teacher and other members of the New Jersey Teachers Pension and Annuity Fund. The amounts are not required to be included in the District's annual budget.

*Subsequent Events* - Management has reviewed and evaluated all events and transactions that occurred between June 30, 2013 through November 15, 2013, the date that the financial statements were issued for possible disclosure and recognition in the financial statement, and the following has come to the attention of the District that would require disclosure.

The District executed a lease agreement with TD Equipment Finance, Inc. on July 5, 2013 for the acquisition and installation of equipment, including a capital improvement project at a cost not to exceed \$3,323,243.

**NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The details of this \$24,388,604 difference are as follows:

Bonds payable	\$ 21,130,000
Unamortized deferred interest costs	(540,923)
Unamortized premium on bonds	624,391
Compensated absences	3,175,136
Net adjustment to reduce fund balance-total governmental funds	<u>3,175,136</u>
to arrive at net position – governmental activities	<u>\$ 24,388,604</u>

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 3 - CASH AND CASH EQUIVALENTS:**

*Deposits*

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan

**NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED):**

Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

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

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

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

The District's cash and cash equivalents are classified below to inform financial statement users about the extent to which a government's deposits and investments are exposed to custodial credit risk. Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the District's operating cash and money market accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

The District does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the District's deposits were fully collateralized by funds held by the financial institution, but not in the name of the District. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED):**

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2013, the carrying amount of the District's deposits for all funds was \$17,524,940 and the bank balance was \$21,820,806. Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2013 were secured by the federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered \$21,570,806. The remaining balance of \$550 relates to petty cash held by the school age child care program.

Custodial Credit Risk-Deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits, in the form of certificates of deposit, money market accounts and checking accounts, may not be returned to it.

***Investments***

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

- a. Bonds and other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank, which have a maturity date not greater than twelve months from the date of purchase.
- c. New Jersey Cash Management Fund, New Jersey Asset and Rebate Management Fund and MBIA CLASS.

The District did not hold any investments at June 30, 2013.

**NOTE 4 - CAPITAL RESERVE ACCOUNT:**

A capital reserve account was established by the District on September 26, 2000 by the inclusion of \$100 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes, the express approval of the voters has been obtained by either a separate proposal at budget time, by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2, or by transfer by Board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. Pursuant to N.J.A.C. 6A:23-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 4 - CAPITAL RESERVE ACCOUNT (CONTINUED):**

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

Beginning Balance July 1, 2012	\$	41,388
Increased by:		
Transfer from Capital Projects		118,467
Deposit approved at the June 2013 Board meeting		982,162
Interest Earnings		248
Ending Balance June 30, 2013	\$	<u>1,142,265</u>

The June 30, 2013 balance in the capital reserve account did not exceed the local support costs of uncompleted capital projects in the LRRFP.

**NOTE 5 - CAPITAL ASSETS:**

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

	Beginning Balance	Increase	Transfers	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated:				
Land	\$ 9,057,980			\$ 9,057,980
Construction in Progress	18,830,374	\$ 9,387,466	\$ (21,126,501)	7,091,339
Total Capital Assets not being Depreciated	<u>27,888,354</u>	<u>9,387,466</u>	<u>(21,126,501)</u>	<u>16,149,319</u>
Capital Assets, being Depreciated:				
Land Improvements	4,724,996			4,724,996
Building and Improvements	80,419,759		21,126,501	101,546,260
Equipment	8,620,583	87,385	(29,125)	8,678,843
Total Capital Assets, being Depreciated	<u>93,765,338</u>	<u>87,385</u>	<u>21,097,376</u>	<u>114,950,099</u>
Less Accumulated Depreciation for:				
Land Improvements	(3,875,680)	(88,697)		(3,964,377)
Building and Improvements	(41,587,989)	(1,550,294)		(43,138,283)
Equipment	(6,558,232)	(568,063)	26,211	(7,100,084)
Total Accumulated Depreciation	<u>(52,021,901)</u>	<u>(2,207,054)</u>	<u>26,211</u>	<u>(54,202,744)</u>
Total Capital Assets, being Depreciated, Net	<u>41,743,437</u>	<u>(2,119,669)</u>	<u>21,071,165</u>	<u>60,747,355</u>
Governmental Activities Capital Assets, Net	<u>\$ 69,631,791</u>	<u>\$ 7,267,797</u>	<u>\$ (2,914)</u>	<u>\$ 76,896,674</u>
<b>Business-Type Activities:</b>				
Total Capital Assets, being Depreciated:				
Equipment	\$ 1,509,376	\$ 60,667		\$ 1,570,043
Less Accumulated Depreciation	(1,045,430)	(49,545)		(1,094,975)
Total Business-Type Activities Capital Assets, Net	<u>\$ 463,946</u>	<u>\$ 11,122</u>	<u>\$ -</u>	<u>\$ 475,068</u>

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 5 - CAPITAL ASSETS (CONTINUED):**

Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$ 860,903
Special education instruction	362,154
Other special instruction	50,315
Other instruction	38,866
Student and instruction related services	323,731
School administrative services	121,510
Other administrative services	84,235
Plant operations and maintenance	189,487
Pupil transportation	<u>175,853</u>
Total Depreciation Expense	<u>\$2,207,054</u>

**NOTE 6 - LONG-TERM OBLIGATIONS:**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Governmental Activities:</b>					
Bonds payable	\$ 24,175,000		\$ (3,045,000)	\$ 21,130,000	\$ 3,200,000
Deferred interest costs	(676,661)		135,738	(540,923)	(126,050)
Premium on bonds payable	781,074		(156,683)	624,391	145,500
Subtotal for Bonds, Net	<u>24,279,413</u>		<u>(3,065,945)</u>	21,213,468	3,219,450
Compensated Absences Governmental Activities	<u>3,257,717</u>	\$ 51,095	(133,676)	3,175,136	320,535
Long-term Liabilities	<u>\$ 27,537,130</u>	\$ 51,095	\$ (3,199,621)	\$ 24,388,604	\$ 3,539,985
<b>Business-Type Activities:</b>					
Purchase Agreements Payable	\$ 79,853		\$ (70,069)	\$ 9,784	\$ 9,784
Compensated Absences Business Type Activities	<u>49,746</u>	\$ 37,788		87,534	
Long-term Liabilities	<u>\$ 129,599</u>	\$ 37,788	\$ (70,069)	\$ 97,318	\$ 9,784

The District expects to liquidate the compensated absences with payments made from the District's general fund and enterprise fund – school age child care. The District expects to liquidate the bonds payable with payments made from the District's debt service fund. The District expects to liquidate the purchase agreement payable with payments made from the District's enterprise fund – food service.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 6 - LONG-TERM OBLIGATIONS (CONTINUED):**

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

Principal and interest due on bonds outstanding is as follows:

Fiscal Year Ending	Principal	Interest	Total
2014	\$ 3,200,000	\$ 1,020,000	\$ 4,220,000
2015	3,365,000	860,000	4,225,000
2016	3,540,000	691,750	4,231,750
2017	3,725,000	514,750	4,239,750
2018	3,525,000	328,500	3,853,500
2019	3,775,000	169,875	3,944,875
	<u>\$ 21,130,000</u>	<u>\$ 3,584,875</u>	<u>\$ 24,714,875</u>

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

***Operating Leases Payable*** – The District leases copier and computer equipment. The future minimum rental payments under the operating lease agreements total \$234,895 for the year ending June 30, 2013.

The following is a schedule of the future minimum lease payments under the lease agreement over the remaining life of the lease:

Fiscal Year Ending:	Amount
2014	\$ 234,895
Total minimum lease payments	<u>\$ 234,895</u>

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 7 - PENSION PLANS:**

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer plan.

*Teachers' Pension and Annuity Fund* - The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively, with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

*Public Employees Retirement System* - The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school Board or public agency provided the employee is not a member of another State-administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 7 - PENSION PLANS (CONTINUED):**

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

*Funding Policy* - The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2011, employee contribution rates for TPAF and PERS increased from 5.5% to 6.5% of employees' annual compensation. An additional increase is to be phased in over the next seven years that will bring the total pension contribution rate to 7.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the Board is a non-contributing employer of the TPAF.

During the year ended June 30, 2013, the State of New Jersey contributed \$10,221,206 to the TPAF for post-retirement pension benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$5,464,625 during the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the government-wide and fund financial statements.

The Board's actuarially determined contributions to PERS for each of the years ended June 30, 2013, 2012, and 2011 were \$1,744,322, \$1,749,303, and \$1,765,428, respectively, equal to the required contributions for each year.

**NOTE 8 - POSTEMPLOYMENT BENEFITS:**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement.

**Plan Description**

The School District contributes to the New Jersey State Employees Health Benefits Program (the "SEHBP"), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SEHBP provide medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Employees 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 SEHBP.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 8 - POSTEMPLOYMENT BENEFITS (CONTINUED):**

That report may be obtained by writing to Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

**Funding Policy**

P.L. 1987, chapter 384 and P.L. 1990, chapter 6 required Teachers' Pension and Annuity Fund (TPAF) and 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, chapter 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012 there were 97,661 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a 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 the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$146.6 million toward Chapter 126 benefits for 16,618 eligible retired members in fiscal year 2012.

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with parameters of GASB 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 contributions to the SEHBP Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2013, 2012 and 2011 were \$5,424,201, \$4,634,985, and \$5,013,033, respectively, which equaled the required contributions for each year. The State's contributions to the SEHBP Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

**NOTE 9 - RISK MANAGEMENT:**

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

**Property and Liability Insurance** - The District maintains commercial insurance coverage for property, liability, and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverage over the past three years.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 10 - DEFERRED COMPENSATION:**

The District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by various insurance companies, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with the amounts, and all income attributable to these amounts are held in trust for the exclusive benefit of participating employees and their beneficiaries.

**NOTE 11 - INTERFUND RECEIVABLES AND PAYABLES:**

The following interfund balances were recorded on the various balance sheets as June 30, 2013:

Fund	Interfunds Receivable	Interfunds Payable
General Fund	\$ 3,973	
Special Revenue Fund		\$ 11,426
Food Service Fund	7,453	
	\$ 11,426	\$ 11,426

The special revenue interfund payable is comprised of two interfunds. The first interfund is due to the general fund in the amount of \$3,973, which is the result of a cancelation of a payment that was due to a grantor. The second interfund represents a \$7,453 reimbursement resulting from FEMA expenditures that originated in and were paid for by the food service fund.

**NOTE 12 – PURCHASE AGREEMENT PAYABLE – ENTERPRISE FUND:**

Starting in fiscal year ended June 30, 2009, the District contracted with Aramark, a third-party food management company, to continue to operate the District’s food service program. As part of the contract, Aramark agreed to expend up to \$350,000 for facility renovations and food service equipment to be used on the District’s premises. After completion of the purchase of the renovations and equipment, the District is required to reimburse Aramark on a straight line monthly basis for a term of five years interest free.

The following is a schedule of payments due related to the purchase agreement:

Fiscal year	
Ended June 30,	Payments
2014	\$ 9,784
Total	\$ 9,784

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 13 – ECONOMIC DEPENDENCY:**

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

**NOTE 14 – CONTINGENT LIABILITIES:**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2013 may be impaired. In addition, the District is receiving funding in the form of grants from the New Jersey Schools Development Authority, (NJSDA), in connection with its capital projects. The costs associated with the funding received from the NJSDA are subject to a final review of eligible costs and compliance by the New Jersey Department of Education and the NJSDA. To the extent that the District has not complied with the rules and regulations governing the NJSDA funds or has not met the final eligible cost requirements, refunds of any money received may be required and the collectability of any related receivable at June 30, 2013 may be impaired. In the opinion of the District’s management, there are no significant contingent liabilities relating to compliance with the rules and regulations or final eligible cost requirements governing the respective grants or funding; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies.

The District is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Board.

**NOTE 15 – DEFERRED CHARGES:**

The deferred charges recorded in the government-wide statement of net position represent debt issuance costs that are being amortized using the straight-line method, which approximates the effective interest method, over the life of the related bonds. The unamortized costs associated with the issues of the various bonds amounted to \$136,798 at June 30, 2013. The amortization expense for the year ended June 30, 2013 amounted to \$24,501. In governmental funds, debt issuance costs are recognized in the current period.

**NOTE 16 – TRANSFERS - RECONCILIATION:**

The following presents a reconciliation of transfers during the 2013 fiscal year:

	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$1,682,115	
Capital Projects Fund		\$1,682,115
	\$1,682,115	\$1,618,115

The transfer of \$1,682,115 from the capital projects fund to the general fund represents remaining funds after the close out of various capital projects.

**CHERRY HILL TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2013**

**NOTE 17 –COMMITMENTS**

The District has contractual commitments at June 30, 2013 to various vendors, which are recorded in the general fund as fund balance assigned to other purposes in the amount of \$3,699,120.

There was \$66,519 of contractual commitments at June 30, 2013 to vendors related to the ongoing construction projects in the capital projects fund that is reported as part of fund balance restricted for capital projects.

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**Required Supplementary Information – Part II**

**Budgetary Comparison Schedules**

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Revenues</b>					
Local sources:					
Local tax levy	\$ 149,444,439		\$ 149,444,439	\$ 149,444,439	
Tuition (LEAs)	158,000		158,000	829,365	\$ 671,365
Tuition (from individuals)				2,683	2,683
Interest on investments				163,834	163,834
Interest on capital reserve				248	248
Miscellaneous	1,490,999		1,490,999	1,230,086	(260,913)
Total revenues - local sources	151,093,438		151,093,438	151,670,655	577,217
State sources:					
Extraordinary aid	400,000		400,000	1,330,049	930,049
Special Education Categorical Aid	6,082,533		6,082,533	6,082,533	
Equalization Aid	5,989,047		5,989,047	5,989,047	
Security Aid	210,402		210,402	210,402	
Transportation Aid	450,341		450,341	450,341	
Other State Aid				84,802	84,802
On-behalf TPAF pension contributions (non-budgeted)				10,221,206	10,221,206
Reimbursed TPAF social security contributions (non-budgeted)				5,464,625	5,464,625
Total - state sources	13,132,323		13,132,323	29,833,005	16,700,682
Federal sources:					
Medical Assistance Program	122,674		122,674	191,472	68,798
Education Jobs Fund		\$ 1,409	1,409	1,409	
Total - federal sources	122,674	1,409	124,083	192,881	68,798
Total revenues	164,348,435	1,409	164,349,844	181,696,541	17,346,697
<b>Expenditures</b>					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	1,521,178	(14,271)	1,506,907	1,466,512	40,395
Grades 1-5	16,770,847	(178,262)	16,592,585	16,412,054	180,531
Grades 6-8	10,872,998	101,205	10,974,203	10,916,128	58,075
Grades 9-12	15,953,355	(436,181)	15,517,174	15,424,745	92,429
Home instruction - regular programs:					
Salaries of teachers	201,000	19,000	220,000	219,561	439
Purchased professional-educational services	210,500	112,001	322,501	318,584	3,917
Undistributed instruction - regular programs:					
Other salaries for instruction	1,000,156	776	1,000,932	933,847	67,085
Purchased professional-educational services	18,008	(3,212)	14,796	5,980	8,816
Other purchased services	1,393,502	(194,630)	1,198,872	984,890	213,982
General supplies	1,817,462	108,307	1,925,769	1,670,217	255,552
Textbooks	475,533	(33,046)	442,487	407,943	34,544
Other objects	177,616	(3,227)	174,389	133,140	41,249
Total instruction - regular programs	50,412,155	(521,540)	49,890,615	48,893,601	997,014

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Expenditures (continued)</b>					
Current expenditures					
Special education:					
Cognitive-mild:					
Salaries of teachers	\$ 51,814		\$ 51,814	\$ 50,979	\$ 835
Other salaries for instruction	28,816	\$ 948	29,764	29,761	3
Total cognitive-mild:	80,630	948	81,578	80,740	838
Learning and/or language disabilities:					
Salaries of teachers	1,620,145	125,926	1,746,071	1,731,907	14,164
Other salaries for instruction	764,463	34,020	798,483	779,789	18,694
Purchased professional - educational services	853,700	122,122	975,822	957,691	18,131
Other purchased professional services	168		168		168
General supplies	38,000	26,375	64,375	54,435	9,940
Total learning and/or language disabilities	3,276,476	308,443	3,584,919	3,523,822	61,097
Auditory Impairments:					
Purchased professional - educational services	17,000	16,000	33,000	27,727	5,273
Other purchased services	10,150	(5,000)	5,150		5,150
Total auditory impairments	27,150	11,000	38,150	27,727	10,423
Behavioral disabilities:					
Salaries of teachers	738,664	(76,259)	662,405	659,827	2,578
Other salaries for instruction	147,258	5,813	153,071	145,576	7,495
Purchased professional - educational services	605,000	42,000	647,000	647,000	
Other purchased services	2,800	1,945	4,745	1,396	3,349
General supplies	17,635	6,581	24,216	17,645	6,571
Textbooks	1,000		1,000		1,000
Other objects	3,200		3,200	2,610	590
Total behavioral disabilities	1,515,557	(19,920)	1,495,637	1,474,054	21,583
Multiple disabilities:					
Salaries of teachers	241,855	(31,994)	209,861	202,327	7,534
Other salaries for instruction	129,490	(35,985)	93,505	92,414	1,091
Other purchased services	200	165	365	315	50
General supplies	31,000	(9,200)	21,800	10,091	11,709
Other objects	1,000	(19)	981	781	200
Total multiple disabilities	403,545	(77,033)	326,512	305,928	20,584
Resource room/center:					
Salaries of teachers	9,326,901	(4,404)	9,322,497	9,250,020	72,477
Other salaries for instruction	1,435,334	(3,901)	1,431,433	1,382,499	48,934
Other purchased services	17,950	3,303	21,253	7,972	13,281
General supplies	67,502	15,842	83,344	46,117	37,227
Textbooks	1,400	137	1,537	1,036	501
Total resource room/center	10,849,087	10,977	10,860,064	10,687,644	172,420

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

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>
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Special education (continued):					
Autism:					
Salaries of teachers	\$ 759,205	\$ (41,289)	\$ 717,916	\$ 715,084	\$ 2,832
Other salaries for instruction	145,653	96,334	241,987	231,042	10,945
Purchased professional-educational services	218,000	(24,305)	193,695	176,122	17,573
Other Purchased Services		199	199	199	
General supplies	32,272	28,234	60,506	45,648	14,858
Other objects		54	54		54
Total autism	<u>1,155,130</u>	<u>59,227</u>	<u>1,214,357</u>	<u>1,168,095</u>	<u>46,262</u>
Preschool disabilities - part time:					
Salaries of teachers	180,530	4,893	185,423	185,422	1
Other salaries for instruction	50,504	(18,245)	32,259	25,772	6,487
Paunched technical services	5,585	260	5,845	4,200	1,645
General supplies	11,000	(48)	10,952	10,617	335
Total preschool disabilities - part time	<u>247,619</u>	<u>(13,140)</u>	<u>234,479</u>	<u>226,011</u>	<u>8,468</u>
Preschool disabilities - full time:					
Salaries of teachers	158,927	(3,520)	155,407	147,422	7,985
Other salaries for instruction	122,725	37,914	160,639	134,494	26,145
General supplies	7,654	(23)	7,631	7,440	191
Other objects	500		500		500
Total preschool disabilities - full time	<u>289,806</u>	<u>34,371</u>	<u>324,177</u>	<u>289,356</u>	<u>34,821</u>
Total special education	<u>17,845,000</u>	<u>314,873</u>	<u>18,159,873</u>	<u>17,783,377</u>	<u>376,496</u>
Basic skills/remedial - instruction:					
Salaries of teachers	<u>2,269,298</u>	<u>40,943</u>	<u>2,310,241</u>	<u>2,243,314</u>	<u>66,927</u>
Total basic skills/remedial - instruction	<u>2,269,298</u>	<u>40,943</u>	<u>2,310,241</u>	<u>2,243,314</u>	<u>66,927</u>
Bilingual education - instruction:					
Salaries of teachers	621,041	56,145	677,186	665,613	11,573
Purchased professional - educational services	3,000	(2,754)	246		246
Other purchased services	4,100	44	4,144	985	3,159
General supplies		186	186	186	
Total bilingual education - instruction	<u>628,141</u>	<u>53,621</u>	<u>681,762</u>	<u>666,784</u>	<u>14,978</u>
School - sponsored cocurricular activities:					
Salaries	647,429	(19,885)	627,544	564,662	62,882
Purchased services	55,500	9,592	65,092	48,584	16,508
Supplies and materials	68,955	(17,127)	51,828	36,144	15,684
Other objects	66,050	(2,169)	63,881	26,052	37,829
Total school spn. cocurricular activities	<u>837,934</u>	<u>(29,589)</u>	<u>808,345</u>	<u>675,442</u>	<u>132,903</u>
School - sponsored athletics - instruction:					
Salaries	1,177,739	13,968	1,191,707	1,140,174	51,533
Purchased services	193,133	4,248	197,381	177,095	20,286
Supplies and materials	166,670	17,824	184,494	175,327	9,167
Other objects	56,350	(3,540)	52,810	50,782	2,028
Total school - sponsored athletics - instruction	<u>1,593,892</u>	<u>32,500</u>	<u>1,626,392</u>	<u>1,543,378</u>	<u>83,014</u>

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

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>
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Other instructional programs:					
Salaries	\$ 30,000		\$ 30,000	\$ 29,100	\$ 900
Total other instructional programs	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>29,100</u>	<u>900</u>
Total instruction	<u>73,616,420</u>	<u>\$ (109,192)</u>	<u>73,507,228</u>	<u>71,834,996</u>	<u>1,672,232</u>
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs w/in the state - reg.	28,703	(23,373)	5,330	5,330	
Tuition to other LEAs w/in the state - special		13,373	13,373	12,628	745
Tuition to county voc school district-Regular	46,400		46,400	46,400	
Tuition to CSSD and regional day schools	1,023,069	(90,146)	932,923	919,319	13,604
Tuition to private schools for the handicapped - within state	3,843,646	1,240,641	5,084,287	5,016,371	67,916
Tuition to private schools disabled & other LEAs-Spl, O/S St	599,922	(102,774)	497,148	465,133	32,015
Tuition - state facilities	209,888	(164,346)	45,542	45,542	
Tuition - other		8,004	8,004	7,794	210
Total instruction	<u>5,751,628</u>	<u>881,379</u>	<u>6,633,007</u>	<u>6,518,517</u>	<u>114,490</u>
Attendance and social work services:					
Salaries	106,950	2,813	109,763	109,762	1
Purchased professional and technical services	18,000		18,000	8,078	9,922
Supplies and materials	1,200		1,200	1,017	183
Total attendance and social work services	<u>126,150</u>	<u>2,813</u>	<u>128,963</u>	<u>118,857</u>	<u>10,106</u>
Health services:					
Salaries	1,536,422	(102,991)	1,433,431	1,422,846	10,585
Purchased professional and technical services	57,000	(12,665)	44,335	35,993	8,342
Other purchased services	1,200	64,235	65,435	40,744	24,691
Supplies and materials	100,910	13,375	114,285	60,636	53,649
Total health services	<u>1,695,532</u>	<u>(38,046)</u>	<u>1,657,486</u>	<u>1,560,219</u>	<u>97,267</u>
Speech, OT, PT & related services:					
Salaries	2,672,892	(98,566)	2,574,326	2,567,994	6,332
Purchased professional - educational services	1,904,630	161,019	2,065,649	2,065,393	256
Supplies and materials	42,000	(18,027)	23,973	23,973	
Other objects	1,200	(975)	225	225	
Total other support services - Speech, OT ,PT, & related services	<u>4,620,722</u>	<u>43,451</u>	<u>4,664,173</u>	<u>4,657,585</u>	<u>6,588</u>
Other support services - students - extra services:					
Salaries	993,339	(107,615)	885,724	877,329	8,395
Purchased professional educational services	298,250	(63,913)	234,337	234,337	
Total other support services - students - extra services	<u>1,291,589</u>	<u>(171,528)</u>	<u>1,120,061</u>	<u>1,111,666</u>	<u>8,395</u>

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Expenditures (continued)</b>					
<b>Current expenditures (continued):</b>					
<b>Undistributed expenditures (continued):</b>					
Guidance:					
Salaries of other professional staff	\$ 3,355,693	\$ 11,684	\$ 3,367,377	\$ 3,339,342	\$ 28,035
Salaries of secretarial and clerical assistants	266,118	4,223	270,341	270,340	1
Other purchased services	26,700	(18,283)	8,417	7,590	827
Supplies and materials	27,297	1,181	28,478	15,747	12,731
Other objects	1,200		1,200		1,200
Total guidance	3,677,008	(1,195)	3,675,813	3,633,019	42,794
Child study teams:					
Salaries of other professional staff	2,982,955	(43,423)	2,939,532	2,935,765	3,767
Salaries of secretarial and clerical assistants	231,882	(10,547)	221,335	219,064	2,271
Purchased professional - educational services	277,750	11,203	288,953	258,703	30,250
Miscellaneous purchased services	25,000	8,136	33,136	22,881	10,255
Supplies and materials	64,973	(28,908)	36,065	26,936	9,129
Other objects	9,500	(4,600)	4,900	4,109	791
Total child study teams	3,592,060	(68,139)	3,523,921	3,467,458	56,463
Improvement of instructional services:					
Salaries of supervisors of instruction	163,200	(142,738)	20,462	20,461	1
Salaries of other professional staff	853,568	163,575	1,017,143	979,312	37,831
Salaries of secretarial and clerical assistants	104,196	809	105,005	103,895	1,110
Other salaries	113,085	24,878	137,963	117,587	20,376
Other purchased services	73,500	(23,100)	50,400	40,621	9,779
Supplies and materials	10,275	38,954	49,229	45,091	4,138
Other objects	4,709	12,300	17,009	3,221	13,788
Total improvement of instructional services	1,322,533	74,678	1,397,211	1,310,188	87,023
Educational media services/school library:					
Salaries	1,633,858	(55,282)	1,578,576	1,575,828	2,748
Purchased professional - technical services	10,500	2,900	13,400	12,100	1,300
Other purchased services	152,000	(4,948)	147,052	126,446	20,606
Supplies and materials	128,773	25,235	154,008	141,505	12,503
Other objects	200		200		200
Total educational media services/ school library	1,925,331	(32,095)	1,893,236	1,855,879	37,357
Instructional staff training services:					
Other salaries	117,739	(85,640)	32,099	5,424	26,675
Purchased professional - educational services	52,000	16,300	68,300	27,950	40,350
Other purchased services	32,500	41,500	74,000	27,252	46,748
Supplies and materials	6,850	(1,474)	5,376	5,091	285
Other objects		3,000	3,000	1,695	1,305
Total instructional staff training services	209,089	(26,314)	182,775	67,412	115,363

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to</u>
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Support services-general administration:					
Salaries	\$ 485,589		\$ 485,589	\$ 485,586	\$ 3
Legal services	225,000	\$ 44,174	269,174	264,540	4,634
Audit fees	95,000	300	95,300	95,300	
Architectural/engineering services	75,000	94,542	169,542	133,627	35,915
Other purchased professional services	66,000	(12,401)	53,599	53,500	99
Purchased technical services	27,960	(17,874)	10,086		10,086
Communications/telephone	260,000	(7,850)	252,150	249,371	2,779
BOE other purchased services		3,665	3,665	2,558	1,107
Other purchased services	318,243	(58,209)	260,034	254,143	5,891
General supplies	5,373		5,373	2,164	3,209
Judgments against the school district	75,000	(68,440)	6,560	5,887	673
BOE membership dues and fees	27,295	(1,905)	25,390	23,163	2,227
Miscellaneous expenditures	28,000		28,000	26,663	1,337
<b>Total support services-general administration</b>	<b>1,688,460</b>	<b>(23,998)</b>	<b>1,664,462</b>	<b>1,596,502</b>	<b>67,960</b>
Support services-school administration:					
Salaries of principals/ assistant principals	4,642,975	33,563	4,676,538	4,676,408	130
Salaries of secretarial and clerical assistants	1,953,386	791	1,954,177	1,937,206	16,971
Other salaries	200,812	1,998	202,810	202,340	470
Other purchased services	151,859	18,375	170,234	124,463	45,771
Supplies and materials	95,528	2,019	97,547	81,938	15,609
Other objects	16,519	(3,967)	12,552	5,565	6,987
<b>Total support services-school administration</b>	<b>7,061,079</b>	<b>52,779</b>	<b>7,113,858</b>	<b>7,027,920</b>	<b>85,938</b>
Central services:					
Salaries	1,778,898	12,670	1,791,568	1,774,894	16,674
Purchased professional services	29,200	51,104	80,304	75,292	5,012
Purchased technical services	30,000	52,690	82,690	78,460	4,230
Misc. purchased services	216,850	(51,670)	165,180	93,137	72,043
Supplies and materials	22,050	952	23,002	12,880	10,122
Other objects	6,750	(3,590)	3,160	2,691	469
<b>Total central services</b>	<b>2,083,748</b>	<b>62,156</b>	<b>2,145,904</b>	<b>2,037,354</b>	<b>108,550</b>
Administrative information technology:					
Salaries	735,369	(7,021)	728,348	719,496	8,852
Purchased technical services	319,400	(26,570)	292,830	286,541	6,289
Other purchased services	158,667	(300)	158,367	152,831	5,536
Supplies and materials	105,500	(18,066)	87,434	79,264	8,170
<b>Total administrative information technology</b>	<b>1,318,936</b>	<b>(51,957)</b>	<b>1,266,979</b>	<b>1,238,132</b>	<b>28,847</b>

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

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>
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Required maintenance for school facilities:					
Salaries	\$ 1,013,813	\$ (77,578)	\$ 936,235	\$ 900,279	\$ 35,956
Cleaning, repair and maintenance services	969,500	811,277	1,780,777	1,349,355	431,422
Travel		50	50	45	5
General supplies	160,000	51,861	211,861	190,915	20,946
Other objects		2,100	2,100	1,745	355
<b>Total required maintenance for school facilities</b>	<b>2,143,313</b>	<b>787,710</b>	<b>2,931,023</b>	<b>2,442,339</b>	<b>488,684</b>
Custodial services:					
Salaries	3,589,152	(498,853)	3,090,299	3,020,704	69,595
Purchased professional and technical services	20,000	16,504	36,504	30,465	6,039
Cleaning, repair and maintenance services	616,300	307,882	924,182	677,136	247,046
Other purchased property services	340,000	33,371	373,371	335,862	37,509
Insurance	491,864	1,800	493,664	474,056	19,608
Miscellaneous purchased services	170,000	(5,569)	164,431	50,907	113,524
General supplies	565,250	24,879	590,129	363,226	226,903
Energy (electricity)	1,745,000	12,560	1,757,560	1,465,121	292,439
Other objects		1,307	1,307	297	1,010
Energy (natural gas)	940,000	1,500	941,500	777,551	163,949
Energy (oil)	32,000		32,000	31,851	149
<b>Total custodial services</b>	<b>8,509,566</b>	<b>(104,619)</b>	<b>8,404,947</b>	<b>7,227,176</b>	<b>1,177,771</b>
Care and upkeep of grounds:					
Salaries	690,390	(107,029)	583,361	486,395	96,966
Cleaning, repair and maintenance services	350,000	132,780	482,780	307,473	175,307
General supplies	149,600	(33,667)	115,933	101,531	14,402
Other Objects		100	100		100
<b>Total care and upkeep of grounds</b>	<b>1,189,990</b>	<b>(7,816)</b>	<b>1,182,174</b>	<b>895,399</b>	<b>286,775</b>
Security:					
Salaries	404,542	5,085	409,627	386,831	22,796
Cleaning, Repair, and Maintenance Services	2,300		2,300		2,300
General supplies	7,100	1,600	8,700	6,491	2,209
Other objects	800	600	1,400	1,286	114
<b>Total security</b>	<b>414,742</b>	<b>7,285</b>	<b>422,027</b>	<b>394,608</b>	<b>27,419</b>
Student transportation services:					
Salaries for pupil transportation:					
Between home and school - regular	158,242		158,242	151,917	6,325
Contracted services:					
Vendors - between home and school	4,245,000	26,400	4,271,400	4,239,629	31,771
Vendors - other than between home and school	291,745	50,597	342,342	309,061	33,281
Vendors - Special Ed	5,570,000	(91,547)	5,478,453	5,114,508	363,945
Aid in lieu - Nonpublic	325,000	28,000	353,000	350,039	2,961
Miscellaneous purchased services	13,350		13,350	5,415	7,935
General Supplies	2,000	(300)	1,700	112	1,588
Other objects		300	300	300	
<b>Total student transportation services</b>	<b>10,605,337</b>	<b>13,450</b>	<b>10,618,787</b>	<b>10,170,981</b>	<b>447,806</b>

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Expenditures (continued)</b>					
Current expenditures (continued):					
Unallocated benefits:					
Social security contributions	\$ 1,850,000		\$ 1,850,000	\$ 1,782,757	\$ 67,243
Other retirement contributions - PERS	1,904,849	\$ (140,490)	1,764,359	1,738,867	25,492
Other retirement contributions - other	13,500	31,199	44,699	42,076	2,623
Unemployment compensation	278,000		278,000	275,000	3,000
Worker's compensation	1,439,793	(317,600)	1,122,193	1,118,296	3,897
Health insurance	26,522,934	86,312	26,609,246	26,392,790	216,456
Tuition reimbursement	222,000	(55,500)	166,500	84,160	82,340
Other employee benefits	463,000	4,167	467,167	384,309	82,858
Total unallocated benefits	<u>32,694,076</u>	<u>(391,912)</u>	<u>32,302,164</u>	<u>31,818,255</u>	<u>483,909</u>
On-behalf TPAF pension contributions ( non-budgeted)				10,221,206	(10,221,206)
Reimbursed TPAF social security ( non-budgeted)				5,464,625	(5,464,625)
Total Personal services benefits	<u>32,694,076</u>	<u>(391,912)</u>	<u>32,302,164</u>	<u>47,504,086</u>	<u>(15,201,922)</u>
Total Undistributed expenditures	<u>91,920,889</u>	<u>1,008,082.00</u>	<u>92,928,971</u>	<u>104,835,297</u>	<u>(11,906,326)</u>
Total current expenditures	<u>165,537,309</u>	<u>898,890</u>	<u>166,436,199</u>	<u>176,670,293</u>	<u>(10,234,094)</u>
Capital outlay:					
Equipment:					
Undistributed expenditures:					
Support services-students-reg.		2,395	2,395	2,095	300
Admin. info. technology	718,909	36,464	755,373	732,051	23,322
Undistributed expenditures - custodial services		64,446	64,446	28,946	35,500
Undistributed expenditures - care and upkeep of grounds		13,063	13,063	9,563	3,500
Undistributed expenditures - security		84,300	84,300		84,300
Total equipment	<u>718,909</u>	<u>200,668</u>	<u>919,577</u>	<u>772,655</u>	<u>146,922</u>
Facilities acquisition and construction services:					
Legal Services		20,000	20,000		20,000
Architectural/engineering services	402,591	1,022,381	1,424,972	915,827	509,145
Other purchased professional & technical services		7,500	7,500		7,500
Construction services	3,851,218	5,940,249	9,791,467	7,585,048	2,206,419
Supplies and Materials		7,200	7,200		7,200
Assessment for Debt Service on SDA funding	67,659		67,659	67,659	
Total facilities acquisition and construction services	<u>4,321,468</u>	<u>6,997,330</u>	<u>11,318,798</u>	<u>8,568,534</u>	<u>2,750,264</u>
Total expenditures - capital outlay	<u>5,040,377</u>	<u>7,197,998</u>	<u>12,238,375</u>	<u>9,341,189</u>	<u>2,897,186</u>
Transfer of funds to charter schools	<u>670,749</u>	<u>(577,591)</u>	<u>93,158</u>	<u>93,158</u>	<u>-</u>
Total expenditures	<u>171,248,435</u>	<u>7,519,297</u>	<u>178,767,732</u>	<u>186,104,640</u>	<u>(7,336,908)</u>
(Deficiency) excess of revenues (under) over expenditures	<u>(6,900,000)</u>	<u>(7,517,888)</u>	<u>(14,417,888)</u>	<u>(4,408,099)</u>	<u>10,009,789</u>
Other financing sources:					
Transfers in (capital projects fund)				1,682,115	1,682,115
Total other financing sources		-	-	1,682,115	1,682,115
(Deficiency) excess of revenues (under) over expenditures and other financing sources	<u>(6,900,000)</u>	<u>(7,517,888)</u>	<u>(14,417,888)</u>	<u>(2,725,984)</u>	<u>11,691,904</u>
Fund balances, July 1	<u>18,463,926</u>	<u>-</u>	<u>18,463,926</u>	<u>18,463,926</u>	<u>-</u>
Fund balances, June 30	<u>\$ 11,563,926</u>	<u>\$ (7,517,888)</u>	<u>\$ 4,046,038</u>	<u>\$ 15,737,942</u>	<u>\$ 11,691,904</u>

Cherry Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to</u>
<b>Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources</b>					
Budgeted fund balance	\$ (6,900,000)		\$ (6,900,000)	\$ 4,791,904	\$ 11,691,904
Adjustment for prior year encumbrances		\$ (7,517,888)	(7,517,888)	(7,517,888)	
Total	<u>\$ (6,900,000)</u>	<u>\$ (7,517,888)</u>	<u>\$ (14,417,888)</u>	<u>\$ (2,725,984)</u>	<u>\$ 11,691,904</u>
<b>Recapitulation of fund balance:</b>					
Year end encumbrances-assigned for other purposes				\$ 3,699,120	
Capital reserve-restricted				1,142,265	
Designated for subsequent year - assigned				6,473,330	
Unassigned fund balance				<u>4,423,227</u>	
				15,737,942	
<b>Reconciliation to Government Funds Statements GAAP:</b>					
Last state aid payments not recognized on GAAP basis				(1,143,811)	
Fund balance per Government Funds (GAAP) (B-1)				<u>\$ 14,594,131</u>	

Chery Hill Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Education Jobs Fund Program

Year ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Revenues</b>					
Federal sources:					
Education Jobs Funds	\$ -	\$ 1,409	\$ 1,409	\$ 1,409	
Total - federal sources	<u>-</u>	<u>1,409</u>	<u>1,409</u>	<u>1,409</u>	
<b>Expenditures</b>					
Personnel services - unallocated employee benefits:					
Health benefits	-	1,409	1,409	1,409	
Total expenditures	<u>-</u>	<u>1,409</u>	<u>1,409</u>	<u>1,409</u>	
Excess of Revenues Over Expenditures					
Fund balances, July 1	-	-	-		
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Cherry Hill Township School District  
Special Revenue Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Revenues:</b>					
Federal sources	\$ 5,356,771	\$ 44,719	\$ 5,401,490	\$ 4,226,528	\$ (1,174,962)
State sources	1,172,434		1,172,434	818,373	(354,061)
Other sources	251,613		251,613	132,705	(118,908)
<b>Total revenues</b>	<b>6,780,818</b>	<b>44,719</b>	<b>6,825,537</b>	<b>5,177,606</b>	<b>(1,647,931)</b>
<b>Expenditures:</b>					
<b>Current expenditures:</b>					
<b>Instruction:</b>					
Salaries of teachers	841,901	(16,571)	825,330	602,841	222,489
Other salaries	23,813	(10,626)	13,187	10,972	2,215
Purchased professional educational services	2,284,261		2,284,261	2,269,901	14,360
Purchased professional services	16,053	660	16,713	15,760	953
Supplies and materials	716,393	154,921	871,314	734,987	136,327
Other objects	944,471		944,471	626,342	318,129
<b>Total instruction</b>	<b>4,826,892</b>	<b>128,384</b>	<b>4,955,276</b>	<b>4,260,803</b>	<b>694,473</b>
<b>Support services:</b>					
Salaries of other professional staff	304,228	(28,998)	275,230	173,349	101,881
Personal services—employee benefits	304,406	(102,929)	201,477	154,488	46,989
Other purchased professional services	936,479	2,350	938,829	321,923	616,906
Other purchased services	79,574	18,840	98,414	44,524	53,890
Travel	15,591	640	16,231	8,707	7,524
Supplies and materials	269,562	(2,434)	267,128	177,271	89,857
Other objects	12,372		12,372	1,304	11,068
<b>Total support services</b>	<b>1,922,212</b>	<b>(112,531)</b>	<b>1,809,681</b>	<b>881,566</b>	<b>928,115</b>
<b>Capital outlay:</b>					
<b>Facilities acquisition and construction services:</b>					
Facilities acquisition and construction services	28,441	24,373	52,814	27,848	24,966
Instructional equipment	3,273	4,493	7,766	7,389	377
<b>Total facilities acquisition and construction services</b>	<b>31,714</b>	<b>28,866</b>	<b>60,580</b>	<b>35,237</b>	<b>25,343</b>
<b>Total expenditures</b>	<b>6,780,818</b>	<b>44,719</b>	<b>6,825,537</b>	<b>5,177,606</b>	<b>1,647,931</b>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Cherry Hill Township School District  
 Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2013

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the Budgetary Comparison Schedule (C-1, C-2)	\$181,696,541	\$ 5,177,606
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances (net) are recognized as expenditures, and the related revenue is recognized.		(145,776)
State aid payments from prior year recognized in prior year for budgetary purposes, and recognized for GAAP statements in the current fiscal year.	918,917	
State aid payments recognized for budgetary purposes, not recognized for GAAP statements	<u>(1,143,811)</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 181,471,647</u>	<u>\$ 5,031,830</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule (C-1, C-2)	\$ 186,104,640	\$ 5,177,606
Differences - budget to GAAP		
Encumbrances (net) for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year they are received for GAAP purposes.		<u>(145,776)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 186,104,640</u>	<u>\$ 5,031,830</u>

## Supplementary Information

## **Special Revenue Fund**

Cherry Hill Township School District  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis

Year ended June 30, 2013

	Title I Part A Current and Carryover	Title II Part A Current and Carryover	Title III Part A Current and Carryover	Title II Part D Current and Carryover	Carl D. Perkins Vocational and Technical Education Act Secondary Current and Carryover
Revenues:					
Federal sources	\$ 1,212,925	\$ 266,140	\$ 48,323	\$ 2,100	\$ 76,806
State sources					
Other sources					
Total revenues	<u>\$ 1,212,925</u>	<u>\$ 266,140</u>	<u>\$ 48,323</u>	<u>\$ 2,100</u>	<u>\$ 76,806</u>
Expenditures:					
Instruction:					
Salaries:					
Salaries of teachers	\$ 554,336		\$ 1,560		
Other salaries	10,972				
Purchased professional and educational services					
Purchased professional services	8,760		3,250		
Supplies and materials	432,127		40,865		\$ 72,962
Other objects					
Total instruction	<u>1,006,195</u>		<u>45,675</u>		<u>72,962</u>
Support services:					
Salaries of other professional staff	39,331	\$ 77,752			3,571
Personal services—employee benefits	117,365	10,520	119		273
Other purchased professional services	7,800	4,950			
Other purchase services	21,072	17,967	1,900		
Travel		8,317			
Supplies and materials	21,162	146,634	629	\$ 2,100	
Other objects					
Total support services	<u>206,730</u>	<u>266,140</u>	<u>2,648</u>	<u>2,100</u>	<u>3,844</u>
Capital outlay:					
Facilities acquisition and construction services					
Instructional equipment					
Total facilities acquisition and construction services					
Total expenditures	<u>\$ 1,212,925</u>	<u>\$ 266,140</u>	<u>\$ 48,323</u>	<u>\$ 2,100</u>	<u>\$ 76,806</u>

Cherry Hill Township School District  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis

Year ended June 30, 2013

	I.D.E.A.		FEMA	Nonpublic Nursing	Nonpublic Technology
	Regular Current and Carryover	Preschool Current and Carryover			
Revenues:					
Federal sources	\$ 2,463,909	\$ 111,606	\$ 44,719		
State sources				\$ 108,693	\$ 17,945
Other sources					
Total revenues	<u>\$ 2,463,909</u>	<u>\$ 111,606</u>	<u>\$ 44,719</u>	<u>\$ 108,693</u>	<u>\$ 17,945</u>
Expenditures:					
Instruction:					
Salaries:					
Salaries of teachers		\$ 46,945			
Other salaries					
Purchased professional and educational services	\$ 2,266,714				
Purchased professional services					
Supplies and materials		509			\$ 17,945
Other objects					
Total instruction	<u>2,266,714</u>	<u>47,454</u>			<u>17,945</u>
Support services:					
Salaries of other professional staff		37,506	\$ 12,957		
Personal services—employee benefits		26,211			
Other purchased professional services	197,195			\$ 108,693	
Other purchased services		435			
Travel					
Supplies and materials					
Other objects					
Total support services	<u>197,195</u>	<u>64,152</u>	<u>12,957</u>	<u>108,693</u>	
Capital outlay:					
Facilities acquisition and construction services			24,373		
Instructional equipment			7,389		
Total facilities acquisition and construction services			<u>31,762</u>		
Total expenditures	<u>\$ 2,463,909</u>	<u>\$ 111,606</u>	<u>\$ 44,719</u>	<u>\$ 108,693</u>	<u>\$ 17,945</u>

Cherry Hill Township School District  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis

Year ended June 30, 2013

	NJ Nonpublic Auxiliary Services, Ch. 192			NJ Nonpublic Handicapped Services, Ch. 193			
	Compensatory Education	English as a Second Language	Transportation	Supplemental Instruction	Examination and Classification	Corrective Speech	Homebound
Revenues:							
Federal sources							
State sources	\$ 308,438	\$ 2,899	\$ 8,386	\$ 84,574	\$ 125,801	\$ 96,244	\$ 3,187
Other sources							
Total revenues	\$ 308,438	\$ 2,899	\$ 8,386	\$ 84,574	\$ 125,801	\$ 96,244	\$ 3,187
Expenditures:							
Instruction:							
Salaries:							
Salaries of teachers							
Other salaries							
Purchased professional and educational services							\$ 3,187
Purchased professional services Supplies and materials							
Other objects	\$ 308,438	\$ 2,899	\$ 8,386	\$ 84,574	\$ 125,801	\$ 96,244	
Total instruction	308,438	2,899	8,386	84,574	125,801	96,244	3,187
Support services:							
Salaries of other professional staff							
Personal services—employee benefits							
Other purchased professional services							
Other purchase services							
Travel							
Supplies and materials							
Other objects							
Total support services							
Capital outlay:							
Facilities acquisition and construction services							
Instructional equipment							
Total facilities acquisition and construction services							
Total expenditures	\$ 308,438	\$ 2,899	\$ 8,386	\$ 84,574	\$ 125,801	\$ 96,244	\$ 3,187

Cherry Hill Township School District  
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures  
Budgetary Basis

Year ended June 30, 2013

	Nonpublic Textbook Aid	CHEF	Charter Education Partnership	PTSA	Local Grants	Totals
<b>Revenues:</b>						
Federal sources						\$ 4,226,528
State sources	\$ 62,206					818,373
Other sources		\$ 104,199	\$ 4,435	\$ 21,173	\$ 2,898	132,705
<b>Total revenues</b>	<b>\$ 62,206</b>	<b>\$ 104,199</b>	<b>\$ 4,435</b>	<b>\$ 21,173</b>	<b>\$ 2,898</b>	<b>\$ 5,177,606</b>
<b>Expenditures:</b>						
<b>Instruction:</b>						
<b>Salaries:</b>						
Salaries of teachers						\$ 602,841
Other salaries						10,972
Purchased professional and educational services						2,269,901
Purchased professional services		\$ 1,500		\$ 2,250		15,760
Supplies and materials	\$ 62,206	90,640	\$ 760	16,973		734,987
Other objects						626,342
<b>Total instruction</b>	<b>62,206</b>	<b>92,140</b>	<b>760</b>	<b>19,223</b>		<b>4,260,803</b>
<b>Support services:</b>						
Salaries of other professional staff					\$ 2,232	173,349
Personal services—employee benefits						154,488
Other purchased professional services			3,285			321,923
Other purchased services		3,150				44,524
Travel			390			8,707
Supplies and materials		6,080			666	177,271
Other objects		1,304				1,304
<b>Total support services</b>		<b>10,534</b>	<b>3,675</b>		<b>2,898</b>	<b>881,566</b>
<b>Capital outlay:</b>						
Facilities acquisition and construction services		1,525		1,950		27,848
Instructional equipment						7,389
<b>Total facilities acquisition and construction services</b>		<b>1,525</b>		<b>1,950</b>	<b>-</b>	<b>35,237</b>
<b>Total expenditures</b>	<b>\$ 62,206</b>	<b>\$ 104,199</b>	<b>\$ 4,435</b>	<b>\$ 21,173</b>	<b>\$ 2,898</b>	<b>\$ 5,177,606</b>

**Capital Projects Fund**

Cherry Hill Township School District  
 Capital Projects Fund  
 Summary Schedule of Project Revenues, Expenditures,  
 Project Balance and Project Status  
 (Budgetary Basis)  
 Year ended June 30, 2013

**Expenditures and Other Financing Uses**

Capital Outlay:	
Construction Services	\$ 162,510
Total Capital Outlay	<u>162,510</u>
Deficiency of revenues under expenditures	<u>(162,510)</u>
Other financing (uses):	
Cancellation of SDA grant awards	(28,312)
Transfer to general fund	<u>(1,682,115)</u>
Total other financing (uses)	<u>(1,710,427)</u>
Total expenditures and other financing uses	<u>(1,872,937)</u>
Fund Balance, July 1	1,940,145
Fund Balance, June 30	<u><u>\$ 67,208</u></u>
 <u>Reconciliation of Fund Balance:</u>	
Fund balance, budgetary basis	\$ 67,208
GAAP basis revenues not recognized	
Fund balance, June 30 - GAAP basis	<u><u>\$ 67,208</u></u>

Cherry Hill Township School District  
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
(Budgetary Basis)

From Inception and for the year ended June 30, 2013

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and other financing sources</b>				
State Sources - SDA Grant	\$ 11,153,328	\$ (28,312)	\$ 11,125,016	\$ 11,125,016
Capital Lease	15,008,350		15,008,350	15,008,350
Bond proceeds and transfers	5,336,776		5,336,776	5,336,776
Transfer from capital reserve	1,351,133		1,351,133	1,351,133
Transfer from capital outlay	3,785,754		3,785,754	3,785,754
Total revenues	36,635,341	(28,312)	36,607,029	36,607,029
<b>Expenditures and Other Financing Uses</b>				
Salaries	140,000		140,000	
Employee Benefits	1,530		1,530	
Legal	145,516		145,516	
Other Professional Services	7,765,548		7,765,548	
Purchased Professional and Technical Services	167,174		167,174	
Construction Services	26,384,042	162,510	26,546,552	
Supplies	694		694	
Other objects	3,102		3,102	
Transfer to general fund	194,661	1,682,115	1,876,776	
Total expenditures	34,802,267	1,844,625	36,646,892	
Excess (deficiency) of revenues over (under) expenditures	\$ 1,833,074	\$ (1,872,937)	\$ (39,863)	\$ 36,607,029
<b>Reconciliation to Schedule F-1</b>				
Balance per F-1a	\$ 1,833,074	\$ (1,872,937)	\$ (39,863)	
Unassigned Fund Balance	107,071		107,071	
Balance per F-1	\$ 1,940,145	\$ (1,872,937)	\$ 67,208	

Cherry Hill Township School District  
Capital Projects Fund

Summary Schedule of Project Expenditures  
(Budgetary Basis)

From Inception and for the year ended June 30, 2013

Issue/Project Title	District Project Number	State Project Number	Original Date	Revised Appropriations	Expenditures to Date		Closed Out Projects Transferred Out	Unexpended Balance
					Prior Years	Current Year		
<b>School Bonds, Series 1999, Refunding, Series 2005</b>								
Barclay Early Childhood	401	N/A	5/1/1999	\$ 670,329	\$ 670,329			
Beck Science Labs	402	N/A	5/1/1999	2,002,811	2,002,811			
Carusi Media/Guidance/ Parent -Teacher Center	403	N/A	5/1/1999	3,333,643	3,333,643			
Carusi Gym Roof Replacement	404	N/A	5/1/1999	189,101	189,101			
Carusi Music Center/ Cafetorium	405	N/A	5/1/1999	1,275	1,275			
Carusi Renovations/ Conversion of Four Labs	406	N/A	5/1/1999	500	500			
Classrooms (51) / Woodcrst Gym/ Park	407	N/A	5/1/1999	12,801,427	12,801,427			
East Renovations of Science Labs	408	N/A	5/1/1999	2,634,751	2,634,751			
East Roof Replacement	409	N/A	5/1/1999	1,320,058	1,320,058			
East Wall Replacement	410	N/A	5/1/1999	2,743,975	2,743,975			
Kingston Storage Facility	412	N/A	5/1/1999	104,545	104,545			
Malberg - Central Administration	414	N/A	5/1/1999	211,879	211,879			
Rosa (Magnet) Middle School	415	N/A	5/1/1999	5,721,600	5,721,600			
Soft Costs	417	N/A	5/1/1999	5,313,768	5,313,768			
Soft Costs - Furniture	418	N/A	5/1/1999	1,316,970	1,316,970			
Warehouse Construction	419	N/A	5/1/1999	729,020	729,020			
West Auditorium Construction	420	N/A	5/1/1999	6,113,554	6,113,554			
West Music Facilities Conversion	421	N/A	5/1/1999	184,690	184,690			
West Portable Water	422	N/A	5/1/1999	329,395	329,395			
West Renovations of Science Labs	423	N/A	5/1/1999	1,239,503	1,239,503			
West Roof Replacement	424	N/A	5/1/1999	1,145,095	1,145,095			
Window Replacement	425	N/A	5/1/1999	3,485,440	3,485,440			
Hart Elevator	426	N/A	5/1/1999	182,843	182,843			
West Link	427	N/A	5/1/1999	337,389	337,389			
West Grandstand	428	N/A	5/1/1999	321,750	321,750			
Parking Lot	429	N/A	5/1/1999	94,229	94,229			
Weight Room Renovations	430	N/A	5/1/1999	5,352	5,352			
State Access at Kilmer Elementary School	431	N/A	5/1/1999	54,100	54,100			
<b>Total School Bonds, Series 1999, Refunding Bonds 2005</b>				<b>52,588,992</b>	<b>52,588,992</b>			
Security Equipment	2000	N/A	12/2/2005	135,005	135,005			
Various Projects	N/A	N/A	N/A	107,071			\$ (107,071)	
<b>NJ Schools Development Authority Projects:</b>								
Local Share from Capital Reserve and Capital Outlay:								
Alterations (Toilet Room Renovations) Beck								
Middle School	3001	0800-073-02-0357	3/26/2002	160,274	160,274			
Alterations (Toilet Room Renovations) Sharp								
Elementary School	3002	0800-030-02-0360	7/15/2002	41,076	41,076			
Alterations to the Barton Elementary School	3003	0800-069-02-0725	7/15/2002	86,254	86,254			
Alterations to the Beck Middle School	3004	0800-073-02-0722	7/15/2002	85,638	85,638			
Cherry Hill High School West - Install Security								
Cameras	3005	0800-040-02-0736	8/14/2002	45,201	45,201			
Cherry Hill East Renovations	3006	0800-030-02-1045	10/8/2002	1,317,107	1,316,941		(166)	
Stockton Elementary School - Renovations	3007	0800-113-02-1081	10/8/2002	30,900	30,900			
Barton Elementary School - Renovations	3008	0800-069-02-1060	10/8/2002	27,572	27,572			
Kilmer Elementary School - Renovations	3009	0800-105-02-1079	3/18/2003	7,742	7,742			
Kingston Elementary School - Renovations	3010	0800-110-02-1080	3/18/2003	7,742	7,742			
Barelay Early Childhood Center - Renovations	3011	0800-062-02-1061	10/8/2002	94,080	59,660		(34,420)	
Rosa Middle School - Revised Renovations	3012	0800-074-02-1076	5/27/2003	3,475	3,475			

Cherry Hill Township School District  
Capital Projects Fund

Summary Schedule of Project Expenditures  
(Budgetary Basis)

From Inception and for the year ended June 30, 2013

Issue/Project Title	District Project Number	State Project Number	Original Date	Revised Appropriations	Expenditures to Date		Closed Out Projects Transferred Out	Unexpended Balance
					Prior Years	Current Year		
Beck Middle School - Renovations	3013	0800-073-02-1064	10/8/2002	\$ 227,753	\$ 156,572		\$ (71,181)	
Harte Elementary Schools	4001	0800-068-02-1075	6/24/2003	8,202	8,202			
Paine Elementary Schools	4002	0800-115-02-1082	6/24/2003	53,944	7,993		(45,951)	
Cherry Hill High School East	4003	0800-030-03-0501	6/24/2003	120,391	120,391			
Cherry Hill High School West	4004	0800-040-02-1044	6/24/2003	933,864	933,864			
Carusi Middle School - Renovations	4005	0800-067-02-1068	6/24/2003	189,791	125,292		(64,499)	
Cherry Hill High School -East Roof Replacement	4006	0800-030-03-1294	10/14/2003	395,003	333,595		(61,408)	
Sharp Elementary School Roof Replacement	4007	0800-100-03-1295	10/14/2003	264,401	232,077		(32,324)	
Cherry Hill High School East - Toilet Room Renovations	4008	0800-030-04-2000	1/11/2005	725,957	676,132		(49,825)	
				<u>4,826,367</u>	<u>4,466,593</u>		<u>(359,774)</u>	
Local Share from Lease Purchase Phase I and Capital Outlay:								
Harte Elementary School Renovations	5001	0800-068-05-1000-NE	6/17/2005	40,264	36,550		(3,714)	
Paine Elementary School Renovations	5018	0800-115-05-1000-NE	6/17/2005	41,476	37,917		(3,559)	
Cherry Hill High School East Renovations	5024	0800-030-05-1000-NE	6/17/2005	8,449,121	8,203,092	\$ 158,974	(87,055)	
Cherry Hill High School East Renovations	5025	0800-030-05-2000-NE	6/17/2005	738,923	712,404		(26,519)	
Cherry Hill High School West Renovations	5026	0800-040-05-1000-NE	6/17/2005	4,200,677	3,994,770		(205,907)	
Cherry Hill High School West Renovations	5027	0800-040-05-2000-NE	6/17/2005	1,603,154	1,388,838		(214,316)	
				<u>15,073,615</u>	<u>14,373,571</u>	<u>158,974</u>	<u>(541,070)</u>	
Local Share from Lease Purchase Phase II:								
Kingston Elementary School Renovations	5002	0800-110-05-1000-NE	9/23/2005	243,389	243,389			
Knight Elementary School Renovations	5003	0800-058-05-1000	9/23/2005	566,015	566,015			
Barton Elementary School Renovations	5004	0800-069-05-1000-NE	9/23/2005	239,880	239,880			
Cooper Elementary School Door and Roof Replacement	5005	0800-083-05-1000-NE	9/23/2005	897,740	897,740			
Cooper Elementary School Renovations and Upgrades	5006	0800-083-05-2000-NE	9/23/2005	174,955	174,955			
Johnson Elementary School Door and Roof Replacement	5007	0800-085-05-1000-NE	9/23/2005	1,022,483	1,022,483			
Johnson Elementary School Renovations	5008	0800-085-05-2000-NE	9/23/2005	232,384	206,335		(26,049)	
Mann Elementary School Renovations	5009	0800-075-05-1000-NE	9/23/2005	263,259	225,837		(37,422)	
Sharp Elementary School Renovations	5010	0800-100-05-1000-NE	9/23/2005	205,298	188,875		(16,423)	
Stockton Elementary School Roof Replacement	5011	0800-113-05-1000-NE	9/23/2005	550,042	415,649		(134,393)	
Carusi Middle School Renovations	5012	0800-067-05-1000-NE	9/23/2005	303,719	179,035		(124,684)	
Carusi Middle School Renovations	5013	0800-067-05-2000-NE	10/18/2005	601,543	542,581		(58,962)	
Rosa Middle School Renovations	5014/8024	0800-074-05-1000-NE	9/23/2005	987,852	987,771		(81)	
Beck Middle School Renovations	5015	0800-073-05-1000-NE	10/27/2005	278,094	270,744	3,536	(3,814)	
Kilmer Elementary School Renovations	5016	0800-105-05-1000-NE	9/23/2005	340,207	340,207			
Malberg Alternative Door, Window and Roof Replacement	5017	0800-060-05-1000	9/23/2005	1,245,815	1,144,190		(101,625)	
Sharp Elementary School Roof Replacement	5019	0800-100-05-1000	9/23/2005	456,042	437,203		(18,839)	
Woodcrest Elementary School Renovations	5020	0800-130-05-1000	9/23/2005	302,408	282,744		(19,664)	
Barclay Early Child Care Renovations	5021	0800-062-05-1000-NE	9/23/2005	31,031	28,934		(2,097)	
Stockton Elementary School Renovations	5022	0800-113-05-2000	9/23/2005	196,815	175,293		(21,522)	
Knight Elementary School Renovations	5023	0800-058-05-2000-NE	9/23/2005	177,863	157,231		(20,632)	
Beck Roof Replacement	8011	0800-073-09-1008	5/28/2010	802,201	787,344		(14,857)	
Beck HVAC	8012	0800-073-09-1007	5/28/2010	805,219	738,011		\$ (67,208)	
Carusie Façade Repair	8013	0800-067-09-1004	8/6/2010	681,649	681,607		(42)	
Stockton HVAC	8014	0800-113-09-1013	8/6/2010	247,410	212,085		(35,325)	
Kingston Boiler Replacement	8015	0800-110-09-1017	8/6/2010	409,582	402,440		(7,142)	
Conn Links at Rosa	8016	0800-074-09-1009	8/6/2010	885,126	854,499		(30,627)	
				<u>13,148,021</u>	<u>12,403,077</u>	<u>3,536</u>	<u>(674,200)</u>	
Total NJ Schools Development Authority Projects				<u>33,048,003</u>	<u>31,243,241</u>	<u>162,510</u>	<u>(1,575,044)</u>	
Grand Total				<u>\$ 85,879,071</u>	<u>\$ 83,967,238</u>	<u>\$ 162,510</u>	<u>\$ (1,682,115)</u>	
							<u>\$ 67,208</u>	

## Fiduciary Funds

Cherry Hill Township School District  
Trust and Agency Funds

Combining Statement of Fiduciary Net Position

June 30, 2013

	Trust			Agency		
	Private Purpose Scholarship Trust Funds	Unemployment Compensation Trust Funds	Total Trust	Student Activity	Payroll	Total Agency
<b>Assets</b>						
Cash and cash equivalents	\$ 200,364	\$ 543,299	\$ 743,663	\$ 786,837	\$ 52,353	\$ 839,190
Total assets	<u>\$ 200,364</u>	<u>\$ 543,299</u>	<u>\$ 743,663</u>	<u>\$ 786,837</u>	<u>\$ 52,353</u>	<u>\$ 839,190</u>
<b>Liabilities</b>						
Accounts payable		\$ 87,131	\$ 87,131			
Payroll deductions payable					\$ 52,353	\$ 52,353
Due to student groups				\$ 786,837		786,837
Total liabilities		<u>\$ 87,131</u>	<u>\$ 87,131</u>	<u>\$ 786,837</u>	<u>\$ 52,353</u>	<u>\$ 839,190</u>
<b>Net position</b>						
Held in trust for unemployment claims		456,168	456,168			
Held in trust for scholarships	200,364		200,364			
Total net position	<u>\$ 200,364</u>	<u>\$ 456,168</u>	<u>\$ 656,532</u>			

Cherry Hill Township School District  
Student Activity Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2013

	<b>Balance July 1, 2012</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Balance June 30, 2013</b>
Elementary Schools	\$ 24,143	\$ 2,926	\$ 3,661	\$ 23,408
Middle Schools	96,799	466,032	487,829	75,002
High Schools	624,678	2,002,476	1,938,727	688,427
<b>Total</b>	<b>\$ 745,620</b>	<b>\$ 2,471,434</b>	<b>\$ 2,430,217</b>	<b>\$ 786,837</b>

Cherry Hill Township School District  
Payroll Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2013

	<b>Balance July 1, 2012</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Balance June 30, 2013</b>
<b>Assets</b>				
Cash and equivalents	\$ 58,212	\$ 110,933,498	\$ 110,939,357	\$ 52,353
Total assets	<u>\$ 58,212</u>	<u>\$ 110,933,498</u>	<u>\$ 110,939,357</u>	<u>\$ 52,353</u>
<b>Liabilities</b>				
Payroll deductions and withholdings	\$ 57,379	\$ 110,933,498	\$ 110,938,524	\$ 52,353
Interfund payable	833		833	
Total liabilities	<u>\$ 58,212</u>	<u>\$ 110,933,498</u>	<u>\$ 110,939,357</u>	<u>\$ 52,353</u>

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## Long-Term Debt

Cherry Hill Township School District  
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2013

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2012	Retired	Balance June 30, 2013
			Date	Amount				
School Refunding Bonds	1/20/2005	\$ 35,245,000	2/15/14	\$ 3,200,000	5.0%			
			2/15/15	3,365,000	5.0			
			2/15/16	3,540,000	5.0			
			2/15/17	3,725,000	5.0			
			2/15/18	3,525,000	4.5			
			2/15/19	3,775,000	4.5			
						\$ 24,175,000	\$ 3,045,000	\$ 21,130,000
						<u>\$ 24,175,000</u>	<u>\$ 3,045,000</u>	<u>\$ 21,130,000</u>

Cherry Hill Township School District  
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local sources:					
Local tax levy	\$ 3,008,903		\$ 3,008,903	\$ 3,008,903	
State sources:					
Debt Service Aid Type II	1,208,330		1,208,330	1,208,330	
Total revenues	<u>4,217,233</u>		<u>4,217,233</u>	<u>4,217,233</u>	
Expenditures:					
Principal on bonds	3,045,000		3,045,000	3,045,000	
Interest on bonds	1,172,250		1,172,250	1,172,250	
Total expenditures	<u>4,217,250</u>		<u>4,217,250</u>	<u>4,217,250</u>	
Deficiency of revenues under expenditures	<u>(17)</u>		<u>(17)</u>	<u>(17)</u>	
Net change in fund balances	(17)		(17)	(17)	-
Fund balance, July 1	32		32	32	
Fund balance, June 30	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ -</u>

## **Statistical Section**

**Statistical Section  
Unaudited**

**Contents**

**Financial Trends**

These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

**Revenue Capacity**

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year.*

Cherry Hill Township School District  
Net Position by Component  
Last Ten Fiscal Years

(accrual basis of accounting)  
Unaudited

	Year Ended June 30,									
	2004	2005	2006	2007 (As Restated)	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
Net investment in capital assets	\$ 8,402,049	\$ 4,268,195	\$ 6,214,569	\$ 17,318,017	\$ 16,821,089	\$ 23,900,044	\$ 32,087,662	\$ 35,781,099	\$ 45,352,378	\$ 55,683,206
Restricted	5,711,436	4,940,335	15,903,401	15,329,948	11,236,952	8,601,905	4,631,046	3,775,972	1,757,961	1,685,488
Unrestricted	350,834	1,446,220	7,883,823	9,773,925	2,515,874	5,451,581	3,855,978	12,696,240	13,967,609	10,031,028
<b>Total governmental activities net position</b>	<u>\$ 14,464,320</u>	<u>\$ 10,654,751</u>	<u>\$ 30,001,793</u>	<u>\$ 42,421,891</u>	<u>\$ 30,573,915</u>	<u>\$ 37,953,530</u>	<u>\$ 40,574,686</u>	<u>\$ 52,253,311</u>	<u>\$ 61,077,948</u>	<u>\$ 67,399,722</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 111,031	\$ 138,509	\$ 189,352	\$ 373,613	\$ 253,228	\$ 299,754	\$ 318,119	\$ 349,885	\$ 384,092	\$ 465,284
Unrestricted	95,490	485,589	402,694	704,275	901,000	888,559	778,811	611,657	507,389	212,091
<b>Total business-type activities net position</b>	<u>\$ 206,521</u>	<u>\$ 624,099</u>	<u>\$ 592,046</u>	<u>\$ 1,077,889</u>	<u>\$ 1,154,228</u>	<u>\$ 1,188,313</u>	<u>\$ 1,096,930</u>	<u>\$ 961,542</u>	<u>\$ 891,481</u>	<u>\$ 677,375</u>
<b>Government-wide</b>										
Net investment in capital assets	\$ 8,513,080	\$ 4,406,704	\$ 6,403,921	\$ 17,691,631	\$ 17,074,317	\$ 24,199,798	\$ 32,405,781	\$ 36,130,984	\$ 45,736,470	\$ 56,148,490
Restricted	5,711,436	4,940,335	15,903,401	15,329,948	11,236,952	8,601,905	4,631,046	3,775,972	1,757,961	1,685,488
Unrestricted	446,325	1,931,810	8,286,517	10,478,201	3,416,874	6,340,140	4,634,789	13,307,897	14,474,998	10,243,119
<b>Total district net position</b>	<u>\$ 14,670,841</u>	<u>\$ 11,278,850</u>	<u>\$ 30,593,839</u>	<u>\$ 43,499,780</u>	<u>\$ 31,728,143</u>	<u>\$ 39,141,843</u>	<u>\$ 41,671,616</u>	<u>\$ 53,214,853</u>	<u>\$ 61,969,429</u>	<u>\$ 68,077,097</u>

Source: CAFR Schedule A-1 and District records.

GASB No. 63 was implemented in the 2013 fiscal year, which required a change in language from net assets to net position for full accrual funds. This required presentation did not impact any of the balances from prior years. (See footnotes for detail).

Cherry Hill Township School District  
Changes in Net Position  
Last Ten Fiscal Years

(accrual basis of accounting)  
Unaudited

	Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
<b>Governmental activities</b>										
Instruction										
Regular	\$ 48,980,863	\$ 52,242,122	\$ 54,453,707	\$ 54,799,422	\$ 78,457,468	\$ 74,819,256	\$ 72,910,068	\$ 68,395,989	\$ 70,400,461	\$ 73,064,979
Special Education	8,879,357	10,010,784	11,014,384	11,965,582	24,775,579	29,182,114	29,080,671	31,193,381	33,237,959	35,606,286
Other Special Education	2,052,670	2,068,563	2,125,635	2,177,091	3,290,477	3,218,125	3,382,028	3,407,391	4,061,637	4,396,883
Other Instruction	2,484,704	2,579,795	2,877,119	2,936,353	3,720,885	3,629,530	3,330,091	2,956,413	2,933,362	3,143,029
Community Services Programs/Operations	12,614	2,146	26,596	40,856	95,504	22,432				
Support services:										
Tuition	2,100,665	2,605,809	2,558,331	3,165,054						
Student & Instruction Related Services	12,532,997	14,384,634	13,528,535	13,866,385	22,497,807	23,612,496	27,268,379	24,463,144	25,253,707	26,230,236
School Administrative Services	6,131,061	6,088,503	6,743,695	6,756,861	9,974,844	9,211,560	9,953,179	9,517,798	9,875,731	10,515,247
General and BusinessAdministrative Services	4,599,872	5,120,879	5,287,669	4,908,015	7,024,534	7,011,045	7,259,344	6,253,101	6,064,908	6,427,778
Plant Operations and Maintenance	10,049,961	10,801,339	11,039,156	11,094,873	13,419,140	13,339,888	14,106,402	14,200,873	14,701,933	13,576,070
Pupil Transportation	7,175,933	7,930,460	8,824,477	8,810,152	9,539,369	9,961,554	10,266,105	10,055,472	10,202,956	10,421,850
Other Support Services		3,686					47,080	3,097	48,569	93,158
Unallocated Benefits	31,015,535	35,995,822	39,030,074	42,967,709						
Interest on Long Term Debt	2,153,491	1,295,428	1,872,071	2,365,216	1,597,214	1,523,578	1,453,229	1,404,458	1,265,135	1,118,712
Unallocated Depreciation	1,120,703	1,126,365	1,870,534	1,870,534						
Total governmental activities	139,290,427	152,256,335	161,251,983	167,724,103	174,392,821	175,531,578	179,056,576	171,851,117	178,046,358	184,594,228
<b>Business-type activities:</b>										
Food service	3,013,323	3,190,347	3,232,234	3,343,551	3,402,268	3,196,662	3,425,636	3,469,126	3,720,794	3,546,362
Star Forum	45,309	158,401	161,674	1,994						
DVMSAC					376,506					
School Age Child Care	1,512,775	1,502,195	2,027,051	1,872,239	2,024,629	2,071,597	2,204,945	2,412,753	2,556,582	2,710,588
Total business-type activities expense	4,571,407	4,850,943	5,420,959	5,217,784	5,803,403	5,268,259	5,630,581	5,881,879	6,277,376	6,256,950
Total district expenses	143,861,834	157,107,278	166,672,942	172,941,887	180,196,224	180,799,837	184,687,157	177,732,996	184,323,734	190,851,178
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services										
Instruction (Regular)	9,632	56,498	19,796	14,191		246,443	323,140	494,991	648,370	832,048
Instruction (Special Education)	85,287	83,101	89,806	108,921	104,436					
Pupil Transportation					78,076					
Operating grants and contributions	15,496,457	16,178,444	17,475,046	22,860,554	4,619,776	5,075,140	6,437,921	7,445,275	5,617,561	5,031,830
Capital grants and contributions	125,540	28,256			721,764	1,058,200	1,366,004	1,625,465	776,147	195,292
Total governmental activities program revenues	15,716,916	16,346,299	17,584,648	22,983,666	5,524,052	6,379,783	8,127,065	9,565,731	7,042,078	6,059,170
<b>Business-type activities:</b>										
Charges for services										
Food service	2,430,940	2,582,764	2,579,252	2,658,977	2,486,936	2,590,141	2,360,851	2,446,776	2,682,904	2,381,454
Star Forum	92,200	202,690	87,605							
DVMSAC					556,861					
School Age Child Care	1,642,303	1,813,028	1,955,136	1,962,068	2,064,455	2,017,609	2,046,531	2,163,597	2,355,871	2,449,244
Operating grants and contributions	486,430	631,268	683,633	724,047	783,210	859,079	1,120,040	1,124,572	1,155,553	1,204,359
Total business-type activities program revenues	4,651,873	5,229,750	5,305,625	5,345,091	5,891,462	5,466,829	5,527,422	5,734,945	6,194,328	6,035,057
Total district program revenues	20,368,789	21,576,049	22,890,273	28,328,757	11,415,514	11,846,612	13,654,487	15,300,676	13,236,406	12,094,227
<b>Net (Expense)/Revenue</b>										
Governmental activities	(123,573,511)	(135,910,036)	(143,667,335)	(144,740,437)	(168,868,769)	(169,151,795)	(170,929,511)	(162,285,386)	(171,004,280)	(178,535,058)
Business-type activities	80,466	378,806	(115,334)	127,307	88,059	198,570	(103,159)	(146,934)	(83,048)	(221,893)
Total government-wide net expense	\$ (123,493,044)	\$ (135,531,229)	\$ (143,782,669)	\$ (144,613,130)	\$ (168,780,710)	\$ (168,953,225)	\$ (171,032,670)	\$ (162,432,320)	\$ (171,087,328)	\$ (178,756,951)

Cherry Hill Township School District  
Changes in Net Position  
Last Ten Fiscal Years

(accrual basis of accounting)  
Unaudited

	Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Property taxes levied for general purposes	\$ 109,445,416	\$ 120,747,514	\$ 123,548,901	\$ 136,273,471	\$ 139,526,958	\$ 143,999,283	\$ 143,999,283	\$ 147,259,254	\$ 146,759,254	\$ 149,444,439
Taxes levied for debt service	2,462,612	2,809,916	2,155,324	2,742,506	2,996,051	2,804,650	2,789,920	3,010,494	3,008,898	3,008,903
Unrestricted grants and contributions	14,851,665	15,164,506	15,168,141	15,379,357	35,014,975	28,721,762	25,800,624	21,907,441	26,180,712	31,009,322
Restricted Grants and Contributions	1,474,308	7,490,099	4,738,201	763,502						
Tuition Received										
Investment earnings	173,236	201,653	1,097,468	1,389,612	1,165,026	396,062	188,509	212,162	277,917	164,082
Miscellaneous income	917,821	896,037	1,081,515	886,205	760,328	609,653	772,331	1,574,660	3,602,136	1,230,086
Contributions - Capital Assets	11,200	15,568								
Special Items	(156,166)									
Transfers				(266,410)						
<b>Total governmental activities</b>	<b>129,180,092</b>	<b>147,325,293</b>	<b>147,789,551</b>	<b>157,168,244</b>	<b>179,463,338</b>	<b>176,531,410</b>	<b>173,550,667</b>	<b>173,964,011</b>	<b>179,828,917</b>	<b>184,856,832</b>
<b>Business-type activities:</b>										
Investment earnings	15,262	38,771	83,281	92,126	79,669	26,425	12,110	11,546	12,987	7,787
Special Items						(190,910)	(334)			
Transfers				266,410						
<b>Total business-type activities</b>	<b>15,262</b>	<b>38,771</b>	<b>83,281</b>	<b>358,536</b>	<b>79,669</b>	<b>(164,485)</b>	<b>11,776</b>	<b>11,546</b>	<b>12,987</b>	<b>7,787</b>
<b>Total district-wide</b>	<b>129,195,353</b>	<b>147,364,065</b>	<b>147,872,832</b>	<b>157,526,779</b>	<b>179,543,007</b>	<b>176,366,925</b>	<b>173,562,443</b>	<b>173,975,557</b>	<b>179,841,904</b>	<b>184,864,619</b>
<b>Change in Net Position</b>										
Governmental activities	5,606,581	11,415,258	4,122,216	12,427,807	10,594,569	7,379,615	2,621,156	11,678,625	8,824,637	6,321,774
Business-type activities	95,728	417,578	(32,053)	485,842	167,728	34,085	(91,383)	(135,388)	(70,061)	(214,106)
<b>Total district</b>	<b>\$ 5,702,309</b>	<b>\$ 11,832,835</b>	<b>\$ 4,090,163</b>	<b>\$ 12,913,649</b>	<b>\$ 10,762,297</b>	<b>\$ 7,413,700</b>	<b>\$ 2,529,773</b>	<b>\$ 11,543,237</b>	<b>\$ 8,754,576</b>	<b>\$ 6,107,668</b>

Source: CAFR Schedules A-2 and District records

GASB No. 63 was implemented in the 2013 fiscal year, which required a change in language from net assets to net position for full accrual funds. This required presentation did not impact any of the balances from prior years. (See footnotes for detail).

Cherry Hill Township School District  
Fund Balances - Governmental Funds  
Last Ten Fiscal Years

(modified accrual basis of accounting)  
Unaudited

	Year Ended June 30,									
	2004	2005	2006	2007 (As Restated)	2008	2009	2010	2011	2012	2013
<b>General Fund</b>										
Reserved	\$ 2,632,280	\$ 4,097,416	\$ 1,756,264	\$ 4,592,692	\$ 13,030,825	\$ 10,282,642	\$ 7,328,080			
Unreserved	3,018,829	2,188,283	2,549,120	9,105,555	3,434,684	6,841,691	4,520,495			
Restricted for								\$ 41,003	\$ 41,388	\$ 1,142,265
Assigned to								13,458,957	14,832,444	10,172,450
Unassigned								2,606,160	2,671,177	3,279,416
<b>Total general fund</b>	<u>\$ 5,651,110</u>	<u>\$ 6,285,699</u>	<u>\$ 4,305,384</u>	<u>\$ 13,698,247</u>	<u>\$ 16,465,509</u>	<u>\$ 17,124,333</u>	<u>\$ 11,848,575</u>	<u>\$ 16,106,120</u>	<u>\$ 17,545,009</u>	<u>\$ 14,594,131</u>
<b>All Other Governmental Funds</b>										
Reserved	\$ 1,124,711	\$ 1,239,974	\$ 7,989,476	\$ 588,502	\$ 2,611,196	\$ 182,891	\$ 2,964,575			
Unreserved, reported in:										
Special revenue fund	89,482	43,816	22,476							
Capital projects fund	2,609,619	16,653,534	14,419,687	7,968,527	4,835,487	5,631,112	1,232,232			
Debt service fund	34,456	629,191	12,167	7,709	11,697	12,442	767			
Restricted for:										
Capital projects fund								\$ 3,734,930	\$ 1,716,541	\$ 67,208
Debt service fund								17	32	15
Assigned to:										
Capital projects fund										
Debt service fund								22		
<b>Total all other governmental funds</b>	<u>\$ 3,858,267</u>	<u>\$ 18,566,515</u>	<u>\$ 22,443,806</u>	<u>\$ 8,564,738</u>	<u>\$ 7,458,380</u>	<u>\$ 5,826,445</u>	<u>\$ 4,197,574</u>	<u>\$ 3,734,969</u>	<u>\$ 1,716,573</u>	<u>\$ 67,223</u>

Source: CAFR Schedule B-1 and District records.

The change in the capital projects fund fund balance is the result of the substantial completion of capital projects during fiscal year ended June 30, 2013.

GASB 54 was implemented in the 2011 fiscal year, which required the presentation of fund balances to be reported in different classifications from those presented in prior years (see footnote 1 in the basic financial statements). Prior years have not been restated above, nor are they required to be.

Cherry Hill Township School District  
 Changes in Fund Balances - Governmental Funds  
 Last Ten Fiscal Years

(modified accrual basis of accounting)  
 Unaudited

	June 30,									
	2004	2005	2006	2007 (As Restated)	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Tax Levy	\$ 111,908,028	\$ 123,557,430	\$ 125,704,225	\$ 139,015,977	\$ 142,523,009	\$ 146,803,933	\$ 146,789,203	\$ 150,269,748	\$ 149,768,152	\$ 152,453,342
Tuition Charges	94,919	139,599	109,602	123,112	104,436	246,443	323,140	494,991	648,370	832,048
Interest on Investment	173,236	471,416	649,800	1,631	1,165,026	396,062	188,509	212,162	277,917	164,082
Miscellaneous	666,600	646,914	1,539,442	2,301,694	855,094	672,246	926,163	1,736,314	3,792,105	1,333,688
State Sources	28,841,068	35,680,575	34,288,109	30,239,153	37,247,653	31,214,344	26,933,758	24,391,627	27,025,281	31,830,106
Federal Sources	2,964,072	3,160,091	3,083,021	3,005,175	3,092,172	3,578,165	6,516,959	6,424,900	5,359,170	4,302,736
<b>Total revenue</b>	<b>144,647,922</b>	<b>163,656,024</b>	<b>165,374,198</b>	<b>174,686,741</b>	<b>184,987,390</b>	<b>182,911,193</b>	<b>181,677,732</b>	<b>183,529,742</b>	<b>186,870,995</b>	<b>190,916,002</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	48,279,396	51,537,461	53,748,759	54,459,363	53,760,051	52,567,027	52,479,688	48,895,799	49,896,206	49,792,968
Special Education Instruction	8,879,357	10,010,784	11,014,384	11,965,582	14,327,280	17,106,954	16,433,157	21,094,134	20,214,896	20,946,286
Other Special Instruction	2,052,670	2,068,563	2,125,635	2,177,091	2,169,704	2,230,010	2,322,002	2,372,697	2,787,800	2,910,098
Other Instruction	2,448,320	2,543,410	2,548,989	2,608,222	2,656,035	2,696,362	2,432,421	2,193,352	2,156,529	2,247,920
Community Svc Program/Operations	12,614	2,146	26,596	40,856	62,922	15,539				
<b>Support Services:</b>										
Tuition	2,100,665	2,605,809	2,558,331	3,123,513	4,225,086	5,817,098	6,330,764	3,903,493	6,101,512	6,518,517
Student and Instruction Related Services	12,532,997	14,384,634	13,528,535	13,866,385	16,009,329	17,481,835	20,298,026	18,214,076	18,460,152	18,723,989
General administration	2,252,808	2,343,831								
School Administration Services	5,717,689	6,685,567	6,889,833	6,757,661	6,718,909	6,416,180	6,931,585	6,637,312	6,835,553	7,027,920
Central services		1,609,904								
Other Admin Services			5,249,571	5,303,122	5,555,379	5,743,990	5,772,072	4,922,924	4,719,812	4,871,988
Admin. Information Technology		816,264								
Plant Operations and maintenance	10,025,561	10,775,866	11,012,951	11,068,669	11,738,263	10,910,268	11,567,683	11,949,954	12,360,815	10,959,522
Pupil transportation	7,175,933	7,930,460	8,824,477	8,810,152	9,312,610	9,805,468	10,078,140	9,889,444	10,003,195	10,170,981
Business and Other Support Services	2,008,016	3,686								
Employee Benefits	31,126,869	35,879,715	39,295,050	43,175,001	44,719,472	41,168,576	42,165,263	38,984,830	41,269,051	47,504,086
Transfer to Charter School				41,541			47,080	3,097	48,569	93,158
Capital Outlay	2,369,799	4,843,901	9,130,396	11,274,988	7,865,471	8,695,610	7,498,280	6,453,190	8,379,162	9,531,547
<b>Debt Service:</b>										
Principal	2,105,000	2,290,000	2,275,000	2,370,000	2,475,000	2,615,000	2,690,000	2,765,000	2,900,000	3,045,000
Interest and other charges	2,189,013	1,373,801	1,944,740	1,842,365	1,730,975	1,614,650	1,536,200	1,455,500	1,317,250	1,172,250
<b>Total expenditures</b>	<b>141,276,706</b>	<b>157,705,802</b>	<b>170,173,247</b>	<b>178,884,510</b>	<b>183,326,486</b>	<b>184,884,567</b>	<b>188,582,361</b>	<b>179,734,802</b>	<b>187,450,502</b>	<b>195,516,230</b>
Excess (Deficiency) of revenues over (under) expenditures	2,371,216	5,950,223	(4,799,048)	(4,197,769)	1,660,904	(1,973,374)	(6,904,629)	3,794,940	(579,507)	(4,600,228)
<b>Other Financing sources (uses)</b>										
Capital Lease (Non-Budgeted)	386,979	9,434,800	5,894,582			1,000,263				
Rebate of Arbitrage	(156,166)									
Recognition of Accounts Receivable										
Cancelled in prior year				5,391						
Cancellation of Accounts Receivable	(43,226)	(28,557)		(27,417)						
Cancellation of Accounts Payable	210,885									
Cancellation of Deferred Revenue		(13,552)								
Refund of Prior Year Expenditures	7,421									
Refund of Prior Year Revenue										
Inventory Adjustment		(76)								
Transfers In			490,732	277,765	5,307		2,972,734	13,175		1,682,115
Transfers Out			(490,732)	(544,174)	(5,307)		(2,972,734)	(13,175)		(1,682,115)
<b>Total other financing sources (uses)</b>	<b>405,893</b>	<b>9,392,614</b>	<b>5,894,582</b>	<b>(288,436)</b>	<b>-</b>	<b>1,000,263</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 2,777,109</b>	<b>\$ 15,342,837</b>	<b>\$ 1,095,534</b>	<b>\$ (4,486,205)</b>	<b>\$ 1,660,904</b>	<b>\$ (973,111)</b>	<b>\$ (6,904,629)</b>	<b>\$ 3,794,940</b>	<b>\$ (579,507)</b>	<b>\$ (4,600,228)</b>
<b>Debt service as a percentage of noncapital expenditures</b>										
	3.09%	2.40%	2.62%	2.51%	2.40%	2.40%	2.33%	2.44%	2.36%	2.27%

Source: District records

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

Cherry Hill Township School District  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years

(modified accrual basis of accounting)  
 Unaudited

Year Ended June 30,	Interest on Investment	Telephone Commissions	Jury Duty Reimbursement	Book Reimbursement	Summer Program	Building Rentals	Hospital Co-Payment	Judgement Charged	Athletic Dept Ticket Sales	SACC Usage Fee	Refund of Prior Year Expend	Surplus Sale Auction	Preschool Program	Minimum Premium Reimbursement	Miscellaneous	Annual Totals
2004	\$ 165,667	\$ 43	\$ 14	\$ 4,888	\$ 11,010	\$ 140,849	\$ 221,584	\$ 470	\$ 6,020		\$ 101,430	\$ 97			\$ 37,364	\$ 689,437
2005	435,431	27	235	969	13,040	161,402	251,263	549	15,067		173,148	780			9,795	1,061,705
2006	648,449		45	2,639	10,200	138,950	275,033	478	21,923		118,989	570			513,890	1,731,167
2007	1,110,217		15	3,893	248	77,109	277,682	632	24,873		49,272	97	\$ 450,469			1,994,507
2008	1,159,719		29	249	10,525	95,884	251,301	826	27,081		79,748				294,685	1,920,047
2009	396,062		59	2,150	7,780	89,442		1,066	20,607		95,201				393,348	1,005,715
2010	188,509		90	350		85,883		1,394	22,436	\$ 250,000	169,862				242,294	960,818
2011	212,145		160	241		38,298		1,340	24,049	400,000	270,336		249,923		590,313	1,786,805
2012	277,902		1,064	455		32,610		1,254	30,029	400,000	95,892		257,970	\$ 2,338,923	443,939	3,880,038
2013	164,082		141	1,077		39,542		856	24,026	400,000	45,813		263,210		455,421	1,394,168

Source: District records

Cherry Hill Township School District  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Fiscal Years

Unaudited

Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2004	\$ 71,776,200	\$ 3,280,065,700	\$ 3,288,700	\$ 172,000	\$ 1,011,905,100	\$ 114,381,500	\$ 85,383,400	\$ 4,566,972,600	\$ 4,219,000	\$ 14,319,836	\$ 4,577,073,436	\$ 6,878,700,158	\$ 2.573
2005	74,187,200	3,291,698,000	3,550,500	179,000	1,004,921,300	116,305,100	90,470,600	4,581,311,700	4,557,000	12,064,242	4,588,818,942	8,428,310,472	2.716
2006	75,542,100	3,305,820,900	3,550,500	179,000	1,005,232,300	115,465,100	90,991,800	4,596,781,700	9,097,700	9,230,851	4,596,914,851	9,166,284,744	2.880
2007	59,213,100	3,310,478,200	3,550,500	188,300	1,024,620,900	116,132,100	99,629,800	4,613,812,900	5,922,400	8,815,357	4,616,705,857	9,954,618,292	3.049
2008	53,446,500	3,318,008,800	2,961,000	181,400	1,013,510,800	114,487,700	104,025,800	4,606,622,000	7,456,700	8,615,012	4,607,780,312	10,085,598,579	3.134
2009	56,741,700	3,324,971,300	2,961,000	174,300	998,671,800	113,478,900	104,835,600	4,601,834,600	7,225,200	8,735,790	4,603,345,190	9,558,982,793	3.188
2010	56,114,200	3,311,069,800	2,961,000	174,300	978,936,100	114,241,900	103,137,800	4,566,635,100	7,397,400	12,761,407	4,571,999,107	9,725,666,605	3.249
2011	54,855,400	3,292,198,000	3,621,400	175,100	939,939,700	113,641,500	103,137,800	4,507,568,900	6,537,100	10,983,976	4,512,015,776	8,973,612,013	3.325
2012	52,418,400	3,263,491,806	3,621,400	175,100	908,158,200	105,747,100	99,248,700	4,432,860,706	5,398,300	11,330,134	4,438,792,540	8,274,604,501	3.405
2013	83,261,600	5,318,205,700	5,416,600	178,200	1,727,121,400	183,270,200	234,420,400	7,551,874,100	7,578,500	20,303,560	7,564,599,160	8,162,215,496	2.036

Source: District records Tax list summary & Municipal Tax Assessor  
[www.nj.gov/dca/lgs/annualrpt/ar\\_glossary.doc](http://www.nj.gov/dca/lgs/annualrpt/ar_glossary.doc)

Cherry Hill Township School District  
 Property Tax Rates-Direct and Overlapping Governments  
 Last Ten Fiscal Years  
 (rate per \$100 of assessed value)

Unaudited

Year Ended June 30,	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct School Tax Rate	Fire District	Township of Cherry Hill	County of Camden	
2004	\$ 2.519	\$ 0.054	\$ 2.573	\$ 0.315	\$ 0.427	\$ 1.093	\$ 4.408
2005	2.655	0.061	2.716	0.345	0.592	1.171	4.824
2006	2.833	0.047	2.880	0.375	0.604	1.396	5.255
2007	2.990	0.059	3.049	0.040	0.638	1.321	5.048
2008	3.071	0.063	3.134	0.446	0.773	1.290	5.643
2009	3.125	0.063	3.188	0.447	0.853	1.278	5.766
2010	3.184	0.065	3.249	0.446	0.922	1.279	5.896
2011	3.258	0.067	3.325	0.471	1.001	1.430	6.227
2012	3.337	0.068	3.405	0.497	1.019	1.450	6.371
2013	1.996	1.409	2.036	0.292	0.589	0.827	3.744

Source: District Records and 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.

Cherry Hill Township School District  
Principal Property Tax Payers  
Current Year and Nine Years Ago

Unaudited

	2013			2004		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Cherry Hill Center	\$ 327,708,000	1	4.34%	\$ 118,253,300	1	2.59%
Cherry Hill Retail Partners, LLC	68,000,000	2	0.90%			
Grand Cherry Hill Owner, LLC	45,000,000	3	0.60%			
Behringer Harvard	37,600,000	4	0.50%			
PR Cherry Hill STW, LLC	35,842,000	5	0.47%			
Cherry Hill Town Center Partners	35,800,000	6	0.47%			
Cherry Hill Towers, LLC	33,300,000	7	0.44%			
Macy's East, Inc.	23,800,000	8	0.32%	25,096,600	6	0.55%
Camden Holdings, LLC	23,716,100	9	0.31%			
BV Apartments, LLC	23,600,000	10	0.31%			
EQR-Cherry Hill LLC	21,000,000	11	0.28%			
J. Birnbaum-Cherry Hill LLC	20,389,500	12	0.27%			
Federal Realty Investment Trust	20,200,000	13	0.27%			
Garden State Pavilions Center, LLC	19,384,000	14	0.26%	23,530,800	8	0.52%
Hillview CH, LLC	15,968,800	15	0.21%			
CHNJ Owners, LLC	15,930,300	16	0.21%			
1450 Route 70 East LLC	14,897,100	17	0.20%			
Waterford Owners Corp	14,884,400	18	0.20%			
SOA, Inc	14,063,900	19	0.19%			
Cherry Hill Inn Redevelopment Ptnrs LLC	14,000,000	20	0.19%	20,500,400	9	0.45%
Turnberry/Cherry Hill LLC				35,000,000	2	0.77%
Ackrik Assoc				31,332,400	3	0.69%
First Industrial Realty (Cherry Hill Industrial Sites)				30,636,400	4	0.67%
Brandywine Realty Trust				28,623,800	5	0.63%
NJ Fee Owner LLC				24,500,000	7	0.54%
Lend Lease				17,272,300	10	0.38%
<b>Total</b>	<b>\$ 825,084,100</b>		<b>10.93%</b>	<b>\$ 354,746,000</b>		<b>8.20%</b>

Source: District CAFR & Cherry Hill Municipal Tax Assessor.

Cherry Hill Township School District  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Unaudited

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	\$ 111,908,028	\$ 111,908,028	100.00%	
2005	123,557,430	123,557,430	100.00%	
2006	125,704,225	125,704,225	100.00%	
2007	139,015,977	139,015,977	100.00%	
2008	142,523,009	142,523,009	100.00%	
2009	146,803,188	146,803,188	100.00%	
2010	146,789,203	146,789,203	100.00%	
2011	150,269,748	150,269,748	100.00%	
2012	149,768,152	149,768,152	100.00%	
2013	152,453,342	152,453,342	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.

Cherry Hill Township School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Unaudited

Year Ended June 30,	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income *	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Capital Leases	Purchase Agreement				
2004	\$ 44,632,000	\$ 942,078	\$ 358,016		\$ 45,932,094	0.08%	\$ 34,580
2005	42,265,000	8,666,316	282,369		51,213,686	0.08%	40,090
2006	39,990,000	13,465,684	210,105		53,665,789	0.08%	42,370
2007	37,620,000	10,685,895	136,961		48,442,856	0.09%	44,077
2008	35,145,000	7,487,477	76,973		42,709,450	0.10%	41,336
2009	32,530,000	4,883,788	21,719		37,435,507	0.11%	41,282
2010	29,840,000	19,401	242,149		30,101,550	0.17%	50,313
2011	27,075,000		159,705		27,234,705	N/A	N/A
2012	24,175,000		79,853		24,254,853	N/A	N/A
2013	21,130,000		9,784		21,139,784	N/A	N/A

Source: District CAFR Schedules I-1, footnotes and District records.

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

N/A At the time of CAFR completion, this data was not yet available.

a See J-14 for personal income and population data.

These ratios are calculated using personal income and population for the prior calendar year.

Cherry Hill Township School District  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

Unaudited

<u>General Bonded Debt Outstanding</u>					
Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2004	\$ 44,632,000	\$ 34,456	\$ 44,597,544	0.97%	\$ 1,275.86
2005	42,265,000	629,191	41,635,809	0.91%	1,147.02
2006	39,990,000	12,167	39,977,833	0.87%	1,033.79
2007	37,620,000	7,709	37,612,291	0.81%	934.23
2008	35,145,000		35,145,000	0.76%	836.95
2009	32,530,000		32,530,000	0.71%	785.63
2010	29,840,000		29,840,000	0.65%	698.50
2011	27,075,000		27,075,000	0.60%	628.20
2012	24,175,000		24,175,000	0.54%	n/a
2013	21,130,000		21,130,000	0.28%	n/a

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

**a** See J-6 for property tax data.

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

**n/a** Information not available or provided.

Cherry Hill Township School District  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2013

Unaudited

<u>Municipal Debt (1)</u>	Gross Debt	Deductions	Statutory Net Debt Outstanding	Net Debt Outstanding Allocated to Cherry Hill Township
Cherry Hill Township School District	\$ -	\$ -		
Cherry Hill Township Sewer Utility	N/A	N/A		
Cherry Hill Township	N/A	N/A	N/A	N/A
<hr/>				
	N/A	N/A	-	-
<hr/>				
Overlapping Debt Apportioned to the Municipality County of Camden (2)				
General:				
Bonds	N/A	N/A	N/A	N/A
Bonds issued by Other Public Bodies Guaranteed by the County	N/A	N/A		
<hr/>				
	N/A	N/A	N/A	N/A
<hr/>				
<b>Total direct and overlapping debt</b>	N/A	N/A	N/A	N/A
<hr/> <hr/>				

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

N/A - The information was not available at the time of the audit.

Cherry Hill Township School District  
 Legal Debt Margin Information  
 Last Ten Fiscal Years

Unaudited

Legal Debt Margin Calculation for Fiscal Year 2013

	Equalized valuation basis	
	2013	\$ 7,972,603,197
	2012	8,274,604,501
	2011	8,973,612,013
	[A]	<u>\$ 25,220,819,711</u>
Average equalized valuation of taxable property	[A/3]	\$ 8,406,939,904
Debt limit (4 % of average equalization value)	[B]	336,277,596 <sup>a</sup>
Total Net Debt Applicable to Limit	[C]	<u>21,130,000</u>
Legal debt margin	[B-C]	<u>\$ 315,147,596</u>

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 218,454,036	\$ 243,136,187	\$ 283,652,181	\$ 325,835,739	\$ 357,884,468	\$ 379,517,573	\$ 383,360,748	\$ 389,665,912	\$ 373,617,037	\$ 336,277,596
Total net debt applicable to limit	<u>44,597,544</u>	<u>41,635,809</u>	<u>39,977,833</u>	<u>37,612,291</u>	<u>35,145,000</u>	<u>32,530,000</u>	<u>29,840,000</u>	<u>27,075,000</u>	<u>24,175,000</u>	<u>21,130,000</u>
Legal debt margin	<u>\$ 173,856,492</u>	<u>\$ 201,500,378</u>	<u>\$ 243,674,349</u>	<u>\$ 288,223,448</u>	<u>\$ 322,739,468</u>	<u>\$ 346,987,573</u>	<u>\$ 353,520,748</u>	<u>\$ 362,590,912</u>	<u>\$ 349,442,037</u>	<u>\$ 315,147,596</u>
Total net debt applicable to the limit as a percentage of debt limit	20.42%	17.12%	14.09%	11.54%	9.82%	8.57%	7.78%	6.95%	6.47%	6.28%

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

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

Cherry Hill Township School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Unaudited

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2004	71,380	\$ 2,495,087,900	\$ 34,955	3.20%
2005	71,273	2,587,138,627	36,299	3.00%
2006	71,229	2,754,496,659	38,671	3.40%
2007	71,180	2,865,706,800	40,260	3.00%
2008	70,893	2,976,938,856	41,992	4.00%
2009	70,799	2,931,503,394	41,406	6.60%
2010	71,036	3,034,657,920	42,720	7.30%
2011	70,987	3,059,468,713	43,099	7.20%
2012	70,986	n/a	n/a	7.30%
2013	n/a	n/a	n/a	7.40%

Source:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development.

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by county estimated based upon the Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Data not available at time CAFR was prepared.

Cherry Hill Township School District  
Principal Employers  
Current Year and Ten Years Ago

Unaudited

Employer	2013			2004		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
Cherry Hill Public Schools	1,656	1	26.16%			
Kennedy Health System	775	2	12.24%	N/A	N/A	N/A
TD Bank	625	3	9.87%	N/A	N/A	N/A
Gannett Info Network	600	4	9.48%	N/A	N/A	N/A
Wegmans	600	5	9.48%	N/A	N/A	N/A
Subaru of America	600	6	9.48%	N/A	N/A	N/A
Lockheed Martin	450	7	7.11%	N/A	N/A	N/A
Nordstrom	400	8	6.32%	N/A	N/A	N/A
Macy's Northeast	350	9	5.53%	N/A	N/A	N/A
Growth Properties	275	10	4.34%	N/A	N/A	N/A
	<u>6,331</u>		<u>100.00%</u>	<u>-</u>		<u>0.00%</u>

Source: Municipality Records

N/A Not available.

Cherry Hill Township School District  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years

Unaudited

<b>Function/Program</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Instruction										
Regular	725.0	755.0	758.0	730.0	709.0	724.9	744.9	715.6	704.4	694.8
Special Education	127.0	139.0	140.0	401.0	509.0	515.0	359.9	204.0	210.4	222.7
Other Special Education	255.0	289.0	294.0	32.0	29.0	29.0	60.0	162.0	193.5	220.5
Other Instruction	97.0	94.0	91.0	102.0	2.0	2.0	53.8	2.0	2.0	2.0
Support Services:										
Student and Instruction related Services	97.0	98.0	108.0	178.0	195.0	167.1	96.9	245.4	243.6	236.4
General Administration Services	15.0	16.0	16.0	17.0	2.0	2.0	59.6	8.0	5.0	5.0
School Administration Services	88.0	87.0	89.0	90.0	81.0	80.5	91.1	82.0	82.0	82.0
Other Administrative Services	26.0	31.0	32.0							
Central Services	27.0	28.0	25.0	25.0	30.0	34.0	32.6	26.5	26.5	26.5
Administrative Information Technology	7.0	10.0	12.0	11.0	13.0	14.0	13.0	12.0	13.0	15.0
Plant operations and maintenance	82.0	81.0	79.0	66.0	69.0	69.0	153.0	142.0	142.0	142.0
Pupil Transportation	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Other Services	18.0	20.0	20.0		28.0	28.4	15.0	5.0	5.0	5.0
Child Care	15.0	15.0	15.0	50.0						
<b>Total</b>	<u>1,583.0</u>	<u>1,667.0</u>	<u>1,683.0</u>	<u>1,706.0</u>	<u>1,671.0</u>	<u>1,669.9</u>	<u>1,683.8</u>	<u>1,608.5</u>	<u>1,631.4</u>	<u>1,655.9</u>

Source: District Personnel Records

Cherry Hill Township School District  
Operating Statistics  
Last Ten Fiscal Years

Unaudited

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle	High School				
2004	11,542	\$ 135,612,895	\$ 11,750	5.39%	852	1:13	1:12	1:12	11,557	10,892.2	1.56%	94.25%
2005	11,608	149,198,101	12,853	9.39%	884	1:13	1:11	1:11	11,643	10,996.8	0.96%	94.45%
2006	11,622	156,823,111	13,494	4.98%	898	1:12	1:11	1:12	11,775	11,020.6	0.22%	93.59%
2007	11,534	163,397,157	14,167	4.99%	914	1:12	1:12	1:13	11,687	10,949.5	-0.65%	93.69%
2008	11,545	171,255,040	14,834	4.71%	N/A	N/A	N/A	N/A	11,639	10,919	-0.41%	93.82%
2009	11,471	170,963,003	14,904	0.47%	N/A	N/A	N/A	N/A	11,469	10,874.5	-1.46%	94.82%
2010	11,341	171,795,491	15,148	2.12%	N/A	N/A	N/A	N/A	11,345	10,782.6	-2.52%	95.04%
2011	11,477	169,061,112	14,730	-0.70%	N/A	N/A	N/A	N/A	11,366	10,857.5	-2.34%	95.52%
2012	11,231	174,854,090	15,569	4.96%	N/A	N/A	N/A	N/A	11,298	10,770.0	-2.93%	95.33%
2013	11,374	181,767,433	15,981	7.23%	N/A	N/A	N/A	N/A	11,371	10,802.0	-0.85%	95.00%

Sources: District records and ASSA

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay (J-4).
- 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).
- N/A The information was not available at the time of the audit.

Cherry Hill Township School District  
School Building Information  
Last Ten Fiscal Years

	Unaudited									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>District Building</b>										
<b>Elementary</b>										
<b>A. Russell Knight Elementary School (1964)</b>										
Square Feet	42,938	42,938	42,938	42,938	42,938	42,938	42,938	42,938	42,938	42,938
Capacity (students)	363	363	363	363	363	363	363	363	363	363
Enrollment	400	393	402	381	394	375	371	373	366	358
<b>Barclay Early Childhood Center (1959)</b>										
Square Feet	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300
Capacity (students)	186	186	186	186	186	186	186	186	186	186
Enrollment *	314	374	374	291	283	288	291	296	289	316
<b>Bret Harte Elementary School (1967)</b>										
Square Feet	56,580	56,580	56,580	56,580	56,580	56,580	56,580	56,580	56,580	56,580
Capacity (students)	367	367	367	367	367	367	367	367	367	367
Enrollment	366	367	358	356	374	387	396	399	411	427
<b>Clara Barton Elementary School (1965)</b>										
Square Feet	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043
Capacity (students)	389	389	389	389	389	389	389	389	389	389
Enrollment	494	501	495	505	522	536	520	500	473	485
<b>Horace Mann Elementary School (1962)</b>										
Square Feet	41,117	41,117	41,117	41,117	41,117	41,117	41,117	41,117	41,117	41,117
Capacity (students)	360	360	360	360	360	360	360	360	360	360
Enrollment	334	348	365	345	333	339	313	301	288	284
<b>James F. Cooper Elementary School (1970)</b>										
Square Feet	49,817	49,817	49,817	49,817	49,817	49,817	49,817	49,817	49,817	49,817
Capacity (students)	342	342	342	342	342	342	342	342	342	342
Enrollment	291	291	295	296	321	303	283	309	277	282
<b>James Johnson Elementary School (1966)</b>										
Square Feet	51,550	51,550	51,550	51,550	51,550	51,550	51,550	51,550	51,550	51,550
Capacity (students)	461	461	461	461	461	461	461	461	461	461
Enrollment	455	439	440	453	456	432	428	437	447	440
<b>Joseph d. Sharpe Elementary School (1964)</b>										
Square Feet	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434
Capacity (students)	367	367	367	367	367	367	367	367	367	367
Enrollment	380	350	360	359	364	367	340	338	332	327
<b>Joyce Kilmer Elementary School (1968)</b>										
Square Feet	55,942	55,942	55,942	55,942	55,942	55,942	55,942	55,942	55,942	55,942
Capacity (students)	424	424	424	424	424	424	424	424	424	424
Enrollment	390	409	392	427	439	454	452	445	433	449
<b>Kingston Elementary School (1955)</b>										
Square Feet	43,973	43,973	43,973	43,973	43,973	43,973	43,973	43,973	43,973	43,973
Capacity (students)	435	435	435	435	435	435	435	435	435	435
Enrollment	370	367	363	356	370	405	394	408	424	463
<b>Richard Stockton Elementary School (1970)</b>										
Square Feet	54,655	54,655	54,655	54,655	54,655	54,655	54,655	54,655	54,655	54,655
Capacity (students)	428	428	428	428	428	428	428	428	428	428
Enrollment	406	432	432	425	439	446	434	434	450	427
<b>Thomas Paine Elementary School (1968)</b>										
Square Feet	51,866	51,866	51,866	51,866	51,866	51,866	51,866	51,866	51,866	51,866
Capacity (students)	385	385	385	385	385	385	385	385	385	385
Enrollment	370	354	375	357	344	352	367	370	374	353
<b>Woodcrest Elementary School (1958)</b>										
Square Feet	53,185	53,185	53,185	53,185	53,185	53,185	53,185	53,185	53,185	53,185
Capacity (students)	442	442	442	442	442	442	442	442	442	442
Enrollment	443	453	464	454	471	355	469	458	428	417
<b>Middle Schools</b>										
<b>Henry C. Beck Middle School (1970)</b>										
Square Feet	119,504	119,504	119,504	119,504	119,504	119,504	119,504	119,504	119,504	119,504
Capacity (students)	990	990	990	990	990	990	990	990	990	990
Enrollment	963	996	930	911	875	895	884	889	918	950
<b>John A. Carusi Middle School (1961)</b>										
Square Feet	129,523	129,523	129,523	129,523	129,523	129,523	129,523	129,523	129,523	129,523
Capacity (students)	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130
Enrollment	1,005	989	948	980	969	986	965	978	934	943
<b>Rosa International Middle School (1961)</b>										
Square Feet	88,737	88,737	88,737	88,737	88,737	88,737	88,737	88,737	88,737	88,737
Capacity (students)	829	829	829	829	829	829	829	829	829	829
Enrollment	792	802	795	776	770	780	790	785	804	803
<b>High School</b>										
<b>Cherry Hill High School East (1967)</b>										
Square Feet	369,107	369,107	369,107	369,107	369,107	369,107	369,107	369,107	369,107	369,107
Capacity (students)	2,223	2,223	2,223	2,223	2,223	2,223	2,223	2,223	2,223	2,223
Enrollment	2,104	2,151	2,161	2,199	2,188	2,128	2,080	2,064	2,031	2,078
<b>Cherry Hill High School West (1956)</b>										
Square Feet	298,178	298,178	298,178	298,178	298,178	298,178	298,178	298,178	298,178	298,178
Capacity (students)	1,632	1,632	1,632	1,632	1,632	1,632	1,632	1,632	1,632	1,632
Enrollment	1,638	1,650	1,624	1,617	1,594	1,515	1,524	1,514	1,515	1,518
<b>Malberg Alternative School and Administration(1969)</b>										
Square Feet	41,236	41,236	41,236	41,236	41,236	41,236	41,236	41,236	41,236	41,236
Capacity (students)	61	61	61	61	61	61	61	61	61	61
Enrollment	46	53	43	50	34	37	40	46	37	42
<b>Other</b>										
<b>Buildings and Grounds Old Sharp (1928)</b>										
Square Feet	11,224	11,224	11,224	11,224	11,224	11,224	11,224	11,224	11,224	11,224
<b>Buildings and Grounds Warehouse (2000)</b>										
Square Feet	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250
<b>Garage (1964)</b>										
Square Feet	5,582	5,582	5,582	5,582	5,582	5,582	5,582	5,582	5,582	5,582

Number of Schools at June 30, 2013  
 Elementary = 13  
 Middle School = 3  
 Senior High School = 3  
 Other = 3

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

Cherry Hill Township School District  
 Schedule of Required Maintenance for School Facilities  
 Last Ten Fiscal Years  
 Unaudited

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities*	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Cherry Hill High School East	\$ 652,939	\$ 501,566	\$ 758,958	\$ 440,788	\$ 329,820	\$ 440,660	\$ 405,044	\$ 400,043	\$ 471,114	\$ 380,405
Cherry Hill High School West	441,861	433,409	442,949	354,672	265,384	354,581	331,908	322,706	406,863	308,785
A. Russell Knight Elementary	56,147	95,037	53,806	50,888	38,077	50,874	46,742	46,534	51,993	53,029
Malberg Alternative School and Admin	74,227	172,458	61,811	48,870	36,567	48,857	44,894	44,694	44,583	51,322
Barclay Early Childhood Center	49,217	79,177	46,535	38,280	28,643	38,270	35,173	35,016	48,961	42,352
John A. Carusi Middle School	126,396	298,823	238,251	153,501	114,857	153,461	141,005	140,376	90,509	139,935
Bret Harte Elementary School	74,077	114,777	62,762	67,055	50,174	67,037	61,603	61,328	59,761	66,722
Clara Barton Elementary School	69,372	113,592	72,536	59,308	44,377	59,292	54,487	54,244	51,665	60,161
Henry C. Beck Middle School	98,330	152,223	280,410	141,613	105,962	141,590	130,100	129,520	101,901	129,879
Rosa International Middle School	121,613	245,316	156,428	105,164	78,689	105,137	96,609	96,178	95,414	108,930
Horace Mann Elementary School	50,356	93,602	57,678	48,728	36,461	48,716	44,765	44,566	42,555	51,202
James F. Cooper Elementary School	82,052	73,339	59,743	59,039	44,176	59,024	54,228	53,986	44,055	59,934
James Johnson Elementary School	69,338	70,747	85,593	61,093	45,713	61,077	56,114	55,863	52,743	61,674
Joseph D. Sharpe Elementary School	70,078	116,159	51,700	52,660	39,403	52,646	48,369	48,154	42,683	54,531
Joyce Kilmer Elementary School	67,610	78,930	91,197	66,299	49,608	66,281	60,901	60,629	60,718	66,082
Kingston Elementary School	67,767	131,005	58,908	52,114	38,994	52,100	48,961	48,742	52,364	54,069
Richard Stockton Elementary School	100,380	113,137	61,012	64,772	48,466	64,756	59,496	59,231	52,693	64,790
Thomas Paine Elementary School	75,488	125,418	63,969	61,467	45,993	61,452	56,465	56,213	49,355	61,990
Woodcrest Elementary School	81,966	121,731	75,579	63,031	47,163	63,015	57,907	57,648	68,161	63,315
Buildings and Grounds Warehouse, Garage	13,125	11,463	14,429	26,639	19,933	26,633	24,471	24,362	23,629	22,563
<b>Grand Total</b>	<b>\$ 2,442,339</b>	<b>\$ 3,141,909</b>	<b>\$ 2,794,254</b>	<b>\$ 2,015,981</b>	<b>\$ 1,508,460</b>	<b>\$ 2,015,459</b>	<b>\$ 1,859,242</b>	<b>\$ 1,840,033</b>	<b>\$ 1,911,720</b>	<b>\$ 1,901,669</b>

\* 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 of required maintenance.

Cherry Hill Township School District  
Insurance Schedule  
Year ended June 30, 2013

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
<b>Property</b>		
Blanket Real and Personal Property	\$ 337,735,277	\$ 1,000
Extra expense	50,000,000	1,000
Blanket Valuable Papers and Records	Included in Limit	1,000
Demolition and Increased Cost of Construction	25,000,000	
Sublimits:		
Flood Zones Prefiz A & V	per occurrence 25,000,000	1,000
	Aggregate 100,000,000	1,000
All Other Flood Zones	10,000,000	1,000
Earthquake	25,000,000	
Terrorism	per occurrence 100,000,000	
Terrorism (TRIA)	Aggregate 200,000,000	
<b>Electronic Data Processing</b>		
Blanket Hardware/Software	6,642,872	1,000
<b>Boiler &amp; Machinery</b>		
Combined Single Limit per Accident for Property Damage and Business Income	100,000,000	1,000
<b>Crime:</b>		
Public Employee Dishonesty with faithful performance	500,000 per loss	1,000
Loss of Money and Security	50,000	1,000
<b>Comprehensive General Liability</b>		
Bodily Injury and Property Damage	5,000,000	
Bodily Injury Products and Completed Operations	5,000,000	
Sexual Abuse:		
Each Occurance	5,000,000	
Annual Aggregate	5,000,000	
Personal and Advertising Injury	5,000,000	
Employee Benefits Program Liability	5,000,000	1,000
<b>Premises Medical Payments:</b>		
Each Person	5,000	

Cherry Hill Township School District  
Insurance Schedule  
Year ended June 30, 2013

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
<b>Automobile Coverage:</b>		
Combined Bodily Injury/Property Damage Single Limit	\$ 5,000,000	
Uninsured /Underinsured Motorist:		
Bodily Injury Per Person	15,000	
Bodily Injury Per Accident	30,000	
Property Damage Per Accident	5,000	
Personal Injury Protection	100,000	
Terrorism	1,000,000	
Comprehensive and Collusion		\$ 1,000
<b>Umbrella Liability:</b>		
Each Occurrence	5,000,000	
General Aggregate	5,000,000	
<b>Workers Compensation Coverage:</b>		
Each Accident	5,000,000	
Disease - Policy Limit	5,000,000	
Disease - Each Employee	5,000,000	
<b>Fidelity Bonds:</b>		
Debra Campbell, Treasurer	700,000	
James Devereaux, Business Administrator	25,000	
<b>Student Accident</b>		
All Students excluding interscholastic athletics	1,000,000	
All Athletes	5,000,000	
School Leaders Errors & Omissions:		
Limit of Liability	5,000,000	5,000 per claim

Source: District Records and Insurance Company.

**Single Audit Section**

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 Auditors' Report

Honorable President and Members  
of the Board of Education  
Cherry Hill Township School District  
Cherry Hill, New Jersey  
County of Camden

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Cherry Hill School District, in the County of Camden, New Jersey (the "District") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2013.

**Internal Control Over Financial Reporting**

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

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

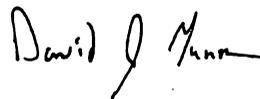
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



David J. Gannon  
Licensed Public School Accountant  
No. 2305



WISS & COMPANY, LLP

November 15, 2013  
Iselin, New Jersey

## Report on Compliance For Each Major Federal and State Program and Report on Internal Control Over Compliance

### Independent Auditors' Report

Honorable President and Members  
of the Board of Education  
Cherry Hill Township School District  
Cherry Hill, New Jersey  
County of Camden

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

We have audited the Cherry Hill School District, in the County of Camden, New Jersey (the "District") 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 its major federal and state programs for the year ended June 30, 2013. The District's major federal and state programs are identified in the summary of auditors' 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 each of its major federal and state programs.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on an audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*; and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

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

### **Opinion on Each Major Federal and State Program**

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

### **Report on Internal Control Over Compliance**

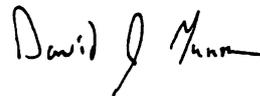
Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB Circular 04-04. Accordingly, this report is not suitable for any other purposes.



David J. Gannon  
Licensed Public School Accountant  
No. 2305



WISS & COMPANY, LLP

November 15, 2013  
Iselin, New Jersey

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Cherry Hill Township School District  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance June 30, 2012			Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30, 2013		
				Unearned Revenue	(Accounts Receivable)	Due to Grantor						Unearned Revenue	(Accounts Receivable)	Due to Grantor
<b>General Fund:</b>														
<b>U.S. Department of Health and Human Services</b>														
<b>-Passed-Through State Department of Education</b>														
Medicaid Assistance Program - SEMI	93.778	7/1/12-6/30/13	\$ 191,472				\$ 191,472	\$ (191,472)						
Medicaid Assistance Program - SEMI	93.778	7/1/11-6/30/12	167,197	\$ (41,598)			41,598							
<b>U.S. Department of Education-Passed-Through State Department of Education</b>														
Education Job Funds	84.410	7/1/12-6/30/13	1,409					(1,409)					\$ (1,409)	
<b>Total General Fund</b>				<b>(41,598)</b>			<b>233,070</b>	<b>(192,881)</b>					<b>(1,409)</b>	
<b>U.S. Department of Education-Passed-Through State Department of Education</b>														
<b>No Child Left Behind (NCLB):</b>														
Title I, Part A	84.010A	9/01/12-8/31/13	1,104,709				608,013	(909,981)					(301,968)	
Title I, Part A, Carryover	84.010A	9/01/11-8/31/12	1,037,490	(163,949)			466,899	(302,944)	\$ (6)					
ARRA Title I, Part A	84.389	9/01/10-8/31/12	595,569	(4,133)			4,134		(1)					
Title II, Part A Improving Teacher Quality	84.367	9/01/12-8/31/13	188,716				58,305	(139,208)					(80,903)	
Title II, Part A Improving Teacher Quality	84.367	9/01/11-8/31/12	338,286	(54,062)			180,551	(126,932)	443					
Title II, Part D, Enhancing Education through Technology	84.318	9/01/11-8/31/12	2,187				2,100	(2,100)						
Title III, Part A, English Language	84.365	9/01/12-8/31/13	50,665					(34,234)					(34,234)	
Title III, Part A, English Language	84.365	9/01/11-8/31/12	45,566	(11,859)			25,834	(14,089)	114					
<b>I.D.E.A. Part B:</b>														
Basic	84.027	9/01/12-8/31/13	2,476,698				2,346,586	(2,463,909)					(117,323)	
Basic	84.027	9/01/11-8/31/12	2,821,987	(198,301)			198,301							
Preschool	84.173	9/01/12-8/31/13	114,189				75,152	(102,706)					(27,554)	
Preschool	84.173	9/01/11-8/31/12	123,238	(13,893)			22,754	(8,900)	39					
<b>Carl D. Perkins Vocational and Technical Education Act of 1998-Secondary</b>														
Secondary	84.048	9/01/12-8/31/13	76,806					(76,806)					(11,281)	
Secondary	84.048	9/01/11-6/30/12	64,662	(49,216)			49,217		(1)					
<b>U.S. Department of Homeland Security</b>														
Federal Emergency Management Agency (FEMA)	97.036	7/1/12-6/30/13	44,719				37,266	(44,719)					(7,453)	
<b>Total Special Revenue Fund and U.S. Department of Education - Passed-Through State Department of Education</b>				<b>(495,413)</b>			<b>4,140,637</b>	<b>(4,226,528)</b>	<b>588</b>				<b>(580,716)</b>	

Cherry Hill Township School District

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance June 30, 2012			Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30, 2013		
				Unearned Revenue	(Accounts Receivable)	Due to Grantor						Unearned Revenue	(Accounts Receivable)	Due to Grantor
<b>U.S. Department of Agriculture—Passed-Through State</b>														
<b>Department of Education</b>														
Enterprise Fund:														
National School Lunch Program	10.555	7/01/12-6/30/13	\$ 812,169					\$ 671,358	\$ (812,169)			\$ (140,811)		
National School Lunch Program	10.555	7/01/11-6/30/12	815,759		\$ (145,391)			145,391						
Healthy Hunger-Free Kids Act	10.551	7/01/12-6/30/13	34,604					27,879	(34,604)			(6,725)		
National School Breakfast Program	10.553	7/01/12-6/30/13	191,712					156,568	(191,712)			(35,144)		
National School Breakfast Program	10.553	7/01/11-6/30/12	174,544		(36,308)			36,308						
Food Donation Program (NC)	10.555	7/01/12-6/30/13	88,311					88,311	(88,311)					
Food Donation Program (NC)	10.555	7/01/11-6/30/12	68,408	\$ 1,141					(1,141)					
<b>Total Enterprise Fund and Total U.S. Department of Agriculture—Passed-Through State Department of Education</b>				<b>1,141</b>	<b>(181,699)</b>			<b>1,125,815</b>	<b>(1,127,937)</b>			<b>-</b>	<b>(182,680)</b>	
<b>Total Federal Awards</b>				<b>\$ 1,141</b>	<b>\$ (718,710)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,499,522</b>	<b>\$ (5,547,346)</b>	<b>\$ 588</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (764,805)</b>	<b>\$ -</b>

NC - non-cash expenditures

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

Cherry Hill Township School District  
Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2013

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2012			Carriver/ Walkover	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Adjustments	Balance June 30, 2013			Memo	
				Unearned Revenue	(Accounts Receivable)	Due to Grantor						Unearned Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>																
<i>General Fund:</i>																
Equalization Aid	11-495-034-5120-078	7/1/12-6/30/13	\$ 5,989,047					\$ 5,451,020	\$ (5,989,047)					\$ (538,027)	\$ (5,989,047)	
Equalization Aid	11-495-034-5120-078	7/1/11-6/30/12	5,629,028	\$ (454,804)				454,804								
Security Aid	11-495-034-5120-084	7/1/12-6/30/13	210,402					191,500	(210,402)					(18,902)	(210,402)	
Transportation Aid	11-495-034-5120-014	7/1/12-6/30/13	450,341					409,885	(450,341)					(40,456)	(450,341)	
Special Education Categorical Aid	11-495-034-5120-089	7/1/12-6/30/13	6,082,533					5,536,107	(6,082,533)					(546,426)	(6,082,533)	
Special Education Categorical Aid	11-495-034-5120-089	7/1/11-6/30/12	5,744,247	(464,113)				464,113								
Reimbursed TPAF - Social Security	11-495-034-5095-002	7/1/12-6/30/13	5,464,625					5,464,625	(5,464,625)						(5,464,625)	
Additional Transportation Aid	11-495-034-5120-014	7/1/12-6/30/13	84,802						(84,802)				\$ (84,802)		(84,802)	
Additional Transportation Aid	10-495-034-5120-014	7/1/11-6/30/12	59,854	(59,854)				59,854								
Extraordinary Aid	11-495-034-5120-473	7/1/12-6/30/13	1,330,049						(1,330,049)					(1,330,049)	(1,330,049)	
Extraordinary Aid	10-495-034-5120-473	7/1/11-6/30/12	785,056	(785,056)				785,056								
<b>Total General Fund</b>				<u>(1,763,827)</u>				<u>18,816,964</u>	<u>(19,611,799)</u>				<u>(1,414,851)</u>	<u>(1,143,811)</u>	<u>(19,611,799)</u>	
<i>Special Revenue Fund:</i>																
<b>New Jersey Non-Public Aid:</b>																
Textbook Aid	11-100-034-5120-064	7/1/12-6/30/13	79,366					79,366	(62,206)				\$ 17,160		(62,206)	
Textbook Aid	10-100-034-5120-064	7/1/11-6/30/12	78,697		\$ 5,521				(5,521)							
Nursing Aid	11-100-034-5120-070	7/1/12-6/30/13	110,158					110,158	(108,693)					1,465	(108,693)	
Nursing Aid	10-100-034-5120-070	7/1/11-6/30/12	112,410			1,124			(1,124)							
Technology Initiative	09-100-034-5120-373	7/1/12-6/30/13	29,721					29,721	(17,945)					11,776	(17,945)	
<b>Non Public Auxiliary Services (Ch. 192):</b>																
Compensatory Education	11-100-034-5120-067	7/1/12-6/30/13	392,122					392,122	(308,438)					83,684	(308,438)	
Compensatory Education	10-100-034-5120-067	7/1/11-6/30/12	398,150			117,003			(117,003)							
English as a Second Language	11-100-034-5120-067	7/1/12-6/30/13	25,578					25,578	(2,899)					22,679	(2,899)	
English as a Second Language	10-100-034-5120-067	7/1/11-6/30/12	24,999			21,637			(21,637)							
Transportation	11-100-034-5120-068	7/1/12-6/30/13	30,404					30,404	(8,386)					22,018	(8,386)	
Transportation	10-100-034-5120-068	7/1/11-6/30/12	27,178			19,557			(19,557)							
Home Instruction	11-100-034-5120-067	7/1/12-6/30/13	3,187						(3,187)				(3,187)		(3,187)	
Home Instruction	10-100-034-5120-067	7/1/11-6/30/12	13,973	(13,973)				13,973								
<b>Non Public Handicapped Services (Ch. 193):</b>																
Supplemental Instruction	11-100-034-5120-066	7/1/12-6/30/13	120,034					120,034	(84,574)					35,460	(84,574)	
Supplemental Instruction	10-100-034-5120-066	7/1/11-6/30/12	119,258			38,165			(38,165)							
Examination and Classification	11-100-034-5120-066	7/1/12-6/30/13	195,219					195,219	(125,801)					69,418	(125,801)	
Examination and Classification	10-100-034-5120-066	7/1/11-6/30/12	165,324			41,838			(41,838)							
Corrective Speech	10-100-034-5120-066	7/1/12-6/30/13	174,832					174,832	(96,244)					78,588	(96,244)	
Corrective Speech	10-100-034-5120-066	7/1/11-6/30/12	119,267			14,526			(14,526)							
Best Practices Program	100-034-5063-298-H300-3890	7/1/04-Completion	25,000		4,050						\$ (4,050)					
<b>Total Special Revenue Fund</b>				<u>(13,973)</u>	<u>263,421</u>			<u>1,171,407</u>	<u>(818,373)</u>	<u>(259,371)</u>	<u>(4,050)</u>		<u>(3,187)</u>	<u>342,248</u>	<u>(818,373)</u>	
<i>Debt Service Fund:</i>																
Debt Service Aid	10-495-034-5120-017	7/1/12-6/30/13	1,208,330					1,208,330	(1,208,330)						(1,208,330)	
<b>Total Debt Service Fund</b>								<u>1,208,330</u>	<u>(1,208,330)</u>						<u>(1,208,330)</u>	
<i>Capital Projects Fund:</i>																
NJ Schools Development Authority	Various	7/1/02-Project End	11,680,749	(2,769,438)				2,950,249	(195,292)				(14,481)		(8,491,406)	
<b>Total Capital Projects Fund</b>				<u>(2,769,438)</u>				<u>2,950,249</u>	<u>(195,292)</u>				<u>(14,481)</u>		<u>(8,491,406)</u>	
<b>State Department of Children and Facilities</b>																
<i>Enterprise Fund:</i>																
Division of Youth and Family Services:																
Cherry Hill Family Friendly Center	100-054-7570-161-LLLL-6130	7/1/12-6/30/13	45,463					45,463	(45,463)						(45,463)	
<b>State Department of Agriculture</b>																
<i>Enterprise Fund:</i>																
National School Lunch Program (State share)	10-100-010-3350-023	7/1/12-6/30/13	30,960					23,916	(30,959)				(7,043)		(30,959)	
National School Lunch Program (State share)	10-100-010-3350-023	7/1/11-6/30/12	31,492	(5,556)				5,556								
<b>Total Enterprise Fund</b>				<u>(5,556)</u>				<u>74,935</u>	<u>(76,422)</u>				<u>(7,043)</u>		<u>(76,422)</u>	
<b>Total State Awards</b>				<u>(4,552,794)</u>	<u>\$ 263,421</u>			<u>\$ 24,221,885</u>	<u>(21,910,216)</u>	<u>(259,371)</u>	<u>(4,050)</u>		<u>(1,439,562)</u>	<u>\$ 342,248</u>	<u>(30,206,330)</u>	

NC - Non-cash expenditures

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this statement.

## Cherry Hill Township School District

### Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2013

#### **1. General**

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

#### **2. Basis of Accounting**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the proprietary funds, which are presented using the accrual basis of accounting, and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

#### **3. Relationship to Basic Financial Statements**

Amounts reported in the accompanying schedules agree with amounts reported in the basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements and 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 fiscal year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis of accounting with the exception of the revenue recognition of the last two state aid payments in the current year, which is mandated pursuant to NJSA 18A:22-44.2. For GAAP purposes those payments are not recognized until the subsequent year due to the

Cherry Hill Township School District

Notes to Schedules of Expenditures of  
Federal Awards and State Financial Assistance

Year ended June 30, 2013

**3. Relationship to Basic Financial Statements (continued)**

state deferral and recording of the last 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 last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$224,894) for the general fund and (\$145,776) for the special revenue fund. See the Note to Required Supplementary Information (C-3) for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general fund and special revenue fund.

Additionally, as discussed further in footnote 7, the State of New Jersey makes contributions on-behalf of the District for TPAF post-retirement medical and pension contributions. The total amount of these contributions during the 2013 fiscal year was \$10,221,206.

Financial award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 192,881	\$29,608,111	\$29,800,992
Special Revenue Fund	4,109,855	818,373	4,928,228
Capital Projects Fund		195,292	195,292
Debt Service Fund		1,208,330	1,208,330
Proprietary Fund - Food Service Fund	1,127,937	30,959	1,158,896
Proprietary Fund- School Age Child Care Fund		45,463	45,463
Total financial award revenues	<u>\$ 5,430,673</u>	<u>\$31,906,528</u>	<u>\$37,337,201</u>

**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.

## Cherry Hill Township School District

### Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2013

#### **5. Adjustments**

The adjustments presented on schedules K-3 and K-4 are the result of the cancellation of encumbrances and receivables.

#### **6. Other**

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively.

TPAF Social Security Contributions represent the amounts reimbursed by the State for the employer's share of social security for TPAF members for the year ended June 30, 2013.

The State of New Jersey also makes TPAF post-retirement medical and pension contribution expenditures on behalf of the District. These expenditures are not subject to New Jersey OMB Circular 04-04 because the contributions are made by the State directly and do not have any compliance related requirements, and therefore have not been included on the Schedule of State Awards, as directed by the funding agency.

Cherry Hill Township School District  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2013

**Part I – Summary of Auditors Results**

**Financial Statement Section**

Type of auditors' report issued:	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	_____	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Significant deficiency(ies) identified?	_____	Yes <input checked="" type="checkbox"/>	None Reported <input type="checkbox"/>
Noncompliance material to financial statements noted?	_____	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

**Federal Awards Section**

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000		
Auditee qualified as low-risk auditee?	_____	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Type of auditors' report issued on compliance for major programs:	Unmodified		
Internal control over major programs:			
Material weakness(es) identified?	_____	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Significant deficiency(ies) identified?	_____	Yes <input checked="" type="checkbox"/>	None Reported <input type="checkbox"/>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (Section 510(a))?	_____	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027 & 84.173 10.551 , 10.553, & 10.555	IDEA Part B – Basic & IDEA Part B – Preschool National School Lunch Cluster

Cherry Hill Township School District  
Schedule of Findings and Questioned Costs

Year ended June 30, 2013

**Part I – Summary of Auditors Results (continued)**

**State Awards Section**

Dollar threshold used to distinguished between Type A and Type B programs: \$657,306

Auditee qualified as low-risk auditee?  X  Yes   No

Type of auditors' report on compliance for major programs:  Unmodified

Internal control over major programs:

Material weakness(es) identified?   Yes  X  No

Significant deficiency(ies) identified?   Yes  X  None Reported

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

Identification of major programs:

<b>GMIS/Program Number</b>	<b>Name of State Program or Cluster</b>
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-473	Extraordinary Aid

Cherry Hill Township School District  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2013

**Part II - Financial Statement Findings**

No financial statement findings noted that are required to be reported under *Government Auditing Standards*.

Cherry Hill Township School District  
Schedule of Findings and Questioned Costs

Year ended June 30, 2013

**Part III - Federal and State Award Findings  
and Questioned Costs**

No federal award or state financial assistance findings and questioned costs noted that are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB Circular 04-04.

Cherry Hill Township School District  
Summary Schedule of Prior Audit Findings  
Year ended June 30, 2013

None.

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