

Comprehensive Annual Financial Report

of the

**Edgewater Park Township
School District**



Edgewater Park, New Jersey

**For The Fiscal Year Ended
June 30, 2013**

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
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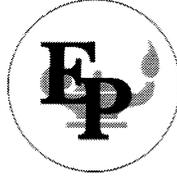
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INTRODUCTORY SECTION



**BOARD OF EDUCATION
EDGEWATER PARK TOWNSHIP**

November 6, 2013

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

Dear Board Members,

The comprehensive annual financial report of the Edgewater Park Township School District for the fiscal year ended June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial sections includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular 1-128, "Audits of State and Local Governments", and the state Treasury Circular Letter 98-07 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Edgewater Park Township School District is an independent reporting entity within the criteria adopted by the BASB as established by NCGA Statement NO.3. All funds and account groups of the District are included in this report. The Edgewater Park Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, pre-school, before and after school latchkey services as

well as special education for special needs youngsters. The District completed the 2012-2013 fiscal year with an enrollment of 883 students.

The following details the changes in the student enrollment of the District over the last six years.

Average Daily Enrollment

(Numbers taken from Fall Reports)

Fiscal Year	Student Enrollment	Percent Change
2013	883	.9%
2012	875	2.6%
2011	853	-3%
2010	877	5.8%
2009	829	.24%
2008	827	4.5%

2. ECONOMIC CONDITION AND OUTLOOK: The Edgewater Park Township area remains stable, with relatively little new development. Business growth/loss has remained almost unchanged. The 'Route 130 Corridor' has seen some businesses close however, new ones have opened along the highway to replace others. Government officials continue to work on revitalizing Route 130, with the plan to attract new businesses and additional ratables. With conditions status quo, the area should continue to prosper and the tax base will not be negatively affected. Relative to the Township's tax base, an extension has been granted a large corporation in the Township for a tax abatement which has a negative impact on the growth of potential ratable.

In 2012/2013 the school district was again awarded Preschool Education Aid which allowed for the continuation of the district's 4-year old pre-kindergarten program.

3. MAJOR INITIATIVES: The goal of this district, to remain competitive with comparable communities in educational performance, was accomplished during the 2012-2013 school year.

Professional Development, as mandated by the state department, logs the number of hours each teacher spends during the course of the school year on professional improvement. Professional development activities were aligned with each individual PIP, and the results indicate that the vast majority of teachers far exceeded the suggested 20 hours per year, with all teachers successfully meeting their PIP for 2011/12.

The 2012/2013 staff development program maintained the district's initiatives from the prior school year. Staff members received updated in-service training by the School Psychologist on board policy, *"Prohibiting and Intervening For Harassment, Intimidation and Bullying"*. Administrators will work with employees to identify and discipline students exhibiting objectionable behaviors. The district's curriculum will continue to correlate instruction to the Assessment of Skills & Knowledge (ASK) for grades 3, 4, 5, 6, 7 & 8 and the NJ CORE Curriculum Standards as well as transitioning to the Common Core State Standards. Teachers continue fulfilling the requirements established by the No Child Left Behind federal initiative that necessitates all teachers to meet the definition of a "highly qualified

teacher". In addition, professional development was provided to staff members as it relates to the new teacher evaluation system, and how the system will be administered.

Staff development helps teachers acquire techniques so they can most effectively work with our highly diversified population, including students with mild disabilities who are in the regular classrooms. Special attention will be given at the middle school level with the at risk students so they can achieve academic & behavioral success. The district's major goal instructionally will be to adapt to how all children learn in a positive educational environment. Professional development continues to focus on enhanced literacy and mathematics instruction.

Staff members are committed in their efforts to guarantee that our school system is up to date in the ever-changing world of technology and to make sure all students receive the proper tools to achieve. The District entered into a shared service agreement with the Burlington Township School district to provide technology related services. The contractor, PittBull Secure Technologies, sets up and services all hardware and software and is available to the staff for trouble-shooting, hardware questions/concerns and supplies. The district also promoted the Technology Coordinator to the position of Supervisor of Technology to work directly with the teaching staff and introduce them to enhanced technology, new software, and the techniques necessary to implement them in the classrooms. Internet connectivity is available in all classrooms and labs.

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or

are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2013.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

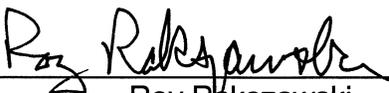
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the 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 NJ. The laws require governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

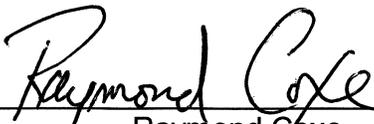
9. OTHER INFORMATION: A) Independent Audit -State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company, LLP, was selected by the Board Finance Committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-128 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



Roy Rakaszawski
Superintendent



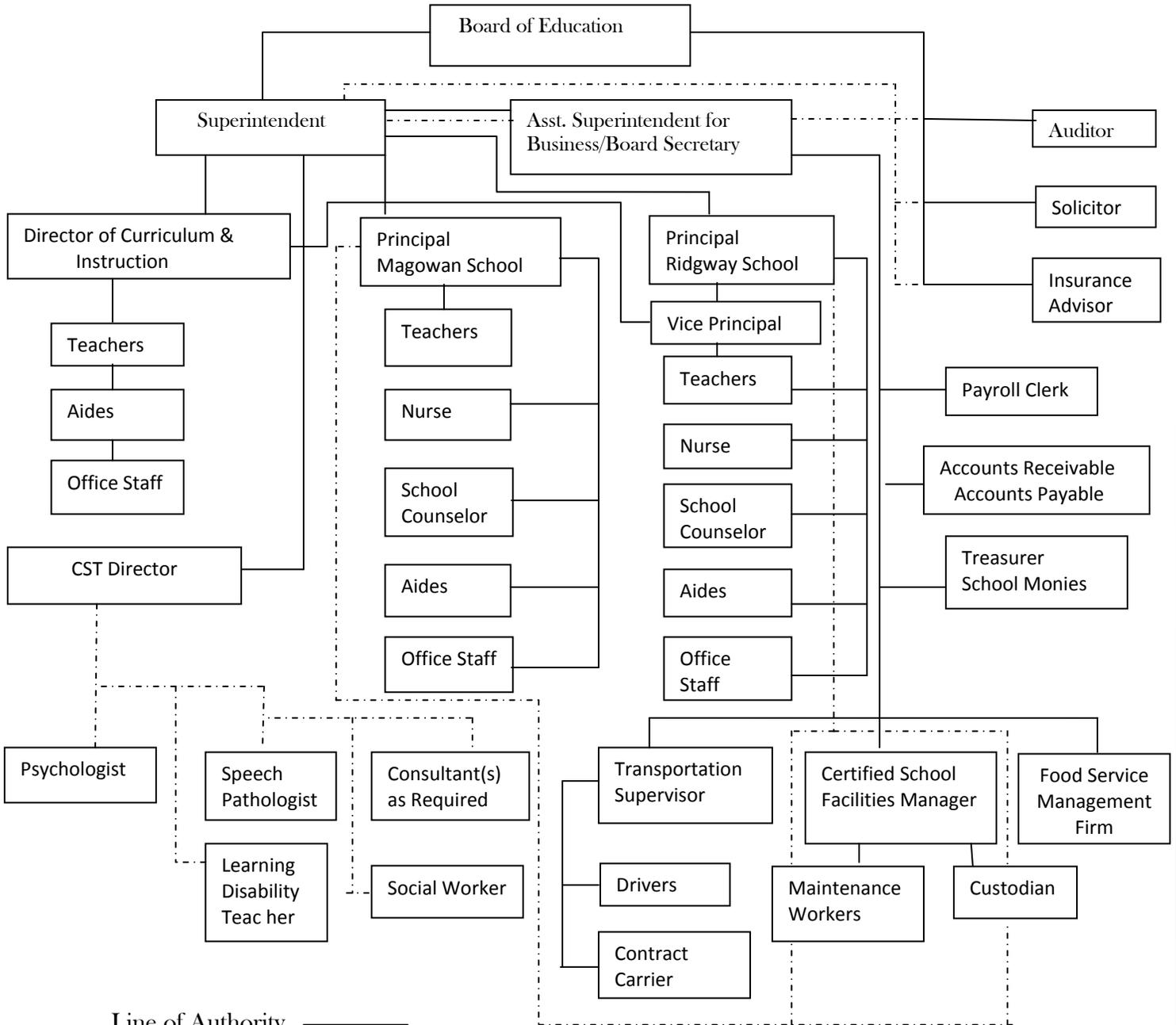
Raymond Cox
Assistant Superintendent for Business /
Board Secretary

POLICY

EDGEWATER PARK TOWNSHIP BOARD OF EDUCATION

ADMINISTRATION
1110/PAGE 1 OF 1
Organizational Chart

1110 ORGANIZATIONAL CHART



Line of Authority —————

Line of Cooperation - - - - -

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

EDGEWATER PARK, NEW JERSEY 08010

ROSTER OF OFFICIALS

June 30, 2013

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Dr. Gerald Gares, President	2013
Lester Holley, Vice President	2014
Darren Atzert	2014
Jeffrey Jacobs	2013
Deborah Lynch	2015
Robert Lynch	2015
Lisa McAteer-Irwin	2013
Rob Shappell	2014
Steven Bruneau	2013

OTHER OFFICIALS

Roy Rakszawski, Superintendent

Raymond Coxe, Board Secretary/School Business Administrator

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

EDGEWATER PARK, NEW JERSEY 08010

CONSULTANTS AND ADVISORS

JUNE 30, 2013

AUDIT FIRM

Bowman & Company LLP
601 White Horse Road
Voorhees, New Jersey 08043

ATTORNEY

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Frank P. Cavallo, Jr.
9000 Midlantic Drive, Suite 300
P.O. Box 5054
Mount Laurel, New Jersey 08054

INSURANCE BROKER

Haines & Haines
T.C. Irons Agency
230 High Street
P.O. Box 158
Burlington, New Jersey 08016

OFFICIAL DEPOSITORY

Investors Bank
1105 S. Fairview Street
Delran, New Jersey 08075

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Edgewater Park Township School District
Edgewater Park, New Jersey 08010

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 Edgewater Park Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2013, the School District adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB): *Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and *Statement No. 65, Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were 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 accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents have 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 6, 2013 on our consideration of the Edgewater Park Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Edgewater Park Township School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Public School Accountant No. CS 002065

Voorhees, New Jersey
November 6, 2013

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Edgewater Park Township School District
Edgewater Park, New Jersey 08010

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Edgewater Park Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 6, 2013.

Internal Control Over Financial Reporting

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

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

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 Edgewater Park Township School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Administration and 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Public School Accountant No. CS 002065

Voorhees, New Jersey
November 6, 2013

REQUIRED SUPPLEMENTARY INFORMATION
PART I

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

The management's discussion and analysis of Edgewater Park Township School District financial performance provides an overall review of the school district's financial activities for the fiscal year ended June 30, 2013 and 2012. The intent of the discussion and analysis is to look at the school district's financial performance and review the notes to the basic financial statements to enhance the understanding of the school district's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

FINANCIAL HIGHLIGHTS

Financial Highlights for 2013 fiscal year:

- The total assets of the Edgewater Park Township School District exceeded its liabilities at the close of the most recent fiscal year by \$5,937,987.76 (net position).
- The Edgewater Park Township School District's total net position decreased by \$400,404.24, from the prior year.
- As of the close of the current fiscal year, the Edgewater Park Township School District's governmental funds reported combined ending fund balances of \$2,328,542.91, a decrease of \$488,613.09 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations *in more detail* than the district-wide statements.
- The *governmental funds* statements tell how basic services like regular and special education were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short* and *long-term* financial information about the activities the district operates *like businesses*, such as food services, the after school program, and the tuition program.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited) (Cont'd)

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with a comparison of the District's budget for the year.

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by the private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how they have changed. Net position – the difference between the District's assets and liabilities – are one way to measure the District's financial health or position.

- Increase or decrease in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health or position of the District, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the District's activities are divided in two categories:

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The District charges fees to cover the costs of certain services such as the tuition program, after school program, and food services.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on the significant funds – not the District as a whole. Funds are used by the District to keep track of specific sources of funding and spending on particular programs:

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2013
 (Unaudited) (Cont'd)

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The District has three kinds of funds:

- *Government funds* – The District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as the tuition program, after school program, and food services.
- *Fiduciary funds* – The District is the trustee for assets that belong to others. The student activities funds which include clubs, classes, athletic and scholarship funds are maintained in this fund. The district is responsible for insuring that the assets reported in these funds are used only for their intended purposes. These funds are not included in the district-wide financial statements since the district is not permitted to use these assets in the district operation.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1 provides a summary of the School District's net position for 2013 and 2012.

Table 1		
Net Position		
	<u>6/30/13</u>	<u>6/30/12</u>
Current and other assets	\$3,493,093.13	\$4,522,310.48
Capital assets	<u>3,874,554.85</u>	<u>3,561,168.00</u>
Total assets	<u>\$ 7,367,647.98</u>	<u>\$ 8,083,589.48</u>
Long-term liabilities	\$959,944.35	\$401,984.00
Other liabilities	<u>469,715.87</u>	<u>1,354,905.00</u>
Total liabilities	<u>1,429,660.22</u>	<u>1,756,889.00</u>
Net Position		
Net Investment in capital assets	3,066,226.76	2,420,199.00
Restricted	1,891,650.18	3,110,372.00
Unrestricted	<u>980,110.82</u>	<u>796,018.48</u>
Total Net Position	<u>\$5,937,987.76</u>	<u>\$6,326,589.48</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Table 2 reflects changes in net position for 2013 and 2012.

Table 2
Changes in Net Position

Revenues	6/30/13	6/30/12
Program Revenues		
Charges for Services	\$ 732,653.22	\$1,190,410.00
Federal & State Categorical Grants	2,264,631.36	2,107,605.48
General Revenues		
Property Taxes	7,927,236.00	7,771,800.00
Federal and State grants	6,601,886.77	6,429,017.00
Other	<u>155,610.44</u>	<u>252,566.00</u>
Total Revenues	<u>\$17,682,071.79</u>	<u>\$17,751,398.48</u>
Expenses		
Instruction		
Regular	\$4,213,669.81	\$3,461,004.00
Special Education	785,533.38	914,127.00
Other Instruction	223,510.84	275,705.00
Student Services		
Tuition	3,334,580.18	3,466,698.00
Student and Instruction Related	1,388,114.38	1,508,836.00
General Administrative Services	337,431.35	366,168.00
School Administrative Services	404,098.90	420,180.00
Central Services	265,543.43	298,525.00
Administrative Information Technology	109,313.70	298,525.00
Plant Operations and Maintenance	1,123,567.11	826,412.00
Pupil Transportation	614,394.69	501,700.00
Unallocated Benefits	3,689,828.04	3,314,531.00
Interest on Long-Term Debt	40,079.67	42,956.00
Unallocated Depreciation	168,558.54	158,306.00
Adjustment for Fixed Assets		673,006.00
Food Service	390,529.46	379,474.00
After School Program	169,282.22	143,154.00
Tuition Program	<u>812,553.81</u>	<u>815,044.00</u>
Total Expenses	<u>\$18,070,619.51</u>	<u>\$16,892,820.00</u>
Increase (decrease) in Net Position	<u>\$(388,601.72)</u>	<u>\$185,572.48</u>
Beginning Net Position	<u>6,326,589.48</u>	<u>6,141,017.00</u>
Ending Net Position	<u>\$5,937,987.76</u>	<u>\$6,326,589.48</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Governmental-Type Activities

In 2012-13 Governmental-Type Activities revenues were \$16,686,479.76 or 94.37% of total revenues.

In 2011-12 Governmental-Type Activities revenues were \$16,327,217.48 or 91.98% of total revenues.

In 2012-13 Property Taxes of \$7,927,236.00 made up 47.51% percent, and General Revenues-Federal & State Grants of \$6,601,886.77 made up 39.56% percent of Governmental-Type Activities Revenues.

In 2011-12 Property Taxes of \$7,771,800.00 made up 47.60% percent, and General Revenues-Federal & State Grants of \$6,429,017.00 made up 39.38% percent of Governmental-Type Activities Revenues.

In 2012-13 the District's Governmental-Type Activities expenditures increased by \$470,100.02 or 2.82% percent.

Business-Type Activities

In 2012-13 Business-Type Activities revenues were \$995,538.03 or 5.63% of total revenues. In 2011-2012 Business-Type Activities revenues were \$1,424,181.00 or 8.02% of total revenues.

Charges for Services for Business-Type Activities were \$732,653.22 in 2013 compared to \$1,190,410.00 in 2012, a -62.48% decrease.

Operating Grants and Contributions for Business-Type Activities were \$261,977.67 in 2013 compared to \$230,425.00 in 2012, a 12.04% increase.

Expenses for Business-Type Activities were \$1,372,365.49 in 2013 compared to \$1,337,672.00 in 2012, a 2.53% increase.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

General Fund Budgeting Highlights

During fiscal 2013 school year, the Board of Education amended its general fund budget as needed. The net change in the total budget modification primarily resulted from the rollover of the prior year's encumbrances and anticipation of miscellaneous revenues.

The final budgetary basis revenue estimate was \$14,705,166, which represents a \$571.00 increase over the original budget.

The 2012-2013 General Fund Tax Levy was \$7,927,236.00, an increase of \$155,436.00 or 1.96% from the 2011-2012 General Fund Tax Levy of \$7,771,800.00.

During fiscal year 2013, Edgewater Park Township School District budgeted \$7,927,236.00 and \$6,593,888.00 for property taxes (local tax levy) and state aid revenues, respectively.

The Edgewater Park Township School District also received \$819,873.00 and \$435,993.35 in reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions, respectively.

The final budgetary basis expenditure appropriation estimate was \$15,851,232.00 compared to the original estimate of \$15,850,661.00, a \$571.00 increase over the original budget.

The Edgewater Park Township School District's expenditures also include reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions of \$819,873.00 and \$435,993.35 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

Financial Analysis of the Government's Funds

Governmental Funds - As of the end of the current fiscal year, the Edgewater Park Township School District's governmental funds reported combining ending fund balances of \$2,328,542.91, a decrease of \$488,613.09 in comparison with the prior year.

Of the combined ending fund balances of \$2,328,542.91, (\$298,007.83) constitutes unreserved fund balance. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been restricted or assigned. For example; to liquidate contracts and purchase orders of the prior period \$101,589.56.

Proprietary Funds - As of the end of the current fiscal year, the Edgewater Park Township School District's proprietary funds had \$1,042,912.44 in unrestricted net position.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2013
 (Unaudited) (Cont'd)

CAPITAL ASSETS

At the end of fiscal year 2013 and 2012, the Edgewater Park Township School District had \$3,874,554.85 and \$3,561,168.00, respectively, in capital assets less accumulated depreciation, which include land, school buildings, athletic facilities, computers, equipment and vehicles. Net Investment in Capital Assets was \$3,066,226.76 at June 30, 2013 and \$2,420,199.00 at June 30, 2012. Table 3 reflects the capital assets.

Table 3
Capital Assets

Capital Assets (Net of Depreciation)	6/30/13	6/30/12
Land	\$ 7,953.00	\$ 7,953.00
Land Improvements	8,567.56	9,252.97
Buildings	3,577,656.98	3,271,615.74
Equipment and furniture	<u>280,377.31</u>	<u>272,346.57</u>
Total	<u>\$ 3,874,554.85</u>	<u>\$ 3,561,168.28</u>

Depreciation expense was \$231,776.29 for fiscal year ended 2013 and \$213,768.00 for fiscal year ended 2012.

DEBT ADMINISTRATION

Long-term Debt - At the end of the current fiscal year, the Edgewater Park Township School District had total bonded debt outstanding of \$705,000.00. The entire Edgewater Park Township School District's bonded debt is governmental as opposed to business-type. The 2014 adopted budget has an appropriation of \$233,000.00 representing the payment of the annual principal. These bonds will mature on February 1, 2016.

FACTORS ON THE DISTRICT'S FUTURE

One of the most important factors affecting the District's budget is state aid. The 2013-14 budget was adopted with a \$59,500.00 increase in the tax levy based in part on the state aid the District anticipates receiving, which is \$4,747.00 higher than the prior year budget. In addition, the 2013-2014 budget was supplemented by excess surplus in the amount of \$916,409. The district was cautious regarding the amount of excess surplus, and recognizing that it was not sustainable, used these funds for a majority of one-time purchases and/or improvements.

Any reduction of state aid and/or an increase in expenditures will put an additional burden on the taxpayers of this district.

In conclusion, the Edgewater Park Township School District Board of Education and Administration have committed themselves to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District will continue with sound fiscal management to meet the challenge of the future.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited) (Cont'd)

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district finances to show the school districts accountability for money it receives. If you questions about this report or need additional information, contact the School Business Administrator/Board Secretary at the Edgewater Park Township School District, 25 Washington Avenue, Edgewater Park, New Jersey 08010.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Statement of Net Position

June 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 378,574.21	\$ 1,007,331.96	\$ 1,385,906.17
Receivables, net	1,264,288.69	26,245.41	1,290,534.10
Inventory		9,535.07	9,535.07
Restricted Assets:			
Restricted Cash and Cash Equivalents	177,286.81		177,286.81
Capital Reserve Account - Cash	629,830.98		629,830.98
Capital Assets, net (Note 6)	<u>3,835,511.71</u>	<u>39,043.14</u>	<u>3,874,554.85</u>
Total Assets	<u>6,285,492.40</u>	<u>1,082,155.58</u>	<u>7,367,647.98</u>
LIABILITIES:			
Accounts Payable		200.00	200.00
Unearned Revenue	121,437.78		121,437.78
Accrued Interest Payable	11,750.00		11,750.00
Noncurrent Liabilities (Note 7):			
Due within One Year	336,328.09		336,328.09
Due beyond One Year	<u>959,944.35</u>		<u>959,944.35</u>
Total Liabilities	<u>1,429,460.22</u>	<u>200.00</u>	<u>1,429,660.22</u>
NET POSITION:			
Net Investment in Capital Assets	3,027,183.62	39,043.14	3,066,226.76
Restricted for:			
Debt Service	14,345.00		14,345.00
Capital Projects	1,016,110.04		1,016,110.04
Other Purposes	861,195.14		861,195.14
Unrestricted (Deficit)	<u>(62,801.62)</u>	<u>1,042,912.44</u>	<u>980,110.82</u>
Total Net Position	<u>\$ 4,856,032.18</u>	<u>\$ 1,081,955.58</u>	<u>\$ 5,937,987.76</u>

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

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Statement of Activities
For the Fiscal Year Ended June 30, 2013

Functions / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 4,213,669.81	\$ -	\$ 323,650.10	\$ -	\$ (3,890,019.71)	\$ -	\$ (3,890,019.71)
Special Education	785,533.38		258,469.99		(527,063.39)		(527,063.39)
Other Special Instruction	223,510.84				(223,510.84)		(223,510.84)
Support Services:							
Tuition	3,334,580.18				(3,334,580.18)		(3,334,580.18)
Student and Instruction Related Services	1,388,114.38		72,690.25		(1,315,424.13)		(1,315,424.13)
General Administrative Services	337,431.35				(337,431.35)		(337,431.35)
School Administrative Services	404,098.90				(404,098.90)		(404,098.90)
Central Services	265,543.43				(265,543.43)		(265,543.43)
Administrative Information Technology	109,313.70				(109,313.70)		(109,313.70)
Plant Operations and Maintenance	1,123,567.11				(1,123,567.11)		(1,123,567.11)
Pupil Transportation	614,394.69				(614,394.69)		(614,394.69)
Unallocated Benefits	3,689,828.04		1,255,866.35		(2,433,961.69)		(2,433,961.69)
Interest on Long-Term Debt	40,079.67		91,977.00		51,897.33		51,897.33
Unallocated Depreciation	168,588.54				(168,588.54)		(168,588.54)
Total Governmental Activities	16,698,254.02	-	2,002,653.69	-	(14,695,600.33)	-	(14,695,600.33)
Business-Type Activities:							
Food Service	390,529.46	132,407.13	261,977.67			3,855.34	3,855.34
After School Program	169,282.22	188,806.50				19,526.28	19,526.28
Tuition Program	812,553.81	411,437.59				(401,116.22)	(401,116.22)
Total Business-Type Activities	1,372,365.49	732,653.22	261,977.67	-	-	(377,734.60)	(377,734.60)
Total Primary Government	\$ 18,070,619.51	\$ 732,653.22	\$ 2,264,631.36	\$ -	(14,695,600.33)	(377,734.60)	(15,073,334.93)
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					7,927,236.00		7,927,236.00
Federal and State Aid Not Restricted					6,601,886.77		6,601,886.77
Investment Earnings						907.14	907.14
Miscellaneous Income					154,703.30		154,703.30
Special Items - Transfers					214,614.34	(214,614.34)	-
Total General Revenues					14,898,440.41	(213,707.20)	14,684,733.21
Change in Net Position					202,840.08	(591,441.80)	(388,601.72)
Net Position -- July 1					4,653,192.10	1,673,397.38	6,326,589.48
Net Position -- June 30					\$ 4,856,032.18	\$ 1,081,955.58	\$ 5,937,987.76

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

FUND FINANCIAL STATEMENTS

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 662,575.21	\$ (225,749.65)	\$ 92,940.46	\$ 26,095.00	\$ 555,861.02
Accounts Receivable					
Federal	571.00	334,681.43			335,252.43
State	41,193.16		143,338.60		184,531.76
Other	744,504.50				744,504.50
Restricted Cash and Cash Equivalents	<u>629,830.98</u>				<u>629,830.98</u>
Total Assets	<u>\$ 2,078,674.85</u>	<u>\$ 108,931.78</u>	<u>\$ 236,279.06</u>	<u>\$ 26,095.00</u>	<u>\$ 2,449,980.69</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Unearned Revenue	<u>\$ -</u>	<u>\$ 121,437.78</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 121,437.78</u>
Total Liabilities	<u>-</u>	<u>121,437.78</u>	<u>-</u>	<u>-</u>	<u>121,437.78</u>
Fund Balances:					
Restricted:					
Maintenance Reserve	100,001.00				100,001.00
Emergency Reserve	184,000.00				184,000.00
Capital Reserve	779,830.98				779,830.98
Excess Surplus - Current Year	282,346.14				282,346.14
Excess Surplus - Prior Years - Designated for Subsequent Year's Expenditures	916,409.00				916,409.00
Capital Projects			236,279.06		236,279.06
Debt Service				26,095.00	26,095.00
Assigned:					
Other Purposes	101,589.56				101,589.56
Unassigned:					
General Fund	(285,501.83)				(285,501.83)
Special Revenue Fund		(12,506.00)			(12,506.00)
Total Fund Balances	<u>2,078,674.85</u>	<u>(12,506.00)</u>	<u>236,279.06</u>	<u>26,095.00</u>	<u>2,328,542.91</u>
Total Liabilities and Fund Balances	<u>\$ 2,078,674.85</u>	<u>\$ 108,931.78</u>	<u>\$ 236,279.06</u>	<u>\$ 26,095.00</u>	

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

Interest on long-term debt in the statement of activities is accrued, regardless of when due. (11,750.00)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$11,651,604.58, and the accumulated depreciation is \$7,816,092.87. 3,835,511.71

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (1,296,272.44)

Net assets of governmental activities **\$ 4,856,032.18**

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Tax Levy	\$ 7,927,236.00	\$ -	\$ -	\$ -	\$ 7,927,236.00
Unrestricted Miscellaneous Revenues	154,703.30				154,703.30
State Sources	7,854,415.35	114,905.13		91,977.00	8,061,297.48
Federal Sources	4,041.27	539,201.71			543,242.98
Total Revenues	15,940,395.92	654,106.84	-	91,977.00	16,686,479.76
EXPENDITURES:					
Current:					
Regular Instruction	3,860,588.37	323,650.10			4,184,238.47
Special Education Instruction	785,533.38				785,533.38
Other Special Instruction	223,510.84				223,510.84
Support Services and Undistributed Costs:					
Tuition	3,076,110.19	258,469.99			3,334,580.18
Student and Instruction Related Services	1,315,424.13	72,690.25			1,388,114.38
General Administrative Services	316,294.67				316,294.67
School Administrative Services	404,098.90				404,098.90
Central Services	265,543.43				265,543.43
Administrative Information Technology	109,313.70				109,313.70
Plant Operations and Maintenance	1,057,771.24				1,057,771.24
Pupil Transportation	605,328.09				605,328.09
Unallocated Benefits	3,744,906.04				3,744,906.04
Debt Service:					
Principal				233,000.00	233,000.00
Interest and Other Charges	6,443.00			37,520.00	43,963.00
Capital Outlay	220,188.06		461,521.00		681,709.06
Total Expenditures	15,991,054.04	654,810.34	461,521.00	270,520.00	17,377,905.38
Excess (Deficiency) of Revenues over Expenditures	(50,658.12)	(703.50)	(461,521.00)	(178,543.00)	(691,425.62)
OTHER FINANCING SOURCES (USES):					
Capital Outlay Transfer to Capital Projects	(79,956.37)		79,956.37		-
Capital Reserve Transfer to Capital Projects	(381,564.63)		381,564.63		-
Capital Reserve Transfer to Debt Service	(134,103.00)			134,103.00	-
Transfer from Other Funds:					
Enterprise Fund Tuition Program	200,000.00			14,614.34	214,614.34
Total Other Financing Sources and Uses	(395,624.00)	-	461,521.00	148,717.34	214,614.34
Net Change in Fund Balance	(446,282.12)	(703.50)	-	(29,825.66)	(476,811.28)
Fund Balance -- July 1	2,524,956.97	(11,802.50)	236,279.06	55,920.66	2,805,354.19
Fund Balance -- June 30	<u>\$ 2,078,674.85</u>	<u>\$ (12,506.00)</u>	<u>\$ 236,279.06</u>	<u>\$ 26,095.00</u>	<u>\$ 2,328,542.91</u>

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

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

Total Net Change in Fund Balances - Governmental Funds		\$ (476,811.28)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation Expense	\$ (227,997.18)	
Capital Outlays	<u>519,660.86</u>	291,663.68
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		233,000.00
Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.		3,883.33
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>151,104.35</u>
Change in Net Position of Governmental Activities		<u>\$ 202,840.08</u>

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

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

	Business-Type Activities - Enterprise Fund			
	<u>Food Service</u>	<u>After School Program</u>	<u>Tuition Program</u>	<u>Total</u>
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 24,203.85	\$ 615,267.89	\$ 367,860.22	\$ 1,007,331.96
Accounts Receivable:				
State	255.27			255.27
Federal	13,456.64			13,456.64
Other		6,533.50	6,000.00	12,533.50
Inventories	9,535.07			9,535.07
Total Current Assets	<u>47,450.83</u>	<u>621,801.39</u>	<u>373,860.22</u>	<u>1,043,112.44</u>
Noncurrent Assets:				
Furniture, Machinery and Equipment	194,352.77			194,352.77
Less Accumulated Depreciation	<u>(155,309.63)</u>			<u>(155,309.63)</u>
Total Noncurrent Assets	<u>39,043.14</u>	<u>-</u>	<u>-</u>	<u>39,043.14</u>
Total Assets	<u>86,493.97</u>	<u>621,801.39</u>	<u>373,860.22</u>	<u>1,082,155.58</u>
LIABILITIES :				
Current Liabilities:				
Accounts Payable	200.00			200.00
Total Current Liabilities	<u>200.00</u>	<u>-</u>	<u>-</u>	<u>200.00</u>
NET POSITION:				
Net Investment in Capital Assets	39,043.14			39,043.14
Unrestricted	<u>47,250.83</u>	<u>621,801.39</u>	<u>373,860.22</u>	<u>1,042,912.44</u>
Total Net Position	<u>\$ 86,293.97</u>	<u>\$ 621,801.39</u>	<u>\$ 373,860.22</u>	<u>\$ 1,081,955.58</u>

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

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

	Business-Type Activities Enterprise Fund			
	Food Service	After School Program	Tuition Program	Total
OPERATING REVENUES:				
Charges for Services:				
Daily Sales - Reimbursable	\$ 84,959.18	\$ -	\$ -	\$ 84,959.18
Daily Sales - Non-Reimbursable	47,447.95	-	-	47,447.95
Program Fees	-	188,808.50	411,437.59	600,246.09
Total Operating Revenues	132,407.13	188,808.50	411,437.59	732,653.22
OPERATING EXPENSES:				
Salaries and Benefits	168,680.49	166,815.08	792,099.98	1,127,595.55
Supplies and Materials	8,242.82	2,342.14	9,292.63	19,877.59
Cost of Sales	180,489.00			180,489.00
Management Fee	15,306.53			15,306.53
Purchased Professional Educational Services	1,887.39			1,887.39
Depreciation	3,779.11			3,779.11
Rental Costs			4,468.12	4,468.12
Utilities			5,055.08	5,055.08
Miscellaneous	12,144.12	125.00	1,638.00	13,907.12
Total Operating Expenses	390,529.46	169,282.22	812,553.81	1,372,365.49
Operating Income (Loss)	(258,122.33)	19,526.28	(401,116.22)	(639,712.27)
NONOPERATING REVENUES:				
State Sources:				
State School Lunch Program	4,637.22			4,637.22
Federal Sources:				
National School Lunch Program	186,602.53			186,602.53
National School Breakfast Program	33,239.36			33,239.36
Special Milk Program	1,124.56			1,124.56
Snack Program	5,211.33			5,211.33
Food Distribution Program	31,162.67			31,162.67
Local Sources:				
Interest Earnings			907.14	907.14
Total Nonoperating Revenues	261,977.67	-	907.14	262,884.81
Income (Loss) before Contributions and Transfers	3,855.34	19,526.28	(400,209.08)	(376,827.46)
Contributions and Transfers:				
Transfer to - General Fund			(200,000.00)	(200,000.00)
Transfer to - Debt Service Fund			(14,614.34)	(14,614.34)
Total Contributions and Transfers	-	-	(214,614.34)	(214,614.34)
Change in Net Position	3,855.34	19,526.28	(614,823.42)	(591,441.80)
Total Net Position -- July 1	82,438.63	602,275.11	988,683.64	1,673,397.38
Total Net Position -- June 30	\$ 86,293.97	\$ 621,801.39	\$ 373,860.22	\$ 1,081,955.58

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

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

	Business-Type Activities Enterprise Fund			<u>Total</u>
	<u>Food Service</u>	After School <u>Program</u>	Tuition <u>Program</u>	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from Customers	\$ 132,407.13	\$ 183,715.50	\$ 420,017.59	\$ 736,140.22
Payments to Employees	(168,680.49)	(166,815.08)	(792,099.98)	(1,127,595.55)
Payments to Suppliers	(189,618.00)	(2,467.14)	(20,453.83)	(212,538.97)
Net Cash Provided by (used for) Operating Activities	<u>(225,891.36)</u>	<u>14,433.28</u>	<u>(392,536.22)</u>	<u>(603,994.30)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Federal and State Sources	225,746.83			225,746.83
Transfer to Other Funds			(214,614.34)	(214,614.34)
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>225,746.83</u>	<u>-</u>	<u>(214,614.34)</u>	<u>11,132.49</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of Capital Assets	(25,502.00)	-	-	(25,502.00)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(25,502.00)</u>	<u>-</u>	<u>-</u>	<u>(25,502.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and Dividends	-	-	907.14	907.14
Net Cash Provided by (used for) Investing Activities	<u>-</u>	<u>-</u>	<u>907.14</u>	<u>907.14</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(25,646.53)	14,433.28	(606,243.42)	(617,456.67)
Cash and Cash Equivalents -- July 1	49,850.38	600,834.61	974,103.64	1,624,788.63
Cash and Equivalents -- June 30	<u>\$ 24,203.85</u>	<u>\$ 615,267.89</u>	<u>\$ 367,860.22</u>	<u>\$ 1,007,331.96</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ (258,122.33)	\$ 19,526.28	\$ (401,116.22)	\$ (639,712.27)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Depreciation	3,779.11			3,779.11
Food Distribution Program	31,162.67			31,162.67
(Increase) Decrease in Inventories	(1,166.81)			(1,166.81)
(Increase) Decrease in Accounts Receivables		(5,093.00)	8,580.00	3,487.00
Increase (Decrease) in Accounts Payable	(1,544.00)			(1,544.00)
Total Adjustments	<u>32,230.97</u>	<u>(5,093.00)</u>	<u>8,580.00</u>	<u>35,717.97</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (225,891.36)</u>	<u>\$ 14,433.28</u>	<u>\$ (392,536.22)</u>	<u>\$ (603,994.30)</u>

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

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

	<u>Trust Funds</u>	<u>Agency Funds</u>	
	Unemployment Compensation <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>
ASSETS:			
Cash and Cash Equivalents	\$ 44,766.36	\$ 65,372.56	\$ -
Total Assets	<u>\$ 44,766.36</u>	<u>\$ 65,372.56</u>	<u>\$ -</u>
LIABILITIES:			
Payable to Student Groups		65,372.56	
Total Liabilities	<u>-</u>	<u>\$ 65,372.56</u>	<u>\$ -</u>
NET POSITION:			
Scholarships Held in Trust for Unemployment Claims and Other Purposes	<u>44,766.36</u>		
Total Net Position	<u>\$ 44,766.36</u>		

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

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

	<u>Unemployment Compensation Trust</u>
ADDITIONS:	
Contributions:	
District Budget	\$ 414.00
Employee Payroll Deductions	<u>13,166.23</u>
Total Contributions	<u>13,580.23</u>
Investment Earnings:	
Interest	<u>46.52</u>
Net Investment Earnings	<u>46.52</u>
Total Additions	<u>13,626.75</u>
DEDUCTIONS:	
Unemployment Claims	<u>6,210.28</u>
Total Deductions	<u>6,210.28</u>
Change in Net Position	7,416.47
Net Position -- July 1	<u>37,349.89</u>
Net Position -- June 30	<u><u>\$ 44,766.36</u></u>

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

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Notes to Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Edgewater Park Township School District (the "School District") have been prepared to conform 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 following is a summary of the more significant of these policies.

Description of the Reporting Entity

The School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K through 8 at its 2 schools. The School District has an approximate enrollment at June 30, 2013 of 883.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. 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 School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provide guidance that all entities associated with a primary government are potential component units, and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. In addition, GASB Statement No. 61 clarifies the manner in which component units are presented (discretely presented, blended, or included in the fiduciary fund financial statements).

Based on the aforementioned, the School District has determined that no component units exist for the fiscal year ended June 30, 2013.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The School 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 Financial Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The government-wide financial statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - The School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

The governmental funds are accounted for on the "flow of current financial resources" measurement focus. This measurement focus is based on the concept of accountability, which includes measuring interperiod equity whether current year revenues were sufficient to pay for current year services. The proprietary fund is accounted for on an "economic resources" measurement focus. Accordingly, statement of revenues, expenses and changes in fund net position for the proprietary fund reports increases and decreases in total economic worth. The private-purpose trust fund is reported using the economic resources measurement focus.

Governmental Funds - Governmental funds are those through which most School District functions are financed. The acquisition, use, and balances of the School District's expendable financial resources and the related liabilities, except those accounted for in the proprietary fund and fiduciary funds, are accounted for through the governmental funds. The measurement focus is upon determination of changes in financial resources rather than upon determination of net income. The following are the School District's major governmental funds:

General Fund - The general fund is the primary operating fund of the School 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****Governmental Funds (Cont'd) -*****General Fund (cont'd)-***

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, 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.

In addition to the capital outlay sub-fund, the School District is accountable for an additional sub-fund, the Education Jobs Fund ("Ed Jobs"), resulting from federal legislation signed into law on August 10, 2010. The Ed Jobs program was created to provide funding assistance to states in order to save or create education jobs for the 2010-2011 school year, through September 30, 2012. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education. Ed Jobs revenues and expenditures are recorded in the general fund (fund 18) on a reimbursement basis. As such, revenue is not included in the fiscal year surplus, and no portion of general fund balance at June 30, 2013 is considered to be attributable to Ed Jobs. Ed Jobs expenditures during the fiscal year ended June 30, 2013 are included as a component of overall general fund expenditures, and also are included in total general fund expenditures for purposes of the excess surplus calculation.

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****Proprietary Funds**

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District maintains the following enterprise funds:

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

Latchkey Fund – This fund accounts for the financial activity related to providing day care services for School District students before and after school.

Tuition Program – This fund accounts for the financial activity related to the special education program activities of the School District.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The School District maintains the following fiduciary funds:

Agency Funds - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

Private-Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. The School District maintains the following private-purpose trust funds:

New Jersey Unemployment Compensation Insurance Trust Fund - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****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.

Modified Accrual

Under the modified accrual basis, revenues are recognized in the accounting period in which they become susceptible to accrual, i.e. both available and measurable. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants, and interest on investments. The School District considers all revenues, with the exception of the expenditure-driven grants, as available if they are collected within sixty (60) days after fiscal year-end. The expenditure driven grants are considered available if received within one fiscal year from the balance sheet date. Property tax revenue is recognized when taxes are received, except at fiscal year end when revenue is recognized for taxes received by the School District within sixty (60) days subsequent to fiscal year end. Expenditures are recognized in the accounting period in which the liability is incurred. However, exceptions include the amount of unmatured principal and interest on general long-term debt, compensated absences, claims and judgments and certain prepaids which are recognized when due / paid.

In applying the susceptible to accrual concept to revenues from federal and state sources, the legal contractual requirements of the numerous individual programs are used as guidance. Revenue from grants and entitlements is recognized when all eligibility requirements have been satisfied. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before the School District will receive any amounts; therefore, revenues are recognized based on the occurrence of expenditures. In the other type, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. In cases where monies are received and all eligibility requirements, including timing, have been satisfied, but the occurrence of expenditure has yet to happen, amounts are reported as unearned revenue. Conversely, where monies are received but eligibility requirements, including timing, have yet to be satisfied, such amounts are reported as deferred inflows of resources.

Accrual

Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred.

Revenue Recognition

Property Taxes - Ad valorem (property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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.

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

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

Encumbrances

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances (Cont'd)**

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

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

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 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.

Inventories

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

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

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

Tuition Receivable

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Prepaid Expenses**

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

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

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at fair market value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

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

The School District does not possess any infrastructure assets.

Tuition Payable

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Unearned Revenue**

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

Compensated Absences

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

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. An expenditure is recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

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. Bonds are recognized as a liability on the governmental fund financial statements when due.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Net Position**

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

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

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

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

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

Unassigned - The unassigned fund balance classification is the residual classification for 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 other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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

Interfund Activity

Transfers between governmental and business-type activities on the government-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.

Accounting 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.

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

In November 2010, the GASB issued Statement 60, *Accounting and Financial Reporting for Service Concession Arrangements*. GASBS 60 provides financial reporting guidance for service concession arrangements (SCAs). SCAs are defined as an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a "facility") in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This Statement is effective for periods beginning after December 15, 2011. The School District does not have any SCAs and therefore the adoption of GASBS 60 does not have any impact on the School District's financial statements.

In November 2010, the GASB issued Statement 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASBS 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This Statement is effective for periods beginning after June 15, 2012. The School District elected to early implement GASBS 61 effective for fiscal year 2013. The adoption of GASBS 61, however, does not have any impact on the School District's financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)**

In December 2010, the GASB issued Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASBS 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for periods beginning after December 15, 2011. The adoption of GASBS 62 does not have any impact on the School District's financial statements.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASBS 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources. This Statement is effective for financial statements for periods beginning after December 15, 2011. The adoption of GASBS 63, however, does not have a material impact on the School District's financial statements.

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASBS 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement is effective for periods beginning after December 15, 2012. The School District elected to early implement GASBS 65 effective for fiscal year 2013.

Recently Issued Accounting Pronouncements

In March 2012, the GASB issued Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*. GASBS 66 is to improve accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. This Statement is effective for periods beginning after December 15, 2012. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*. GASBS 67 is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. This Statement is effective for periods beginning after June 15, 2013. The School District does not administer any state or local pension plans; therefore, the adoption of GASBS 67 will not have any impact on the School District's financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements (Cont'd)**

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASBS 68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. In addition, this Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. This Statement is effective for periods beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements and expects the impact to be material.

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. GASBS 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement is effective for periods beginning after December 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. GASBS 70 is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to report the obligation until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units. This Statement is effective for periods beginning after June 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

As of June 30, 2013, the School District's bank balances of \$3,240,992.40 were exposed to custodial credit risk as follows:

FDIC Insured	\$ 250,000.00
Collateralized by securities held by the pledging financial institution (GUDPA)	2,819,989.46
Uninsured/Uncollateralized	<u>171,002.94</u>
	<u><u>\$ 3,240,992.40</u></u>

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

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

Beginning Balance, July 1, 2012		\$ 1,244,348.00
Increased by:		
Deposit - Board Resolution, June 25, 2013	\$ 150,000.00	
Interest Earnings	<u>791.96</u>	
		<u>150,791.96</u>
		1,395,139.96
Decreased by:		
Withdrawals:		
Lease Purchase Agreement Principal	\$ 99,641.35	
Transfer to Capital Projects	381,564.63	
Transfer to Debt Service	<u>134,103.00</u>	
		<u>615,308.98</u>
Ending Balance, June 30, 2013		<u>\$ 779,830.98</u>

The June 30, 2013 capital reserve balance does not exceed the LRFPP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFPP.

Note 4: ACCOUNTS RECEIVABLE

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

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Description</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Fund</u>	<u>Total</u>
Intergovernmental	\$ 41,764.16	\$ 334,681.43	\$ 143,338.60	\$ 13,711.91	\$ 533,496.10
Other	<u>744,504.50</u>			<u>12,533.50</u>	<u>757,038.00</u>
	<u>\$ 786,268.66</u>	<u>\$ 334,681.43</u>	<u>\$ 143,338.60</u>	<u>\$ 26,245.41</u>	<u>\$ 1,290,534.10</u>

Note 5: INVENTORY

Inventory recorded at June 30, 2013 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 7,462.55
Supplies	<u>2,072.52</u>
	<u>\$ 9,535.07</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2013</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 7,953.00			\$ 7,953.00
Construction in Progress	-			
Total Capital Assets, not being Depreciated	<u>7,953.00</u>	<u>-</u>	<u>-</u>	<u>7,953.00</u>
Capital Assets, being Depreciated:				
Machinery and Equipment	772,629.32	\$ 48,527.95		821,157.27
Buildings and Improvements	10,219,853.33	471,132.91		10,690,986.24
Land Improvements	131,508.07			131,508.07
Total Capital Assets, being Depreciated	<u>11,123,990.72</u>	<u>519,660.86</u>	<u>-</u>	<u>11,643,651.58</u>
Total Capital Assets, Cost	<u>11,131,943.72</u>	<u>519,660.86</u>	<u>-</u>	<u>11,651,604.58</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(517,603.00)	(62,220.10)		(579,823.10)
Buildings and Improvements	(6,948,237.59)	(165,091.67)		(7,113,329.26)
Land Improvements	(122,255.10)	(685.41)		(122,940.51)
Total Accumulated Depreciation	<u>(7,588,095.69)</u>	<u>(227,997.18)</u>	<u>-</u>	<u>(7,816,092.87)</u>
Total Capital Assets, being Depreciated, Net	<u>3,535,895.03</u>	<u>291,663.68</u>	<u>-</u>	<u>3,827,558.71</u>
Governmental Activities Capital Assets, Net	<u>\$ 3,543,848.03</u>	<u>\$ 291,663.68</u>	<u>-</u>	<u>\$ 3,835,511.71</u>
Business-Type Activities:				
Machinery and Equipment	\$ 168,850.77	\$ 25,502.00		\$ 194,352.77
Less Accumulated Depreciation	(151,530.52)	(3,779.11)		(155,309.63)
Business-Type Activities Capital Assets, Net	<u>\$ 17,320.25</u>	<u>\$ 21,722.89</u>	<u>\$ -</u>	<u>\$ 39,043.14</u>

Depreciation expense was charged to functions / programs of the School District as follows:

Governmental Activities:	
Instruction	\$ 29,431.34
General and Business Administrative Services	17,521.68
Transportation	9,066.60
Plant Operations and Maintenance	3,389.02
Unallocated	<u>168,588.54</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 227,997.18</u>
Business-Type Activities:	
Food Service	<u>\$ 3,779.11</u>

Note 7: LONG-TERM LIABILITIES

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

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2013</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 938,000.00		\$ (233,000.00)	\$ 705,000.00	\$ 233,000.00
Other Liabilities:					
Obligations Under Capital Lease	202,969.44		(99,641.35)	103,328.09	103,328.09
Compensated Absences	543,022.35		(55,078.00)	487,944.35	
Total Other Liabilities	745,991.79	-	(154,719.35)	591,272.44	103,328.09
Governmental Activity Long-Term Liabilities	<u>\$ 1,683,991.79</u>	<u>\$ -</u>	<u>\$ (387,719.35)</u>	<u>\$ 1,296,272.44</u>	<u>\$ 336,328.09</u>

The bonds payable and obligations under capital lease are generally liquidated by the debt service fund, while claims and judgment, compensated absences, pension deferral, and postemployment benefits are liquidated by the general fund.

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

On August 15, 2006, the School District issued \$2,366,000.00 general obligation bonds at interest rates varying from 3.75% to 4.00% for a School Addition. The final maturity of these bonds is February 1, 2016. The bonds will be paid from property taxes.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 233,000.00	\$ 28,200.00	\$ 261,200.00
2015	233,000.00	18,880.00	251,880.00
2016	239,000.00	9,560.00	248,560.00
	<u>\$ 705,000.00</u>	<u>\$ 56,640.00</u>	<u>\$ 761,640.00</u>

Bonds Authorized but not Issued - As of June 30, 2013, the School District had no authorizations to issue additional bonded debt.

Obligations under Capital Lease - The School District entered into a ground lease totaling \$600,000.00 under a capital lease with a term of 5 years at 3.70% interest. The following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments at June 30, 2013.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 103,328.09	\$ 3,823.13	\$ 107,151.22

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

Note 8: OPERATING LEASES

At June 30, 2013, the School District had operating lease agreements in effect for copy machines. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2014	\$ <u>7,716.39</u>

Rental payments under operating leases for the fiscal year ended June 30, 2013 were \$14,651.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years, which began July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

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

Note 9: PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd) - The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Regular Pension Contributions</u>	<u>Non-Contributory Group Life Insurance</u>	<u>Paid by School District</u>
2013	\$ 50,985.00	\$ 121,905.00	\$ 172,890.00	\$ 10,290.00	\$ 183,180.00
2012	55,624.00	111,248.00	166,872.00	10,632.00	177,504.00
2011	64,483.00	102,750.00	167,233.00	15,150.00	182,383.00

Defined Contribution Retirement Program - The Defined Contribution Retirement Program ("DCRP") is a cost-sharing multiple-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

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

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid by District</u>	<u>Paid by Employee</u>
2013	\$ 2,487.18	\$ 1,356.72	\$ 1,130.46
2012	-	-	-
2011	-	-	-

Note 10: STATE POST-RETIREMENT MEDICAL BENEFITS

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 retirees receiving postemployment 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 retire 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.

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2013, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement medical costs were \$384,782 and \$435,091, respectively.

Note 12: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

The following is a summary of the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>School</u> <u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending</u> <u>Balance</u>
2013	\$ 414.00	\$ 13,166.23	\$ 46.52	\$ 6,210.28	\$ 44,766.36
2012	50,000.00	12,803.00	114.89	32,488.00	37,349.89
2011	115.00	12,936.00	-	26,418.00	6,920.00

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

*Met Life
Equitable
Lincoln*

Note 14: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2013, the liability for compensated absences reported on the government-wide statement of net position was \$487,944.35.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

There are no interfund balances as of June 30, 2013.

Interfund Transfers during fiscal year 2013 were as follows:

	Transfer In:	
	General Fund	Debt Service Fund
<u>Transfer Out:</u>		
Fiduciary Fund:		
Tuition Program	\$ 200,000.00	\$ 14,614.34

Note 16: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$285,501.83 in the general fund and \$12,506.00 in the special revenue fund as of June 30, 2013 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$285,501.83 is less than the June state aid payments.

Note 17: DEFICIT UNRESTRICTED NET POSITION

The Governmental Funds had a deficit in unrestricted net position of \$62,801.62 as of June 30, 2013. This deficit is attributable to the allocation of compensated absence balance payable.

Note 18: FUND BALANCES**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund -

For Maintenance Reserve Account - As of June 30, 2013, the balance in the maintenance reserve account is \$100,001.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). Of this amount, \$60,000.00 is being utilized in the 2013-2014 budget.

For Emergency Reserve - As of June 30, 2013, the balance in the emergency reserve is \$184,000.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the reserve is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner. Of this amount, \$89,128.00 is being utilized in the 2013-2014 budget.

Note 18: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)****General Fund (Cont'd) -**

For Capital Reserve Account - As of June 30, 2013, the balance in the capital reserve account is \$779,830.98. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP). Of this amount, \$660,000.00 is being utilized in the 2013-2014 budget.

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013 is \$282,346.14. Additionally, \$916,409.00 of excess fund balance generated during 2011-2012 has been restricted and designated for utilization in the 2013-2014 budget.

Capital Projects Fund - As of June 30, 2010, the restricted fund balance amount was \$236,279.06 all of which is designated for subsequent year's expenditures.

Debt Service Fund - As of June 30, 2013, the restricted fund balance amount was \$26,095.00 all of which is designated for subsequent year's expenditures.

ASSIGNED

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

General Fund -

Other Purposes - As of June 30, 2013, the School District had \$101,589.56 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

General Fund - As of June 30, 2013, (\$285,501.83) of general fund balance was unassigned.

Special Revenue Fund - As of June 30, 2013, the fund balance of the special revenue fund was a deficit of \$12,506.00, thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 16, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$12,506.00 is less than the last state aid payment.

Note 19: LITIGATION

Correspondence from the School District's Solicitor indicated there are no pending or threatened litigation claims, contingent liabilities, unasserted claims or assessments or statutory violations involving the School District which might materially affect the School District's financial position or results of operation.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 7,927,236.00	\$ -	\$ 7,927,236.00	\$ 7,927,236.00	\$ -
Tuition				26,312.70	26,312.70
Transportation fees from other LEAs	12,000.00	-	12,000.00	240.87	(11,759.13)
Interest Earned on Capital Reserve Funds	3,000.00	-	3,000.00	791.96	(2,208.04)
Unrestricted Miscellaneous Revenues	150,000.00	-	150,000.00	127,357.77	(22,642.23)
Total - Local Sources	8,092,236.00	-	8,092,236.00	8,081,939.30	(10,296.70)
State Sources:					
Categorical Special Education Aid	572,749.00	-	572,749.00	572,749.00	-
Equalization Aid	5,654,612.00	-	5,654,612.00	5,654,612.00	-
Categorical Security Aid	240,990.00	-	240,990.00	240,990.00	-
Categorical Transportation Aid	125,537.00	-	125,537.00	125,537.00	-
Extraordinary Aid				13,181.00	13,181.00
Non-Public Transportation Aid				6,438.00	6,438.00
On-Behalf T.P.A.F. Pension Contributions Post Retirement (non-budgeted)				819,873.00	819,873.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				435,993.35	435,993.35
Total - State Sources	6,593,888.00	-	6,593,888.00	7,869,373.35	1,275,485.35
Federal Sources:					
Medicaid Reimbursement	18,471.00	-	18,471.00	3,470.27	(15,000.73)
Education Jobs Fund		571.00	571.00	571.00	-
Total - Federal Sources	18,471.00	571.00	19,042.00	4,041.27	(15,000.73)
Total Revenues	14,704,595.00	571.00	14,705,166.00	15,955,353.92	1,250,187.92
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Salaries of Teachers					
Preschool	22,000.00	(4,480.00)	17,520.00	17,517.54	2.46
Kindergarten	313,755.00	52,350.00	366,105.00	366,105.00	-
Grades 1-5	1,851,960.00	(174,602.02)	1,677,357.98	1,677,357.23	0.75
Grades 6-8	1,087,283.00	222,193.52	1,309,476.52	1,309,092.10	384.42
Regular Programs - Home Instruction					
Salaries of Teachers	5,000.00	(2,378.00)	2,622.00	2,622.00	-
Total Expenditures	5,000.00	(2,378.00)	2,622.00	2,622.00	-

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	\$ 317,356.00	\$ 66,556.57	\$ 383,912.57	\$ 383,912.57	\$ -
Purchased Professional - Educational Services	1,000.00	(1,000.00)	-	-	-
Purchased Technical Services	63,323.00	(63,323.00)	-	-	-
Other Purchased Services (400-500 series)	21,000.00	(14,302.77)	6,697.23	6,696.99	0.24
General Supplies	77,558.00	(10,393.69)	67,164.31	66,449.49	714.82
Textbooks	26,650.00	(248.96)	26,401.04	26,401.04	-
Other Objects	6,900.00	(2,465.59)	4,434.41	4,434.41	-
Total Regular Programs - Instruction	3,793,785.00	67,906.06	3,861,691.06	3,860,588.37	1,102.69
Special Education Instruction					
Multiple Disabilities	103,965.00	(103,927.00)	38.00	-	38.00
Salaries of Teachers	147,962.00	30,524.19	178,486.19	178,486.19	-
Other Salaries for Instruction	1,020.00	(528.88)	491.12	491.12	-
General Supplies	500.00	(475.05)	24.95	24.95	-
Other Objects					
Total Multiple Disabilities	253,447.00	(74,406.74)	179,040.26	179,002.26	38.00
Resource Room / Resource Center					
Salaries of Teachers	466,464.00	135,728.99	602,192.99	602,192.99	-
General Supplies	2,040.00	2,298.13	4,338.13	4,338.13	-
Other Objects	500.00	(500.00)	-	-	-
Total Resource Room / Resource Center	469,004.00	137,527.12	606,531.12	606,531.12	-
Total Special Education - Instruction	722,451.00	63,120.38	785,571.38	785,533.38	38.00
Basic Skills / Remedial - Instruction					
Salaries of Teachers	36,564.00	(816.00)	35,748.00	35,748.00	-
Other Salaries for Instruction	1,000.00	(684.00)	316.00	316.00	316.00
General Supplies	510.00	(401.45)	108.55	108.55	-
Total Basic Skills / Remedial - Instruction	38,074.00	(1,901.45)	36,172.55	35,856.55	316.00

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Bilingual Education - Instruction					
Salaries of Teachers	\$ 150,630.00	\$ (21,105.00)	\$ 129,525.00	\$ 129,525.00	\$ -
Other Salaries for Instruction	29,743.00	(29,732.60)	10.40	-	10.40
Purchased Prof. Ed. Services	1,500.00	(462.70)	1,037.30	1,037.30	-
General Supplies	1,000.00	(580.76)	419.24	419.24	-
Other Objects	250.00	(250.00)	-	-	-
Total Bilingual Education - Instruction	183,123.00	(52,131.06)	130,991.94	130,981.54	10.40
School Sponsored Cocurricular Activities - Instruction					
Salaries	54,094.00	(13,500.00)	40,594.00	33,036.25	7,557.75
Supplies and Materials	1,800.00	3,000.00	4,800.00	4,455.14	344.86
Total School Sponsored Cocurricular Activities - Instruction	55,894.00	(10,500.00)	45,394.00	37,491.39	7,902.61
School Sponsored Athletics - Instruction					
Salaries	12,362.00	2,000.00	14,362.00	14,276.00	86.00
Purchased Services (300-500 series)	3,500.00	(2,750.00)	750.00	439.00	311.00
Supplies and Materials	750.00	4,000.00	4,750.00	4,466.36	283.64
Total School Sponsored Athletics - Instruction	16,612.00	3,250.00	19,862.00	19,181.36	680.64
Total Instruction	4,809,939.00	69,743.93	4,879,682.93	4,869,632.59	10,050.34
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	1,634,429.00	38,191.66	1,672,620.66	1,641,096.00	31,524.66
Tuition to Other LEAs Within the State - Special	605,875.00	(120,700.00)	485,175.00	477,725.28	7,449.72
Tuition to County Vocation School District - Regular	318,000.00	-	318,000.00	318,000.00	-
Tuition to County Vocation School District - Special	51,000.00	-	51,000.00	51,000.00	-
Tuition to CSSD and Regional Day Schools	551,598.00	(36,128.29)	515,469.71	476,290.80	39,178.91
Tuition to Private Schools for the Disabled - Within State	200,932.00	(48,807.71)	152,124.29	85,299.11	66,825.18
Tuition - State Facilities	26,699.00	-	26,699.00	26,699.00	-
Total Undistributed Expenditures - Instruction	3,388,533.00	(167,444.34)	3,221,088.66	3,076,110.19	144,978.47
Attendance & Social Work Services - Purchase Prof and Tech Services	-	2,000.00	2,000.00	1,980.00	20.00
Total Purchased Prof and Tech Serv - Attendance & Social Work	-	2,000.00	2,000.00	1,980.00	20.00

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistributed Expenditures - Health Services:					
Salaries	\$ 119,120.00	\$ 2,025.00	\$ 121,145.00	\$ 121,140.41	\$ 4.59
Purchased Professional and Technical Services	6,500.00	-	6,500.00	5,840.91	659.09
Other Purchased Services (400-500 series)	450.00	-	450.00	-	450.00
Supplies and Materials	6,500.00	-	6,500.00	5,559.82	940.18
Other Objects	200.00	-	200.00	85.00	115.00
Total Undistributed Expenditures - Health Services	132,770.00	2,025.00	134,795.00	132,626.14	2,168.86
Undistributed Expenditures - Speech, OT, PT & Related Services					
Salaries	104,790.00	(6,600.00)	98,190.00	98,184.55	5.45
Purchased Professional - Educational Services	84,500.00	49,000.00	133,500.00	133,425.50	74.50
Supplies and Materials	5,200.00	-	5,200.00	3,967.96	1,232.04
Other Objects	700.00	-	700.00	456.01	243.99
Total Undistributed Expenditures - Speech, OT, PT & Related Services	195,190.00	42,400.00	237,590.00	236,034.02	1,555.98
Undistributed Expenditures - Other Supp. Serv. Students-Extra. Serv.					
Purchased Prof Ed Services	59,645.00	(29,791.36)	29,853.64	3,344.00	26,509.64
Total Undistributed Expenditures - Other Supp. Serv. Students-Extra. Serv.	59,645.00	(29,791.36)	29,853.64	3,344.00	26,509.64
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	137,115.00	(950.00)	136,165.00	136,162.50	2.50
Salary Secretary & Clerical Asst	40,105.00	-	40,105.00	39,475.90	629.10
Purchased Prof - Ed Services	1,581.00	(1,580.00)	1.00	-	1.00
Other Purchased Prof. and Tech. Services	1,530.00	(1,500.00)	30.00	-	30.00
Other Purchased Services (400-500 series)	1,000.00	-	1,000.00	58.71	941.29
Supplies and Materials	1,581.00	-	1,581.00	618.23	962.77
Other Objects	1,000.00	-	1,000.00	92.25	907.75
Total Undistributed Expenditures - Guidance	183,912.00	(4,030.00)	179,882.00	176,407.59	3,474.41

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	\$ 285,091.00	\$ (39,750.00)	\$ 245,341.00	\$ 245,264.04	\$ 76.96
Salaries of Secretarial and Clerical Assistants	37,707.00	-	37,707.00	36,873.84	833.16
Other Purchased Prof. and Tech. Services	8,000.00	1,100.00	9,100.00	5,100.00	4,000.00
Misc Pur Serv (400-500 series O/than Resid Costs)	5,500.00	(1,500.00)	4,000.00	1,670.25	2,329.75
Supplies and Materials	8,080.00	1,500.00	9,580.00	8,676.99	903.01
Other Objects	750.00	-	750.00	318.00	432.00
Total Undistributed Expenditures - Child Study Teams	345,128.00	(38,650.00)	306,478.00	297,903.12	8,574.88
Undistributed Expend. - Improvement of Instructional Services					
Sal of Supervisor of Instruction	36,980.00	13,596.36	50,576.36	46,987.44	3,588.92
Salary of other Professional Staff	15,737.00	(15,737.00)			-
Purchased Prof - Educational Services	20,000.00	(20,000.00)			-
Other Purch Prof. and Tech. Services	7,500.00	(6,500.00)	1,000.00	933.39	66.61
Other Purch Services (400-500)	4,000.00	100.00	4,100.00	2,543.07	1,556.93
Supplies and Materials	765.00	600.00	1,365.00	1,083.85	281.15
Other Objects	2,000.00	(600.00)	1,400.00	800.00	600.00
Total Undistributed Expend. - Improvement of Instructional Services	86,982.00	(28,540.64)	58,441.36	52,347.75	6,093.61
Undistributed Expenditures - Educational Media Serv./Sch. Library					
Salaries	48,880.00	(548.00)	48,332.00	48,330.41	1.59
Salaries of Technology Coordinators	97,679.00	61,411.00	159,090.00	159,077.96	12.04
Purchased Professional and Technical Services	8,900.00	2,488.50	11,388.50	11,388.50	-
Other Purchased Services (400-500 series)	400.00	-	400.00	22.32	377.68
Supplies and Materials	74,200.00	22,298.00	96,498.00	91,335.42	5,162.58
Other Objects	500.00	(400.00)	100.00	-	100.00
Total Undistributed Expenditures - Edu. Media Serv./Sch. Library	230,559.00	85,249.50	315,808.50	310,154.61	5,653.89
Undistributed Expenditures - Instructional Staff Training Services					
Salaries of Superv of Instruction	36,980.00	10,010.00	46,990.00	46,987.44	2.56
Salaries Other Prof. Staff	39,629.00	490.00	40,119.00	40,119.00	-
Purchased Professional - Educational Services	8,500.00	5,391.00	13,891.00	12,771.94	1,119.06
Other Purchased Services (400-500 series)	7,500.00	(2,820.00)	4,680.00	4,304.34	375.66
Supplies and Materials	1,020.00	-	1,020.00	444.18	575.82
Other Objects	500.00	-	500.00	-	500.00
Total Undistributed Expenditures - Instructional Staff Training Services	94,129.00	13,071.00	107,200.00	104,626.90	2,573.10

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistributed Expenditures - Support Services - General Administration					
Salaries	\$ 160,145.00	\$ (7,562.04)	\$ 152,582.96	\$ 152,582.96	\$ -
Legal Services	19,900.00	12,000.00	31,900.00	28,620.35	3,279.65
Audit Fees	28,000.00	-	28,000.00	-	28,000.00
Architectural/Engineering Services	20,000.00	(5,514.00)	14,486.00	14,486.00	-
Other Purchased Professional Services	3,500.00	(1,575.00)	1,925.00	1,925.00	-
Communications / Telephone	127,160.00	(13,533.96)	113,626.04	75,944.85	37,681.19
BOE Other Purchased Services	5,000.00	-	5,000.00	4,349.92	650.08
Other Purchased Services	31,109.00	(11,908.00)	19,201.00	16,738.94	2,462.06
General Supplies	2,070.00	1,000.00	3,070.00	2,163.04	906.96
BOE In-House Training/Meeting Supplies	255.00	150.00	405.00	389.53	15.47
Judgments Against School District		2,500.00	2,500.00	2,500.00	-
Miscellaneous Expenditures	4,500.00	4,500.00	9,050.00	9,032.10	17.90
BOE Membership Dues and Fees	8,000.00	(400.00)	7,600.00	7,561.98	38.02
Total Undistributed Expenditures - Support Services - General Admin	409,639.00	(20,293.00)	389,346.00	316,294.67	73,051.33
Undistributed Expenditures - Support Services - School Admin					
Salaries of Principals / Assistant Principals	243,834.00	(25,500.00)	218,334.00	218,318.40	15.60
Salaries of Other Professional Staff	127,446.00	(127,446.00)	-	-	-
Salaries of Secretarial and Clerical Assistants	127,029.00	127,029.00	253,058.00	253,058.00	-
Purchased Professional and Technical Services	51,526.00	(27,900.00)	23,626.00	23,507.74	118.26
Other Purchased Services (400-500 series)	14,800.00	8,067.00	22,867.00	16,762.25	6,104.75
Supplies and Materials	16,050.00	(8,000.00)	8,050.00	8,001.71	48.29
Other Objects	2,700.00	7,850.00	10,550.00	10,550.00	-
Total Undistributed Expenditures - Support Services - School Admin	456,356.00	(45,900.00)	410,456.00	404,098.90	6,357.10
Undistributed Expenditures - Central Services					
Salaries	198,933.00	988.80	199,921.80	199,921.68	0.12
Purchased Professional Services	44,831.00	(14,023.06)	30,807.94	30,807.94	-
Purchased Technical Services	10,700.00	1,029.90	11,729.90	11,729.90	-
Misc. Purchased Services (400-500) [O/T 594]	10,300.00	(851.66)	9,448.34	9,448.34	-
Supplies and Materials	7,000.00	(2,801.26)	4,198.74	3,952.15	246.59
Interest on Lease Purchase Agreements	18,200.00	(10,690.13)	7,509.87	7,509.87	-
Miscellaneous Expenditures	1,500.00	673.55	2,173.55	2,173.55	-
Total Undistributed Expenditures - Central Services	291,464.00	(25,673.86)	265,790.14	265,543.43	246.71

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistributed Expenditures - Admin Information Technology					
Purchased Professional Services	\$ 7,000.00	\$ (337.50)	\$ 6,662.50	\$ 6,062.50	\$ 600.00
Purchased Technical Services	38,000.00	45,385.95	83,385.95	83,385.95	-
Other Purchased Services (400-500)	400.00	71.20	471.20	471.20	-
Supplies and Materials	17,000.00	569.90	17,569.90	17,569.90	-
Other Objects	1,900.00	(75.85)	1,824.15	1,824.15	-
Total Undistributed Expenditures - Admin Information Technology	64,300.00	45,613.70	109,913.70	109,313.70	600.00
Undistributed Expenditures - Required Maint for School Facilities					
Cleaning, Repair and Maintenance Services	60,000.00	20,000.00	80,000.00	64,573.01	15,426.99
Total Undistributed Expenditures - Required Maint for Sch Fac.	60,000.00	20,000.00	80,000.00	64,573.01	15,426.99
Undistributed Expenditures - Custodial Services					
Salaries	472,325.00	73,085.28	545,410.28	545,221.29	188.99
Purchased Professional and Technical Services	29,400.00	(15,600.00)	13,800.00	13,400.08	399.92
Cleaning, Repair, and Maintenance Services	23,000.00	(853.75)	22,146.25	21,771.25	375.00
Other Purchased Property Services	17,500.00	(4,685.32)	12,814.68	12,814.68	-
Insurance	66,000.00	(441.00)	65,559.00	65,559.00	-
Travel		3,402.00	3,402.00	3,402.00	-
Miscellaneous Purchased Services	2,750.00	(2,648.00)	102.00	102.00	-
General Supplies	92,500.00	12,328.50	104,828.50	103,900.78	927.72
Energy (Natural Gas)	68,270.00	(11,766.25)	56,503.75	56,503.75	-
Energy (Electricity)	93,660.00	40,172.62	133,832.62	108,538.59	25,294.03
Energy (Oil)	5,100.00	(5,100.00)			-
Energy (Gasoline)	9,000.00	(5,565.90)	3,434.10	3,434.10	-
Other Objects	6,500.00	5,008.14	11,508.14	11,508.14	-
Total Undistributed Expenditures - Custodial Services	886,005.00	87,336.32	973,341.32	946,155.66	27,185.66
Undistributed Expenditures - Care and Upkeep of Grounds					
Cleaning, Repair, & Maintenance Serv.	24,000.00	10,500.00	34,500.00	34,500.00	-
General Supplies	6,760.00	4,365.27	11,125.27	11,125.27	-
Total Undistributed Expenditures - Care and Upkeep of Grounds	30,760.00	14,865.27	45,625.27	45,625.27	-
Undistributed Expenditures - Security					
Purchase Professional and Technical Services	250.00	(250.00)			-
Cleaning, Repair, and Maintenance	1,000.00	(1,000.00)			-
General Supplies	2,000.00	(582.70)	1,417.30	1,417.30	-
Total Undistributed Expenditures - Security	3,250.00	(1,832.70)	1,417.30	1,417.30	-

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistributed Expenditures - Student Transportation Services					
Salary Pupil Transportation (Between Home & Sch) - Regular	\$ 43,776.00	\$ -	\$ 43,776.00	\$ 43,568.88	\$ 207.12
Salary Pupil Transportation (Between Home & Sch) - Spec Ed	27,691.00	(523.28)	27,167.72	27,167.72	-
Salary Pupil Transportation Other than Between Home and School	5,000.00	(2,217.00)	2,783.00	2,783.00	-
Management Fee - ESC & CTSA Trans. Program	4,500.00	(4,500.00)	-	-	-
Other Purchased Professional and Technical Services	1,500.00	(1,425.00)	75.00	75.00	-
Cleaning, Repair, and Maintenance Svc	10,250.00	2,825.00	13,075.00	10,182.36	2,892.64
Contracted Svcs - Aid in Lieu Pymts - Non Public School	21,500.00	9,900.00	31,400.00	31,382.00	18.00
Contracted Services - (Between Home and School) - Vendors	280,000.00	(1,000.00)	279,000.00	277,167.60	1,832.40
Contracted Services - (Other than Between Home and School) - Vendors	9,000.00	(500.00)	8,500.00	8,115.00	385.00
Contracted Services (Spl. Ed. Students) - Joint Agreements	9,802.00	10,000.00	19,802.00	19,324.80	477.20
Contracted Services (Spl. Ed. Students) - ESCs	166,418.00	14,500.00	180,918.00	180,728.10	189.90
Misc. Purchased Svc. - Transp.	3,000.00	(2,852.90)	147.10	147.10	-
General Supplies	3,060.00	(1,500.00)	1,560.00	1,131.72	428.28
Transportation Supplies	6,000.00	(2,500.00)	3,500.00	3,473.81	26.19
Misc. Expenditures	500.00	(419.00)	81.00	81.00	-
Total Undistributed Expenditures - Student Transportation Services	591,997.00	19,787.82	611,784.82	605,328.09	6,456.73
Unallocated Benefits:					
Social Security Contributions	133,700.00	43,937.00	177,637.00	177,636.94	0.06
Other Retirement Contributions - PERS	200,045.00	(15,000.00)	185,045.00	184,536.72	508.28
Unemployment Compensation	30,000.00	(26,286.00)	3,714.00	414.00	3,300.00
Workmen's Compensation	110,000.00	(5,067.00)	104,933.00	81,871.15	23,061.85
Health Benefits	1,942,661.00	2,987.00	1,945,648.00	1,906,014.43	39,633.57
Tuition Reimbursement	90,000.00	(31,436.64)	58,563.36	49,596.81	8,966.55
Other Employee Benefits	98,500.00	(8,500.00)	90,000.00	88,969.64	1,030.36
Total Unallocated Benefits	2,604,906.00	(39,365.64)	2,565,540.36	2,489,039.69	76,500.67
On-Behalf T.P.A.F. Pension Contributions Post Retirement (non-budgeted)	-	-	-	819,873.00	(819,873.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)	-	-	-	435,993.35	(435,993.35)
Total On-behalf Contributions	-	-	-	1,255,866.35	(1,255,866.35)
Total Undistributed Expenditures	10,115,525.00	(69,172.93)	10,046,352.07	10,894,790.39	(848,438.32)
Total Current Expense	14,925,464.00	571.00	14,926,035.00	15,764,422.98	(838,387.98)

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Capital Outlay:					
Undistributed Expenditures					
Interest Deposit to Capital Reserve	\$ 3,000.00	\$ -	\$ 3,000.00	\$ -	3,000.00
Grades 1-5	12,000.00	-	12,000.00	834.12	11,165.88
Grades 6-8	12,000.00	-	12,000.00	7,852.00	4,148.00
School Administration	10,000.00	(7,000.00)	3,000.00		3,000.00
Central Services	15,000.00	(2,000.00)	13,000.00		13,000.00
Admin Information Technology	48,000.00	-	48,000.00	47,500.99	499.01
Custodial Services	-	45,994.12	45,994.12	45,635.00	359.12
Security	12,000.00	(10,000.00)	2,000.00		2,000.00
Total Equipment	109,000.00	26,994.12	135,994.12	101,822.11	34,172.01
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	20,000.00	-	20,000.00	18,724.60	1,275.40
Lease Purchase Agreements - Principal	152,651.00	-	152,651.00	99,641.35	53,009.65
Assessment for Debt Service on SDA Funding	6,443.00	-	6,443.00	6,443.00	-
Total Facilities Acquisition and Construction Services	179,094.00	-	179,094.00	124,808.95	54,285.05
Total Capital Outlay	291,094.00	26,994.12	318,088.12	226,631.06	91,457.06
Total Expenditures	15,216,558.00	27,565.12	15,244,123.12	15,991,054.04	(746,930.92)
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures	(511,963.00)	(26,994.12)	(538,957.12)	(35,700.12)	503,257.00
Other Financing Sources (Uses):					
Capital Outlay Transfer to Capital Projects	(80,000.00)	-	(80,000.00)	(79,956.37)	(43.63)
Capital Reserve Transfer to Capital Projects	(420,000.00)	26,994.12	(393,005.88)	(381,564.63)	(11,441.25)
Capital Reserve Transfer to Debt Service	(134,103.00)	-	(134,103.00)	(134,103.00)	-
Transfer from Other Funds - Enterprise Fund Tuition Program	200,000.00		200,000.00	200,000.00	-
Total Other Financing Sources (Uses)	(434,103.00)	26,994.12	(407,108.88)	(395,624.00)	(11,484.88)
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures	(946,066.00)	0.00	(946,066.00)	(431,324.12)	514,741.88
Other Financing Sources (Uses)					
Fund Balances, July 1	3,119,053.97		3,119,053.97	3,119,053.97	
Fund Balances, June 30	2,172,987.97	0.00	2,172,987.97	2,687,729.85	514,741.88

(Continued)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund

For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
Recapitulation:					
Restricted:					
Maintenance Reserve				\$ 40,001.00	
Maintenance Reserve - Designated to 2013/2014 Budget				60,000.00	
Emergency Reserve				94,872.00	
Emergency Reserve - Designated to 2013/2014 Budget				89,128.00	
Capital Reserve				119,830.98	
Capital Reserve - Designated to 2013/2014 Budget				660,000.00	
Excess Surplus - Current Year				282,346.14	
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures				916,409.00	
Assigned:					
Year-End Encumbrances				101,589.56	
Unassigned				323,553.17	
				<u>2,687,729.85</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
June 2013 State Aid Payments Not Recognized on GAAP Basis				<u>(609,055.00)</u>	
				<u>\$ 2,078,674.85</u>	

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund -- Education Jobs Fund

For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Federal Sources:					
Education Stabilization Funds	\$ 571.00	-	\$ 571.00	\$ 571.00	-
Total Revenues	571.00	-	571.00	571.00	-
EXPENDITURES:					
Unallocated Benefits - Employee Benefits:					
Health Benefits	571.00	-	571.00	571.00	-
Total Undistributed Expenditures	571.00	-	571.00	571.00	-
Total Expenditures	571.00	-	571.00	571.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	-	\$ -	-	-

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
State Sources:					
Preschool Education Aid	\$ 125,060.00	\$ -	\$ 125,060.00	\$ 115,608.63	\$ (9,451.37)
Total - State Sources	<u>125,060.00</u>	<u>-</u>	<u>125,060.00</u>	<u>115,608.63</u>	<u>(9,451.37)</u>
Federal Sources:					
Title I	216,192.00	63,789.00	279,981.00	249,653.56	(30,327.44)
Title II A	24,159.00	(1,060.00)	23,099.00	1,979.00	(21,120.00)
Title III	14,038.00	4,417.00	18,455.00	14,320.47	(4,134.53)
Title III, Immigration	-	2,444.00	2,444.00	-	(2,444.00)
Race to the Top	-	20,256.00	20,256.00	14,778.69	(5,477.31)
I.D.E.I.A., Part B, Preschool	-	11,719.00	11,719.00	11,756.57	37.57
I.D.E.I.A., Part B, Basic	237,769.00	19,563.00	257,332.00	246,713.42	(10,618.58)
Total - Federal Sources	<u>492,158.00</u>	<u>121,128.00</u>	<u>613,286.00</u>	<u>539,201.71</u>	<u>(74,084.29)</u>
Total Revenues	<u>\$ 617,218.00</u>	<u>\$ 121,128.00</u>	<u>\$ 738,346.00</u>	<u>\$ 654,810.34</u>	<u>\$ (83,535.66)</u>
					(Continued)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 203,109.44	\$ 14,215.72	\$ 217,325.16	\$ 179,089.88	\$ 38,235.28
Other Salaries for Instruction	107,577.01	22,876.83	130,453.84	143,020.38	(12,566.54)
Tuition to Other LEA's Within the State				258,469.99	(258,469.99)
Purchased Professional and Technical Services	235,346.49	21,985.51	257,332.00	600.00	256,732.00
General Supplies	5,603.00	14,643.00	20,246.00	939.84	19,306.16
Total Instruction	<u>551,635.94</u>	<u>73,721.06</u>	<u>625,357.00</u>	<u>582,120.09</u>	<u>43,236.91</u>
Support Services:					
Salaries of Secretarial and Clerical Assistants	10,980.80	8,230.20	19,211.00	6,732.54	12,478.46
Personal Services - Employee Benefits	33,978.51	3,892.21	37,870.72	15,629.02	22,241.70
Purchased Professional and Technical Services	-	19,131.28	19,131.28	36,370.59	(17,239.31)
Supplies and Materials	20,622.75	16,153.25	36,776.00	13,958.10	22,817.90
Total Support Services	<u>65,582.06</u>	<u>47,406.94</u>	<u>112,989.00</u>	<u>72,690.25</u>	<u>40,298.75</u>
Total Expenditures	<u>617,218.00</u>	<u>121,128.00</u>	<u>738,346.00</u>	<u>654,810.34</u>	<u>83,535.66</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2013

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 15,955,353.92	\$ 654,810.34
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		-
Prior Year		-
The June 2012 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	594,097.00	11,802.50
The June 2013 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	<u>(609,055.00)</u>	<u>(12,506.00)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 15,940,395.92</u>	<u>\$ 654,106.84</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 15,991,054.04	\$ 654,810.34
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		-
Prior Year		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 15,991,054.04</u>	<u>\$ 654,810.34</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2013

	<u>Title I</u>	<u>N.C.L.B. Title II A</u>	<u>Title III</u>	<u>I.D.E.I.A Part B, Basic</u>	<u>I.D.E.I.A Part B, Preschool</u>	<u>Race to the Top</u>	<u>Preschool Education Aid</u>
REVENUES:							
Federal Sources	\$ 539,201.71	\$ 1,979.00	\$ 14,320.47	\$ 246,713.42	\$ 11,756.57	\$ 14,778.69	\$ 115,608.63
State Sources	115,608.63						
Total Revenues	<u>654,810.34</u>	<u>1,979.00</u>	<u>14,320.47</u>	<u>246,713.42</u>	<u>11,756.57</u>	<u>14,778.69</u>	<u>115,608.63</u>
EXPENDITURES:							
Instruction:							
Salaries of Teachers	179,089.88						114,949.96
Other Salaries for Instruction	143,020.38		12,275.82				
Tuition to Other LEA's Within the State	258,469.99		600.00	246,713.42	11,756.57		
Purchased Professional and Technical Services	600.00						
General Supplies	939.84						658.67
Total Instruction	<u>582,120.09</u>	<u>-</u>	<u>12,875.82</u>	<u>246,713.42</u>	<u>11,756.57</u>	<u>-</u>	<u>115,608.63</u>
Support Services:							
Salaries of Secretarial and Clerical Assistants	6,732.54						
Personal Services - Employee Benefits	15,629.02	1,979.00	1,444.65			820.59	
Purchased Professional and Technical Services	36,370.59					13,958.10	
Supplies and Materials	13,958.10						
Total Support Services	<u>72,690.25</u>	<u>1,979.00</u>	<u>1,444.65</u>	<u>-</u>	<u>-</u>	<u>14,778.69</u>	<u>-</u>
Total Expenditures	<u>\$ 654,810.34</u>	<u>\$ 1,979.00</u>	<u>\$ 14,320.47</u>	<u>\$ 246,713.42</u>	<u>\$ 11,756.57</u>	<u>\$ 14,778.69</u>	<u>\$ 115,608.63</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - All Programs
Budgetary Basis
For the Fiscal Year Ended June 30, 2013

DISTRICT-WIDE TOTAL	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 114,949.96	\$ 114,949.96	\$ -
General Supplies	5,603.00	658.67	4,944.33
Total Instruction	<u>120,552.96</u>	<u>115,608.63</u>	<u>4,944.33</u>
Support Services:			
Personal Services - Employee Benefits	4,507.04		4,507.04
Total Expenditures	<u>\$ 125,060.00</u>	<u>\$ 115,608.63</u>	<u>\$ 9,451.37</u>

CALCULATION OF BUDGET AND CARRYOVER

Total 2012-13 Preschool Education Aid Allocation	\$ 125,060.00
Actual ECPA Carryover (June 30, 2012)	-
Add: Actual Transfer from General Fund 2012-13	<u>-</u>
Total Preschool Education Aid Funds Available for 2012-13 Budget	125,060.00
Less: 2012-13 Budgeted Preschool Education Aid (Including Prior Year Budgeted Carryover)	<u>(125,060.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2013	-
Add: 2012-13 Unexpended Preschool Education Aid	<u>9,451.37</u>
2012-13 Carryover - Preschool Education Aid	<u>\$ 9,451.37</u>
2012-13 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2013-2014	<u>\$ 9,451.37</u>

CAPITAL PROJECTS FUND

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2013

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>EDA Grant Receivable Canceled</u>	<u>Other Financing Uses</u>	<u>Unexpended Balance June 30, 2012</u>
			<u>Prior Years</u>	<u>Current Year</u>			
Mildred Magowan School Renovations	06/15/09	\$ 870,577.00	\$ 651,527.00	\$ -			\$ 219,050.00
Samuel Ridgway School Renovations	06/15/09	693,096.00	460,764.00				232,332.00
		<u>\$ 1,563,673.00</u>	<u>\$ 1,112,291.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 451,382.00</u>
State of New Jersey Receivable not Earned per GAAP Basis							<u>(215,102.94)</u>
Fund Balance GAAP Basis (B-2)							<u>\$ 236,279.06</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Revenue, Expenditure, and Change in Fund Balances--Budgetary Basis
 For the Fiscal Year Ended June 30, 2013

Revenues and Other Financing Sources	
Transfer form Capital Outlay	\$ 79,956.37
Transfer form Capital Reserve	<u>381,564.63</u>
Total Revenues	<u>461,521.00</u>
Expenditures and Other Financing Uses	
Construction Services	<u>461,521.00</u>
Total Expenditures and Other Financing Uses	<u>461,521.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
Fund Balance -- July 1	<u>451,381.99</u>
Fund Balance -- June 30	<u><u>\$ 451,381.99</u></u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Mildred Magowan School Renovations
 From Inception and For the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant	\$ 516,305.00	\$ -	\$ 516,305.00	\$ 516,305.00
Proceeds from Lease Purchase	300,000.00		300,000.00	300,000.00
Transfer from Capital Reserve	54,272.00		54,272.00	54,272.00
	<u>870,577.00</u>	<u>-</u>	<u>870,577.00</u>	<u>870,577.00</u>
Total Revenues				
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	48,047.00		48,047.00	48,047.00
Construction Services	603,480.00		603,480.00	603,480.00
	<u>651,527.00</u>	<u>-</u>	<u>651,527.00</u>	<u>651,527.00</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 219,050.00</u>	<u>\$ -</u>	<u>\$ 219,050.00</u>	<u>\$ 219,050.00</u>
Additional Project Information:				
Project Number	1280-050-09-1001			
Grant Date	02/26/09			
Lease Authorization Date	06/15/09			
Lease Authorized	06/15/09			
Lease Issued	\$ 300,000.00			
Original Authorized Cost	\$ 816,305.00			
Additional Authorized Cost	54,272.00			
Revised Authorized Cost	\$ 816,305.00			
Percentage Increase over Original Authorized Cost	6.65%			
Percentage Completion	100.00%			
Original Target Completion Date	12/31/11			
Revised Target Completion Date	12/31/11			

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
Samuel Ridgway School Renovations
From Inception and For the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant	\$ 393,096.00	\$ -	\$ 393,096.00	\$ 393,096.00
Proceeds from Lease Purchase	300,000.00		300,000.00	300,000.00
Total Revenues	<u>693,096.00</u>	<u>-</u>	<u>693,096.00</u>	<u>693,096.00</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	44,624.00		44,624.00	44,624.00
Construction Services	416,140.00		416,140.00	416,140.00
Total Expenditures	<u>460,764.00</u>	<u>-</u>	<u>460,764.00</u>	<u>460,764.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 232,332.00</u>	<u>\$ -</u>	<u>\$ 232,332.00</u>	<u>\$ 232,332.00</u>
Additional Project Information:				
Project Number	1280-070-09-1002			
Grant Date	02/26/09			
Lease Authorization Date	06/15/09			
Lease Authorized	06/15/09			
Lease Issued	\$ 300,000.00			
Original Authorized Cost	\$ 693,096.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 693,096.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	12/31/11			
Revised Target Completion Date	12/31/11			

PROPRIETARY FUNDS

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Net Position
 June 30, 2013

	<u>Food Service</u>	<u>After School Program</u>	<u>Tuition Program</u>	<u>Total</u>
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 24,203.85	\$ 615,267.89	\$ 367,860.22	\$ 1,007,331.96
Accounts Receivable:				
State	255.27			255.27
Federal	13,456.64			13,456.64
Other		6,533.50	6,000.00	12,533.50
Inventories	<u>9,535.07</u>			<u>9,535.07</u>
Total Current Assets	<u>47,450.83</u>	<u>621,801.39</u>	<u>373,860.22</u>	<u>1,043,112.44</u>
Noncurrent Assets:				
Furniture, Machinery and Equipment	194,352.77			194,352.77
Less Accumulated Depreciation	<u>(155,309.63)</u>			<u>(155,309.63)</u>
Total Noncurrent Assets	<u>39,043.14</u>	<u>-</u>	<u>-</u>	<u>39,043.14</u>
Total Assets	<u>86,493.97</u>	<u>621,801.39</u>	<u>373,860.22</u>	<u>1,082,155.58</u>
LIABILITIES:				
Current Liabilities:				
Accounts Payable	<u>200.00</u>			<u>200.00</u>
Total Current Liabilities	<u>200.00</u>	<u>-</u>	<u>-</u>	<u>200.00</u>
NET POSITION:				
Net Investment in Capital Assets	39,043.14	-	-	39,043.14
Unrestricted	<u>47,250.83</u>	<u>621,801.39</u>	<u>373,860.22</u>	<u>1,042,912.44</u>
Total Net Position	<u>\$ 86,293.97</u>	<u>\$ 621,801.39</u>	<u>\$ 373,860.22</u>	<u>\$ 1,081,955.58</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2013

	<u>Food Service</u>	<u>After School Program</u>	<u>Tuition Program</u>	<u>Totals</u>
OPERATING REVENUES:				
Charges for Services:				
Daily Sales - Reimbursable	\$ 84,959.18	\$ -	\$ -	\$ 84,959.18
Daily Sales - Non-Reimbursable	47,447.95			47,447.95
Program Fees		188,808.50	411,437.59	600,246.09
Total Operating Revenues	<u>132,407.13</u>	<u>188,808.50</u>	<u>411,437.59</u>	<u>732,653.22</u>
OPERATING EXPENSES:				
Salaries and Benefits	168,680.49	166,815.08	792,099.98	1,127,595.55
Supplies and Materials	8,242.82	2,342.14	9,292.63	19,877.59
Cost of Sales	180,489.00			180,489.00
Management Fee	15,306.53			15,306.53
Purchased Professional Educational Services	1,887.39			1,887.39
Depreciation	3,779.11			3,779.11
Rental Costs			4,468.12	4,468.12
Utilities			5,055.08	5,055.08
Miscellaneous	12,144.12	125.00	1,638.00	13,907.12
Total Operating Expenses	<u>390,529.46</u>	<u>169,282.22</u>	<u>812,553.81</u>	<u>1,372,365.49</u>
Operating Income / (Loss)	<u>(258,122.33)</u>	<u>19,526.28</u>	<u>(401,116.22)</u>	<u>(639,712.27)</u>
NONOPERATING REVENUES:				
State Sources:				
State School Lunch Program	4,637.22			4,637.22
Federal Sources:				
National School Lunch Program	186,602.53			186,602.53
National School Breakfast Program	33,239.36			33,239.36
Special Milk Program	1,124.56			1,124.56
Snack Program	5,211.33			5,211.33
Food Distribution Program	31,162.67			31,162.67
Local Sources:				
Interest Earnings			907.14	907.14
Total Nonoperating Revenues	<u>261,977.67</u>	<u>-</u>	<u>907.14</u>	<u>262,884.81</u>
Income (Loss) before Contributions and Transfers	<u>3,855.34</u>	<u>19,526.28</u>	<u>(400,209.08)</u>	<u>(376,827.46)</u>
Contributions and Transfers:				
Transfer to - General Fund			(200,000.00)	(200,000.00)
Transfer to - Debt Service Fund			(14,614.34)	(14,614.34)
Total Contributions and Transfers	<u>-</u>	<u>-</u>	<u>(214,614.34)</u>	<u>(214,614.34)</u>
Change in Net Position	3,855.34	19,526.28	(614,823.42)	(591,441.80)
Net Position -- July 1	<u>82,438.63</u>	<u>602,275.11</u>	<u>988,683.64</u>	<u>1,673,397.38</u>
Net Position -- June 30	<u>\$ 86,293.97</u>	<u>\$ 621,801.39</u>	<u>\$ 373,860.22</u>	<u>\$ 1,081,955.58</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2013

	<u>Food Service</u>	<u>After School Program</u>	<u>Tuition Program</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from Customers	\$ 132,407.13	\$ 183,715.50	\$ 420,017.59	\$ 736,140.22
Payments to Employees	(168,680.49)	(166,815.08)	(792,099.98)	(1,127,595.55)
Payments to Suppliers	(189,618.00)	(2,467.14)	(20,453.83)	(212,538.97)
Net Cash Provided by (used for) Operating Activities	<u>(225,891.36)</u>	<u>14,433.28</u>	<u>(392,536.22)</u>	<u>(603,994.30)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Federal and State Sources	225,746.83			225,746.83
Transfer to Other Funds			(214,614.34)	(214,614.34)
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>225,746.83</u>		<u>(214,614.34)</u>	<u>11,132.49</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of Capital Assets	(25,502.00)	-	-	(25,502.00)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(25,502.00)</u>	<u>-</u>	<u>-</u>	<u>(25,502.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest Earnings	-	-	907.14	907.14
Net Cash Provided by (used for) Investing Activities	<u>-</u>	<u>-</u>	<u>907.14</u>	<u>907.14</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(25,646.53)	14,433.28	(606,243.42)	(617,456.67)
Cash and Cash Equivalents -- July 1	49,850.38	600,834.61	974,103.64	1,624,788.63
Cash and Equivalents -- June 30	<u>\$ 24,203.85</u>	<u>\$ 615,267.89</u>	<u>\$ 367,860.22</u>	<u>\$ 1,007,331.96</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ (258,122.33)	\$ 19,526.28	\$ (401,116.22)	\$ (639,712.27)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Depreciation	3,779.11			
Food Distribution Program	31,162.67			
(Increase) Decrease in Inventories	(1,166.81)			(1,166.81)
(Increase) Decrease in Accounts Receivables		(5,093.00)	8,580.00	3,487.00
Increase (Decrease) in Accounts Payable	(1,544.00)			(1,544.00)
Total Adjustments	<u>32,230.97</u>	<u>(5,093.00)</u>	<u>8,580.00</u>	<u>776.19</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (225,891.36)</u>	<u>\$ 14,433.28</u>	<u>\$ (392,536.22)</u>	<u>\$ (638,936.08)</u>

FIDUCIARY FUNDS

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

	<u>Trust Funds</u>	<u>Agency Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:				
Cash and Cash Equivalents	\$ 44,766.36	\$ 65,372.56	\$ -	\$ 110,138.92
Total Assets	<u>44,766.36</u>	<u>65,372.56</u>	<u>-</u>	<u>110,138.92</u>
LIABILITIES:				
Payable to Student Groups	<u>-</u>	<u>65,372.56</u>	<u>-</u>	<u>65,372.56</u>
Total Liabilities	<u>-</u>	<u>\$ 65,372.56</u>	<u>\$ -</u>	<u>65,372.56</u>
NET POSITION:				
Scholarships Held in Trust for Unemployment Claims and Other Purposes	<u>44,766.36</u>			<u>44,766.36</u>
Total Net Position	<u>\$ 44,766.36</u>			<u>\$ 44,766.36</u>

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

	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
District Budget	\$ 414.00
Employee Payroll Deductions	<u>13,166.23</u>
Total Contributions	<u>13,580.23</u>
Investment Earnings:	
Interest	<u>46.52</u>
Net Investment Earnings	<u>46.52</u>
 Total Additions	 <u>13,626.75</u>
DEDUCTIONS:	
Unemployment Claims	<u>6,210.28</u>
Total Deductions	<u>6,210.28</u>
 Change in Net Position	 7,416.47
Net Position -- July 1	<u>37,349.89</u>
Net Position -- June 30	<u><u>\$ 44,766.36</u></u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2013

	<u>Balance</u> <u>June 30, 2012</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2013</u>
Ridgway School	\$ 18,340.00	\$ 41,384.91	\$ 35,570.61	\$ 24,154.30
Magowan School	18,225.99	22,537.10	16,022.42	24,740.67
Superintendent Special	1,000.31	0.19	1,000.31	0.19
Student Council	845.00	485.30	540.00	790.30
Music	1,159.00	14,170.04	14,479.51	849.53
Pepsi Sales	506.00	493.35	199.78	799.57
Fisherman Club	6.92			6.92
PBSIS	3,474.00	5,093.51	3,033.00	5,534.51
Magowan Donations	<u>10,514.22</u>	<u>11,485.12</u>	<u>13,502.77</u>	<u>8,496.57</u>
Total all schools	<u>\$ 54,071.44</u>	<u>\$ 95,649.52</u>	<u>\$ 84,348.40</u>	<u>\$ 65,372.56</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2013

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
ASSETS:				
Cash and Cash Equivalents	\$ -	\$ 11,121,530.30	\$ 11,121,530.30	\$ -
Total Assets	<u>\$ -</u>	<u>\$ 11,121,530.30</u>	<u>\$ 11,121,530.30</u>	<u>\$ -</u>
LIABILITIES:				
Net Payroll	\$ -	\$ 5,101,719.09	\$ 5,101,719.09	\$ -
Payroll Deductions and Withholdings		6,019,654.17	6,019,654.17	-
Interfund Payable:				
General Fund Interest Earnings		157.04	157.04	-
Total Liabilities	<u>\$ -</u>	<u>\$ 11,121,530.30</u>	<u>\$ 11,121,530.30</u>	<u>\$ -</u>

LONG-TERM DEBT

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2013

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2012</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance June 30, 2013</u>
			<u>Date</u>	<u>Amount</u>					
School Addition	08/15/06	\$ 2,366,000.00	02/01/13-15	\$ 233,000.00	4.000%	\$ 938,000.00	\$ -	\$ 233,000.00	\$ 705,000.00
			02/01/16	239,000.00	4.000%				

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2013

<u>Series</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue Principal</u>	<u>Interest</u>	<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2012</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2013</u>
Ground Lease	07/08/09	5 Years	\$ 600,000.00	\$ 58,605.00	3.70%	\$ 202,969.44	-	\$ 99,641.35	\$ 103,328.09

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Budgetary Comparison Schedule

Debt Service Fund

For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
State Sources:					
Debt Service Aid Type II	\$ 91,977.00	-	\$ 91,977.00	\$ 91,977.00	\$ -
Total Revenues	91,977.00	-	91,977.00	91,977.00	-
EXPENDITURES:					
Regular Debt Service:					
Interest	49,000.00	-	49,000.00	37,520.00	(11,480.00)
Redemption of Principal	233,000.00	-	233,000.00	233,000.00	-
Total Regular Debt Service	282,000.00	-	282,000.00	270,520.00	(11,480.00)
Total Expenditures	282,000.00	-	282,000.00	270,520.00	(11,480.00)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(190,023.00)	-	(190,023.00)	(178,543.00)	(11,480.00)
Other Financing Sources:					
Transfer in from Enterprise Fund - Tuition Program				14,614.34	14,614.34
Transfer in from Capital Reserve	134,103.00	-	134,103.00	134,103.00	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(55,920.00)	-	(55,920.00)	(29,825.66)	3,134.34
Fund Balance, July 1	55,920.66	-	55,920.66	55,920.66	-
Fund Balance, June 30	\$ 0.66	-	\$ 0.66	\$ 26,095.00	\$ 3,134.34

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net Investment in Capital Assets	\$ 1,032,516.00	\$ 884,311.00	\$ (1,356,210.00)	\$ 822,925.00	\$ 928,888.00	\$ 701,504.00	\$ 2,378,037.00	\$ 2,716,856.00	\$ 2,402,879.00	\$ 3,027,183.62
Restricted for:										
Special Revenue				289,595.00	277,216.00	600,000.00	59,851.00	1,722,439.00	236,279.00	1,016,110.04
Capital Projects	29,253.00	30,854.00	2,268,491.00	50,733.00	50,716.00	243,504.00	243,660.00	56,076.00	55,920.00	14,345.00
Debt Services				944,403.00	1,344,435.00	1,984,839.00	2,213,903.00	969,902.00	2,818,173.00	861,195.14
Other Purposes	1,222,883.00	1,307,578.00	898,773.00	(656,045.00)	(804,147.00)	(1,014,507.00)	(1,025,217.00)	(1,007,367.00)	(848,256.00)	(62,801.62)
Unrestricted	(638,030.00)	(751,003.00)	(636,652.00)	\$ 1,451,611.00	\$ 1,797,108.00	\$ 2,515,340.00	\$ 4,106,513.00	\$ 4,457,906.00	\$ 4,664,995.00	\$ 4,856,032.18
Total Governmental Activities Net Position	\$ 1,646,622.00	\$ 1,471,740.00	\$ 1,174,402.00	\$ 1,451,611.00	\$ 1,797,108.00	\$ 2,515,340.00	\$ 4,106,513.00	\$ 4,457,906.00	\$ 4,664,995.00	\$ 4,856,032.18
Business-Type Activities										
Net Investment in Capital Assets	\$ 31,962.00	\$ 19,639.00	\$ 18,551.00	\$ 29,407.00	\$ 25,034.00	\$ 20,662.00	\$ 20,298.00	\$ 16,835.00	\$ 17,320.00	\$ 39,043.14
Unrestricted	848,432.00	1,168,707.00	1,354,594.00	1,200,072.00	1,495,119.00	1,593,384.00	1,614,260.00	1,666,276.00	1,656,077.00	1,042,912.44
Total Business-Type Activities Net Position	\$ 880,394.00	\$ 1,188,346.00	\$ 1,373,145.00	\$ 1,229,479.00	\$ 1,520,153.00	\$ 1,614,046.00	\$ 1,634,558.00	\$ 1,683,111.00	\$ 1,673,397.00	\$ 1,081,955.58
District-Wide										
Net Investment in Capital Assets	\$ 1,064,478.00	\$ 903,950.00	\$ (1,337,659.00)	\$ 852,332.00	\$ 953,922.00	\$ 722,166.00	\$ 2,398,335.00	\$ 2,733,691.00	\$ 2,420,199.00	\$ 3,066,226.76
Restricted for:										
Special Revenue				289,595.00	277,216.00	600,000.00	59,851.00	1,722,439.00	236,279.00	1,016,110.04
Capital Projects	29,253.00	30,854.00	2,268,491.00	50,733.00	50,716.00	243,504.00	243,660.00	56,076.00	55,920.00	14,345.00
Debt Services				944,403.00	1,344,435.00	1,984,839.00	2,213,903.00	969,902.00	2,818,173.00	861,195.14
Other Purposes	1,222,883.00	1,307,578.00	898,773.00	(656,045.00)	(804,147.00)	(1,014,507.00)	(1,025,217.00)	(1,007,367.00)	(848,256.00)	(62,801.62)
Unrestricted	210,402.00	417,704.00	717,942.00	544,027.00	690,972.00	578,877.00	589,043.00	658,909.00	807,821.00	980,110.82
Total District Net Position	\$ 2,527,016.00	\$ 2,660,086.00	\$ 2,547,547.00	\$ 2,681,090.00	\$ 3,317,261.00	\$ 4,129,386.00	\$ 5,741,071.00	\$ 6,141,017.00	\$ 6,338,392.00	\$ 5,937,987.76

In accordance with GASB 63, effective for the fiscal year ended June 30, 2013, the description and terminology utilized to identify Net Position was changed. See the notes to the financial statements.

Source: District Records

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities										
Instruction:										
Regular	\$ 4,674,639.00	\$ 5,046,386.00	\$ 3,882,238.00	\$ 3,954,977.00	\$ 4,096,225.00	\$ 4,078,792.00	\$ 4,362,150.00	\$ 3,998,979.00	\$ 3,461,004.00	\$ 4,213,669.81
Special Education	922,696.00	877,909.00	646,420.00	667,270.00	643,885.00	585,746.00	629,881.00	672,747.00	914,127.00	785,533.38
Other Instruction	265,544.00	306,548.00	217,672.00	234,904.00	208,503.00	254,895.00	295,098.00	298,916.00	275,705.00	223,510.84
Support Services:										
Tuition	3,348,319.00	3,138,333.00	3,464,835.00	3,231,794.00	3,418,504.00	3,293,997.00	3,230,821.00	3,751,993.00	3,466,698.00	3,334,580.18
Student and Instruction Related Services	1,538,996.00	1,587,882.00	1,238,446.00	1,168,325.00	1,124,607.00	1,448,990.00	1,354,787.00	1,430,520.00	1,508,836.00	1,388,114.38
School Administrative Services	360,682.00	392,233.00	316,877.00	363,165.00	380,253.00	334,038.00	377,882.00	377,620.00	420,180.00	337,431.35
General and Business Administrative Services	396,632.00	739,966.00	676,517.00	593,335.00	603,082.00	628,155.00	645,400.00	657,265.00	664,693.00	404,098.90
Central Services	179,634.00									265,543.43
Administrative Information Technology										109,313.70
Plant Operations and Maintenance	915,992.00	960,445.00	744,313.00	918,995.00	988,082.00	1,247,774.00	729,597.00	942,418.00	826,412.00	1,123,567.11
Pupil Transportation	572,721.00	543,194.00	540,434.00	592,448.00	573,872.00	580,545.00	541,161.00	552,677.00	501,700.00	614,394.69
Unallocated Benefits			2,516,307.00	3,061,445.00	3,180,355.00	2,722,279.00	3,007,955.00	3,006,220.00	3,314,531.00	3,689,828.04
Special Schools	3,344.00	2,650.00	6,000.00	12,724.00	13,405.00	14,738.00	12,244.00			
Interest on Long-Term Debt				45,555.00	82,391.00	73,635.00	88,177.00	52,107.00	42,956.00	40,079.67
Unallocated Depreciation	39,495.00	39,495.00	39,494.00	53,900.00	74,852.00	77,900.00	77,150.00	83,477.00	158,306.00	168,588.54
Total Governmental Activities Expenses	13,218,694.00	13,615,041.00	14,289,553.00	14,898,837.00	15,388,016.00	15,341,424.00	15,352,303.00	15,824,939.00	15,555,148.00	16,698,254.02
Business-Type Activities:										
Food Service										
After School Program	218,093.00	262,150.00	267,151.00	284,162.00	271,939.00	332,400.00	361,489.00	358,309.00	379,474.00	390,529.46
Tuition Program	50,499.00	58,888.00	86,318.00	80,775.00	103,738.00	123,298.00	111,190.00	109,262.00	143,154.00	169,282.22
Total Business-Type Activities Expense	790,806.00	722,518.00	881,619.00	693,497.00	696,441.00	839,909.00	839,909.00	916,597.00	815,044.00	812,553.81
Total District Expenses	1,059,398.00	1,043,536.00	1,237,088.00	1,058,434.00	1,072,118.00	1,373,997.00	1,312,588.00	1,384,568.00	1,337,672.00	1,372,365.49
Total District Expenses	\$ 14,278,092.00	\$ 14,658,577.00	\$ 15,526,641.00	\$ 15,957,271.00	\$ 16,440,134.00	\$ 16,715,421.00	\$ 16,664,891.00	\$ 17,209,507.00	\$ 16,892,820.00	\$ 18,070,619.51

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Program Revenues										
Governmental Activities:										
Operating Grants and Contributions	\$ 2,063,683.00	\$ 2,207,835.00	\$ 2,275,786.00	\$ 2,608,825.00	\$ 2,951,109.00	\$ 1,867,115.00	\$ 1,920,292.00	\$ 1,868,202.00	\$ 1,888,983.00	\$ 2,002,653.69
Total Governmental Activities Program Revenues	\$ 2,063,683.00	\$ 2,207,835.00	\$ 2,275,786.00	\$ 2,608,825.00	\$ 2,951,109.00	\$ 1,867,115.00	\$ 1,920,292.00	\$ 1,868,202.00	\$ 1,888,983.00	\$ 2,002,653.69
Business-Type Activities:										
Charges for Services:										
Food Service	77,969.00	98,533.00	90,316.00	114,385.00	108,967.00	166,223.00	160,664.00	152,709.00	155,982.00	132,407.13
After School Program	118,829.00	130,371.00	129,146.00	125,593.00	170,514.00	199,996.00	159,446.00	164,875.00	158,922.00	186,808.50
Tuition Program	981,986.00	1,025,445.00	1,176,398.00	791,163.00	988,302.00	1,013,234.00	969,735.00	1,054,004.00	875,506.00	411,437.59
Operating Grants and Contributions	125,118.00	135,594.00	128,893.00	131,652.00	152,809.00	169,145.00	211,314.00	201,438.00	230,425.00	261,977.67
Total Business-Type Activities Program Revenues	1,303,872.00	1,389,943.00	1,528,853.00	1,162,793.00	1,390,592.00	1,548,598.00	1,501,159.00	1,573,028.00	1,420,835.00	994,630.89
Total District Program Revenues	\$ 3,367,555.00	\$ 3,597,778.00	\$ 3,802,639.00	\$ 3,771,618.00	\$ 4,341,701.00	\$ 3,415,713.00	\$ 3,421,451.00	\$ 3,441,228.00	\$ 3,309,818.00	\$ 2,997,284.58
Net (Expense)/Revenue										
Governmental Activities	(11,155,011.00)	(11,407,206.00)	(12,013,767.00)	(12,290,012.00)	(12,416,907.00)	(13,474,309.00)	(13,432,011.00)	(13,956,737.00)	(13,666,165.00)	(14,695,600.33)
Business-Type Activities	244,474.00	346,407.00	289,765.00	104,359.00	318,474.00	174,601.00	188,571.00	188,459.00	83,163.00	(377,734.60)
Total District-Wide Net Expense	\$ (10,910,537.00)	\$ (11,060,799.00)	\$ (11,724,002.00)	\$ (12,185,653.00)	\$ (12,098,433.00)	\$ (13,299,708.00)	\$ (13,243,440.00)	\$ (13,768,279.00)	\$ (13,583,002.00)	\$ (15,073,334.93)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	5,678,203.00	6,016,093.00	6,439,639.00	7,000,303.00	7,317,531.00	7,491,510.00	7,791,170.00	7,960,155.00	7,771,800.00	7,927,236.00
Unrestricted Grants and Contributions	4,889,273.00	5,044,525.00	5,059,243.00	5,043,229.00	5,305,011.00	6,300,808.00	6,152,782.00	6,022,848.00	6,429,017.00	6,601,886.77
Slate Aid Restricted for Capital Projects	35,112.00						694,298.00			
Investment Earnings		20,283.00		1,259.00	982.00	514.00	3,915.00	5,929.00	2,839.00	
Miscellaneous Income	163,898.00	111,423.00	110,815.00	210,539.00	184,936.00	172,163.00	202,158.00	169,398.00	246,381.00	154,703.30
Loss on Disposal of Equipment		40,000.00	106,732.00	311,891.00	(113,972.00)				(676,783.00)	
Transfers					67,916.00	227,546.00	178,841.00	150,000.00	100,000.00	214,614.34
Total Governmental Activities	10,736,486.00	11,232,324.00	11,716,429.00	12,567,221.00	12,762,404.00	14,192,541.00	15,023,184.00	14,308,130.00	13,873,254.00	14,898,440.41
Business-Type Activities:										
Investment Earnings	283.00	1,545.00	1,766.00	63,866.00	40,116.00	13,574.00	11,082.00	9,795.00	3,346.00	907.14
Gain on Disposal of Equipment										
Transfers										
Total Business-Type Activities	283.00	1,545.00	1,766.00	63,866.00	40,116.00	13,574.00	11,082.00	9,795.00	3,346.00	907.14
Total District-Wide	\$ 10,736,769.00	\$ 11,193,869.00	\$ 11,611,463.00	\$ 12,319,196.00	\$ 12,734,604.00	\$ 14,111,833.00	\$ 14,855,405.00	\$ 14,167,925.00	\$ 13,780,377.00	\$ 14,684,733.21
Change in Net Position										
Governmental Activities	(418,525.00)	(174,882.00)	(297,338.00)	(277,209.00)	(345,497.00)	(718,232.00)	(1,591,153.00)	(351,393.00)	(207,089.00)	(202,840.08)
Business-Type Activities	244,757.00	307,952.00	184,799.00	(143,666.00)	290,674.00	93,893.00	20,812.00	48,253.00	(9,714.00)	(591,441.80)
Total District	\$ (173,768.00)	\$ 133,070.00	\$ (112,539.00)	\$ 133,543.00	\$ 636,171.00	\$ 812,125.00	\$ 1,611,965.00	\$ 399,646.00	\$ 197,375.00	\$ (388,601.72)

In accordance with GASB 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed. See the notes to the financial statements.

Source: District Records

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Restricted for:										
Capital Reserve	\$ 29,253.00	\$ 30,854.00	\$ 31,471.00	\$ 32,730.00	\$ 33,712.00	\$ 783,712.00	\$ 787,573.00	\$ 1,486,160.00	\$ 1,244,348.00	\$ 779,830.98
Excess Surplus	505,842.00	708,430.00	190,343.00	754,060.00	590,375.00	303,791.00	559,449.00	72,080.00	916,409.00	1,198,755.14
Emergency Reserve						250,000.00	250,000.00	262,000.00	262,000.00	184,000.00
Maintenance Reserve									100,001.00	100,001.00
Assigned to:										
Year-End Encumbrances							81,523.00			101,589.56
Designated for Subsequent Year's Budget	717,041.00	599,148.00	708,430.00	190,343.00	754,060.00	647,336.00	535,358.00	635,842.00	295,415.00	
Unassigned	106,633.00	(9,098.00)	16,719.00	23,920.00	16,297.00	(307,397.00)	(302,759.00)	(248,157.00)	(293,216.00)	(285,501.83)
Total General Fund	<u>\$ 1,358,769.00</u>	<u>\$ 1,329,334.00</u>	<u>\$ 946,963.00</u>	<u>\$ 1,001,053.00</u>	<u>\$ 1,394,444.00</u>	<u>\$ 1,677,442.00</u>	<u>\$ 1,911,144.00</u>	<u>\$ 2,207,925.00</u>	<u>\$ 2,524,957.00</u>	<u>\$ 2,078,674.85</u>
All Other Governmental Funds										
Unassigned, Reported In:				\$ (38,492.00)	\$ (43,967.00)		\$ 59,851.00			\$ (12,506.00)
Special Revenue Fund										
Restricted, Reported In:										
Capital Projects Fund			\$ 2,237,020.00	256,865.00	243,504.00	\$ 600,000.00	236,279.00	\$ 236,279.00	\$ 236,279.00	236,279.06
Debt Service Fund				50,733.00	50,716.00	243,504.00	243,660.00	56,076.00	55,920.00	26,095.00
Total All Other Governmental Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,237,020.00</u>	<u>\$ 269,106.00</u>	<u>\$ 250,253.00</u>	<u>\$ 843,504.00</u>	<u>\$ 539,790.00</u>	<u>\$ 292,355.00</u>	<u>\$ 292,199.00</u>	<u>\$ 249,868.06</u>

In accordance with GASB 54, effective for the fiscal year ended June 30, 2011, the description and terminology utilized to identify Fund Balance was changed. See the notes to the financial statements.

Source: District Records

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Tax Levy	\$ 5,678,203.00	\$ 6,016,093.00	\$ 6,439,639.00	\$ 7,000,303.00	\$ 7,317,531.00	\$ 7,491,510.00	\$ 7,791,170.00	\$ 7,960,155.00	\$ 7,771,800.00	\$ 7,927,236.00
Transportation Fees		20,283.00							16,428.00	
Interest Earnings				1,259.00	982.00	514.00	3,915.00	5,929.00	2,839.00	
Unrestricted Miscellaneous Revenues	163,898.00	111,423.00	110,815.00	210,539.00	184,936.00	172,163.00	202,158.00	319,398.00	229,953.00	154,703.30
Slate Sources	6,400,833.00	6,583,881.00	6,779,893.00	7,096,564.00	7,645,926.00	7,360,155.00	6,867,774.00	7,065,078.00	7,387,336.00	8,061,297.48
Federal Sources	557,436.00	668,478.00	609,069.00	553,242.00	610,194.00	807,768.00	1,859,598.00	769,305.00	930,664.00	543,242.98
Total revenue	12,800,370.00	13,400,158.00	13,939,416.00	14,861,907.00	15,759,569.00	15,832,110.00	16,764,615.00	16,119,865.00	16,339,020.00	16,686,479.76
Expenditures										
Instruction										
Regular Instruction	3,534,529.00	3,773,206.00	3,831,238.00	3,958,043.00	3,944,836.00	4,133,576.00	4,349,689.00	3,944,400.00	3,639,215.00	4,184,238.47
Special Education Instruction	672,487.00	642,473.00	646,420.00	667,270.00	643,885.00	585,746.00	629,861.00	672,747.00	914,127.00	785,533.38
Other Instruction	198,067.00	228,957.00	217,672.00	234,904.00	208,503.00	254,895.00	295,098.00	298,916.00	275,705.00	223,510.84
Support Services:										
Tuition	3,348,319.00	3,138,333.00	3,464,835.00	3,231,794.00	3,418,504.00	3,293,937.00	3,230,821.00	3,751,993.00	3,466,698.00	3,334,580.18
Student & Inst. Related Services	1,193,063.00	1,221,577.00	1,238,446.00	1,168,325.00	1,124,607.00	1,448,990.00	1,354,787.00	1,430,520.00	1,508,836.00	1,388,114.38
School Administrative Services	262,321.00	287,528.00	316,877.00	363,165.00	380,253.00	334,038.00	377,882.00	377,620.00	420,180.00	404,098.90
General and Business Administrative Services	483,726.00	580,669.00	642,188.00	584,586.00	594,322.00	613,246.00	630,637.00	642,502.00	650,739.00	316,294.67
Central Services										
Administrative Information Technology										
Plant Operations and Maintenance	776,327.00	782,085.00	857,187.00	926,728.00	965,386.00	1,064,002.00	949,257.00	884,385.00	918,784.00	1,057,771.24
Pupil Transportation	530,264.00	499,455.00	526,065.00	576,557.00	556,528.00	561,727.00	523,849.00	535,365.00	489,274.00	605,328.09
Employee Benefits	2,077,195.00	2,219,190.00	2,516,307.00	3,061,445.00	3,180,355.00	2,722,279.00	3,007,955.00	3,006,220.00	3,314,531.00	3,744,906.04
Special Schools	3,344.00	1,925.00	6,000.00	12,724.00	13,405.00	14,738.00	12,244.00			
Capital Outlay	87,480.00	94,195.00	264,299.00	2,040,923.00	106,972.00	449,598.00	1,353,490.00	237,002.00	244,195.00	681,709.06
Debt Service:										
Principal	-	-	-	233,000.00	233,000.00	233,000.00	233,000.00	233,000.00	233,000.00	233,000.00
Interest and Other Charges	-	-	-	45,555.00	82,391.00	73,635.00	64,898.00	55,869.00	46,840.00	43,963.00
Total Expenditures	13,167,122.00	13,469,593.00	14,527,534.00	17,105,019.00	15,452,947.00	15,783,407.00	17,013,468.00	16,070,539.00	16,122,124.00	17,377,905.38
Excess (Deficiency) of Revenues over (under) Expenditures	(366,752.00)	(69,435.00)	(588,118.00)	(2,243,112.00)	306,622.00	48,703.00	(248,853.00)	49,326.00	216,896.00	(691,425.62)
Other Financing Sources (Uses)										
Proceeds from Borrowing										
Transfers In	29,253.00	161,732.00	2,336,035.00	2,248.00	77,804.00	600,000.00	178,895.00	57,342.00	222,149.00	214,614.34
Transfers Out	(29,253.00)	-	(55,000.00)	327,040.00	(9,888.00)	(278,504.00)	(54.00)	(57,342.00)	(122,149.00)	-
Total Other Financing Sources (Uses)	-	-	2,442,767.00	329,288.00	67,916.00	827,546.00	178,841.00	-	100,000.00	214,614.34
Net Change in Fund Balances	\$ (366,752.00)	\$ (69,435.00)	\$ 1,854,649.00	\$ (1,913,824.00)	\$ 374,538.00	\$ 876,249.00	\$ (70,012.00)	\$ 49,326.00	\$ 316,896.00	\$ (476,811.28)
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	1.85%	2.06%	2.00%	1.90%	1.82%	1.76%	1.66%

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.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 General Fund - Other Local Revenue By Source
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Interest	\$ 27,066.00	\$ 51,783.00	\$ 74,565.00	\$ 139,940.00	\$ 69,895.00	\$ 24,040.00	\$ 25,258.00	\$ 25,863.00	\$ 14,218.00	\$ 3,341.05
Tuition	27,876.00	27,628.00			6,061.00	47,215.00	20,783.00	31,965.00	16,428.00	16,428.00
E-Rate							9,541.00	16,352.00	17,426.00	18,122.63
Donations	23,000.00							5,695.00	1,126.00	
Prior Year Refunds	8,363.00	22,002.00			39,180.00	36,456.00	51,284.00	6,440.00	107,084.00	17,260.31
Rentals	61,200.00	8,125.00	36,250.00	71,247.00	65,038.00	62,051.00	90,861.00	88,992.00	68,440.00	75,871.87
Miscellaneous	16,393.00	22,168.00		611.00	5,744.00	2,915.00	8,346.00	20.00	24,498.00	12,761.91
	<u>\$ 163,898.00</u>	<u>\$ 131,706.00</u>	<u>\$ 110,815.00</u>	<u>\$ 211,798.00</u>	<u>\$ 185,918.00</u>	<u>\$ 172,677.00</u>	<u>\$ 206,073.00</u>	<u>\$ 175,327.00</u>	<u>\$ 249,220.00</u>	<u>\$ 127,357.77</u>

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Years
Unaudited

Year	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax - Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2013	\$ 8,068,700	\$ 463,867,700	\$ 1,236,700	\$ 166,900	\$ 65,670,500	\$ 7,351,900	\$ 64,891,400	\$ 611,243,800	\$ 602,419	\$ 611,846,219	\$ 80,212,800	\$ 569,624,761	\$ 1,300
2012	9,118,700	465,201,000	1,236,700	166,900	64,329,500	7,501,900	69,104,400	616,659,100	657,881	617,316,981	79,875,200	587,422,706	1,272
2011	R 9,456,800	469,168,600	1,236,700	166,900	64,429,000	7,614,500	69,402,900	621,475,400	682,336	622,157,736	78,685,200	623,764,882	1,264
2010	3,420,800	238,723,600	602,200	134,700	33,643,600	4,442,100	26,297,800	307,264,800	412,610	307,677,410	43,563,000	638,237,202	2,580
2009	3,518,100	238,411,200	602,200	134,700	34,055,300	4,442,100	28,767,400	309,931,000	394,085	310,325,085	43,593,100	675,262,675	2,462
2008	3,678,100	237,762,400	602,200	134,700	34,417,300	4,442,100	29,717,400	310,754,200	379,967	311,134,167	43,593,100	642,390,317	2,380
2007	3,086,600	237,569,700	602,200	134,700	33,838,100	4,442,100	30,490,400	310,183,800	404,619	310,588,419	44,326,500	578,151,424	2,305
2006	3,314,600	236,006,300	602,000	134,700	34,221,600	4,442,100	30,931,500	309,652,800	456,061	310,108,861	44,380,100	497,610,337	2,167
2005	4,151,800	236,336,300	602,200	134,700	33,648,200	4,442,100	31,181,500	310,496,800	524,611	311,021,411	44,011,900	462,880,497	2,002
2004	4,516,000	233,937,200	602,200	134,700	33,985,700	4,442,100	32,915,000	310,532,900	562,610	311,115,510	43,565,200	410,846,223	1,880

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

b Tax rates are per \$100

R Revaluation Year

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Per \$100.00 of Assessed Valuation

Last Ten Years

Unaudited

Year	School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate (From J-6)	Township of Edgewater Park	Fire District	Burlington County		
2013	\$ 1.300		\$ 1.300	\$ 0.659	\$ 0.053	\$ 0.356	\$ 2.368	
2012	1.272		1.272	0.638	0.053	0.360	2.323	
2011	1.264	R	1.264	0.618	0.051	0.381	2.314	
2010	2.560		2.560	0.193	0.101	0.788	3.642	
2009	2.462		2.462	1.064	0.100	0.828	4.454	
2008	2.380		2.380	0.990	0.100	0.803	4.273	
2007	2.305		2.305	0.941	0.100	0.784	4.130	
2006	2.167		2.167	0.818	0.099	0.710	3.794	
2005	2.002		2.002	0.788	0.097	0.680	3.567	
2004	1.880		1.880	0.660	0.095	0.618	3.253	

Source: Abstract of Ratables for the County of Burlington

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited

<u>Taxpayer</u>	2013			2004		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% to Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% to Total District Net Assessed Value</u>
Edgewater Park Real Estate	\$ 19,350,000.00	1	3.16%			
Edgewater Manor Apartments	18,500,000.00	2	3.02%			
East Coast Woodlane Crossings	15,372,900.00	3	2.51%			
Pathmark Stores	7,872,900.00	4	1.29%			
Rosemar Properties - Woodlane	6,658,000.00	5	1.09%			
Rosemar Properties - Cooper	3,755,200.00	6	0.61%			
Ariel Realty	3,583,400.00	7	0.59%			
Edgewater Partnership	3,355,000.00	8	0.55%			
Burlington Coat Factory Warehouse	3,308,300.00	9	0.54%			
Public Storage Management	3,068,900.00	10	0.50%			
Total	\$ 84,824,600.00		13.86%	-		

Source: Municipal Tax Assessor

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 7,927,236.00	\$ 7,927,236.00	100.00%	-
2012	7,771,800.00	7,771,800.00	100.00%	-
2011	7,960,155.00	7,960,155.00	100.00%	-
2010	7,791,170.00	7,791,170.00	100.00%	-
2009	7,491,510.00	7,491,510.00	100.00%	-
2008	7,317,531.00	7,317,531.00	100.00%	-
2007	7,000,303.00	7,000,303.00	100.00%	-
2006	6,439,639.00	6,439,639.00	100.00%	-
2005	6,016,093.00	6,016,093.00	100.00%	-
2004	5,678,203.00	5,678,203.00	100.00%	-

(1) 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.

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities	Capital Leases	Total District	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Capital Leases					
2013	\$ 705,000.00	\$ 103,328.09	\$ -	\$ 808,328.09	Not Available	Not Available	
2012	938,000.00	202,969.00	-	1,140,969.00	Not Available	Not Available	
2011	1,171,000.00	299,056.00	-	1,470,056.00	0.34%	166	
2010	1,404,000.00	422,872.00	-	1,826,872.00	0.43%	206	
2009	1,637,000.00	645,220.00	-	2,282,220.00	0.64%	296	
2008	1,870,000.00	58,359.00	-	1,928,359.00	0.53%	250	
2007	2,103,000.00	10,452.00	-	2,113,452.00	0.60%	272	
2006	2,336,035.00	20,614.00	-	2,356,649.00	0.69%	298	
2005	-	82,461.00	-	82,461.00	0.03%	10	
2004	-	144,116.00	-	144,116.00	0.05%	18	

(1) Personal income has been estimated based upon the municipal population and per capita

(2) Population information provided by the NJ Dept Of Labor and Workforce Development

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 705,000.00	\$ -	\$ 705,000.00	0.12%	Not Available
2012	938,000.00	-	938,000.00	0.15%	106
2011	1,171,000.00	-	1,171,000.00	0.19%	132
2010	1,404,000.00	-	1,404,000.00	0.46%	158
2009	1,637,000.00	-	1,637,000.00	0.53%	212
2008	1,870,000.00	-	1,870,000.00	0.60%	243
2007	2,103,000.00	-	2,103,000.00	0.68%	271
2006	2,336,035.00	-	2,336,035.00	0.75%	296
2005		-	-	0.00%	-
2004		-	-	0.00%	-

(1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation

(2) Population information provided by the NJ Dept Of Labor and Workforce Development

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2012
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Edgewater Park	\$ 5,691,079.00	100.00%	\$ 5,691,079.00
Burlington County General Obligation Debt	243,630,839.00	1.45%	<u>5,631,183.00</u>
Subtotal, overlapping debt			11,322,262.00
Edgewater Park Township School District Direct Debt (1)	705,000.00	100.00%	<u>705,000.00</u>
Total direct and overlapping debt			<u><u>\$ 12,027,262.00</u></u>

Sources:

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Township's share of the 2012 Equalized Valuation. The source for this computation was the 2012 County Abstract of Ratables, provided by the County Board of Taxation.
- (A) The debt for this entity was apportioned to Edgewater Park Township by dividing the Township's 2012 equalized value by the total 2012 equalized value for the County of Camden, which results in an apportionment of 1.45%.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2012

		<u>Fiscal Year Ended June 30,</u>									
		<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Debt Limit	\$ 17,791,674.05	\$ 18,434,787.00	\$ 19,284,981.00	\$ 19,464,055.00	\$ 18,805,083.00	\$ 17,030,168.00	\$ 15,250,255.00	\$ 13,406,283.00	\$ 11,856,541.00	\$ 10,553,569.00	
Total net debt applicable to limit (3)	705,000.00	938,000.00	1,171,000.00	1,404,000.00	1,637,000.00	1,870,000.00	2,103,000.00	2,336,035.00			
Legal Debt Margin	<u>\$ 17,086,674.05</u>	<u>\$ 17,496,787.00</u>	<u>\$ 18,113,981.00</u>	<u>\$ 18,060,055.00</u>	<u>\$ 17,168,083.00</u>	<u>\$ 15,160,168.00</u>	<u>\$ 13,147,255.00</u>	<u>\$ 11,070,248.00</u>	<u>\$ 11,856,541.00</u>	<u>\$ 10,553,569.00</u>	
Total net debt applicable to the limit as a percentage of debt limit	3.96%	5.09%	6.07%	7.21%	8.71%	10.98%	13.79%	17.42%			

		<u>Equalized Valuation Basis (1)</u>	
		2012	2011
	\$	574,063,582	586,740,370
		2010	2009
		618,363,453	1,779,167,405
	\$	<u>1,779,167,405</u>	<u>593,055,802</u>

Average equalized valuation of taxable property	[A/3]	17,791,674.05
Debt limit (3% of average equalization value) (2)	[B]	705,000.00
Total Net Debt Applicable to Limit	[C]	<u>705,000.00</u>
Legal Debt Margin	[B-C]	<u>\$ 17,086,674.05</u>

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by N.J.S.A. 18A:24-19 for a K through 8 district.
 (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2012	8,866	Not Available	Not Available	11.90%
2011	8,877	\$ 428,918,886.00	\$ 48,318.00	11.50%
2010	8,884	421,021,644.00	47,391.00	11.80%
2009	7,721	358,995,616.00	46,496.00	11.10%
2008	7,699	367,034,427.00	47,673.00	6.50%
2007	7,756	352,277,520.00	45,420.00	4.80%
2006	7,904	342,756,960.00	43,365.00	5.30%
2005	7,942	323,128,212.00	40,686.00	4.80%
2004	8,005	316,325,580.00	39,516.00	3.10%
2003	7,999	303,626,042.00	37,958.00	3.40%

- (1) Population information provided by the NJ Dept Of Labor and Workforce Development
 (2) Personal income has been estimated based upon the municipal population and per capita
 (3) Per Capita personal income by municipality-estimated based upon the 2000 Census published
 (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Principal Employers

Current Year and Ten Years Ago

Unaudited

Employer	2013		2004		Percentage of Total Municipal Employment (1)
	Approximate Number of Employees	Rank	Approximate Number of Employees	Rank	

Information Not Available

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Eight Fiscal Years
Unaudited

<u>Function/Program</u>	Fiscal Year Ended June 30,							
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Instruction								
Regular	61	63	63	69	69	69	69	69
Special education	13	14	14	12	12	12	12	12
Other instruction	9	7	7	6	6	7	7	7
Support Services:								
Student & instruction related services	25	16	16	15	15	16	16	16
School administrative services	10	10	10	9	9	9	8	8
General administration	4	4	4	4	4	4	4	4
Plant Operations and Maintenance	9	12	12	12	12	11	11	11
Pupil Transportation	4	4	4	3	3	2	2	1
Food Service	4	4	4	2	2			
Total	<u>139</u>	<u>134</u>	<u>134</u>	<u>132</u>	<u>132</u>	<u>130</u>	<u>129</u>	<u>128</u>

Source: District Personnel Records

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Operating Statistics

Last Ten Fiscal Years

Unaudited

Fiscal Year June 30,	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2013	883.0	\$ 16,645,864.38	\$ 18,851.49	3.09%	81	1:10	1:10	831.6	762.4	-3.53%	91.68%
2012	853.0	15,598,089.00	18,286.15	0.34%	81	1:10	1:10	862.0	813.6	1.52%	94.39%
2011	853.0	15,544,688.00	18,223.55	4.04%	81	1:10	1:10	849.1	799.7	-2.08%	94.18%
2010	877.0	15,362,080.00	17,516.62	-3.37%	81	1:10	1:10	867.1	815.8	3.70%	94.08%
2009	829.0	15,027,174.00	18,126.87	0.34%	81	1:10	1:10	836.2	791.7	1.23%	94.68%
2008	832.0	15,030,584.00	18,065.61	5.69%	81	1:10	1:10	826.0	785.0	-2.91%	95.04%
2007	865.0	14,785,541.00	17,093.11	4.86%	80	1:13	1:10	850.8	807.3	-2.21%	94.89%
2006	875.0	14,263,235.00	16,300.84	13.34%	80	1:13	1:10	870.0	823.0	-6.30%	94.60%
2005	930.0	13,375,398.00	14,382.15	-0.27%	93	1:11	1:11	928.5	876.7	0.92%	94.42%
2004	907.0	13,079,642.00	14,420.77	3.90%	93	1:11	1:11	920.0	858.7	2.82%	93.34%

Sources: District records

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

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

<u>District Building</u>	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Elementary</u>										
Magowan School (1955)	68,410	68,410	68,410	68,410	68,410	68,410	68,410	68,410	68,410	68,410
Square Feet	736	736	736	736	736	736	736	736	736	736
Capacity (students)	570	519	540	537	510	507	520	512	512	520
Enrollment										
<u>Middle School</u>										
Ridgway School (1969)	65,744	65,744	65,744	65,744	65,744	65,744	65,744	65,744	65,744	65,744
Square Feet	480	480	480	480	480	480	480	480	480	480
Capacity (students)	360	346	335	328	322	322	357	341	341	363
Enrollment										

Number of Schools at June 30, 2013
 Elementary = 1
 Middle School = 1

Source: District Records
 Note: Enrollment is based on the annual October district count.

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Undistributed Expenditures - Required Maintenance for School Facilities 11-000-261-xxx										
* School Facilities	\$ 22,705.00	\$ 26,103.00	\$ 21,946.00	\$ 33,963.00	\$ 27,319.00	\$ 33,669.00	\$ 29,454.00	\$ 5,684.00	\$ 32,381.00	\$ 43,376.74
Magowan School	15,778.00	18,140.00	15,250.00	10,662.00	18,985.00	44,945.00	23,255.00	19,705.00	23,619.00	21,196.27
Jacques School										
Ridgway School										
	<u>\$ 38,483.00</u>	<u>\$ 44,243.00</u>	<u>\$ 37,196.00</u>	<u>\$ 44,625.00</u>	<u>\$ 46,304.00</u>	<u>\$ 78,614.00</u>	<u>\$ 52,709.00</u>	<u>\$ 25,389.00</u>	<u>\$ 56,000.00</u>	<u>\$ 64,573.01</u>

* School facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2013
Unaudited

	<u>Coverage</u>	<u>Self-Insured Retention</u>	<u>Deductible</u>
School Package Property (1)			
Building and Contents (All Locations)			
Limits of liability per occurrence	\$ 29,127,869		\$ 1,000
General Liability	3,000,000		1,000
Automobile Liability	1,000,000		250
Inland Marine	500,000		100
Crime Coverage	100,000		500
Commercial Umbrella	10,000,000	\$ 10,000	
Workers' Compensation (2)	Statutory		
Student Accident (3)	1,000,000		
Surety Bonds (4)			
Board Secretary	300,000		
Chief School Administrator	225,000		

(1) Republic Franklin Insurance

(2) New Jersey School Boards Association Insurance Group

(3) Berkley Life and Health

(4) RLI Insurance Company

Source: District Records

SINGLE AUDIT SECTION

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Edgewater Park Township School District
Edgewater Park, New Jersey 08010

Report on Compliance for Each Major Federal and State Program

We have audited the Edgewater Park Township School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2013. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; 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. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Edgewater Park Township School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of the Edgewater Park Township School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 School District's internal control over compliance.

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Public School Accountant No. CS 002065

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2013

<u>Federal Grantor/ Pass-through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>	
				<u>From</u>	<u>To</u>
U.S. Department of Education:					
Passed-through State Department of Education:					
General Fund:					
Education Jobs Fund	84.410A	N/A	\$ 228,711.00	07/01/11	06/30/12
Education Jobs Fund	84.410A	N/A	571.00	07/01/12	06/30/13
General Fund - Total					
Special Revenue Fund:					
Passed-through State Department of Education:					
N.C.L.B.:					
Title I, Part A	84.010A	NCLB128012	309,494.00	09/01/11	08/31/12
Title I, Part A	84.010A	NCLB128013	240,579.00	09/01/12	08/31/13
ARRA - Title I, Part A	84.389A	NCLB128012	81,587.00	09/01/09	08/31/12
Title II, Part A Improving Teacher Quality	84.367A	NCLB128012	30,606.00	09/01/11	08/31/12
Title II, Part A Improving Teacher Quality	84.367A	NCLB128013	23,099.00	09/01/12	08/31/13
Title II, Part D	84.318X	NCLB128012	110.00	09/01/11	08/31/12
Title III	84.365A	NCLB128012	24,491.00	09/01/11	08/31/12
Title III	84.365A	NCLB128013	11,491.00	09/01/12	08/31/13
Title III - Immigrant	84.365A	NCLB128012	6,637.00	09/01/11	08/31/12
Title III - Immigrant	84.365A	NCLB128013	6,637.00	09/01/12	08/31/13
I.D.E.I.A. Part B, Preschool	84.173	PS128013	11,719.00	09/01/12	08/31/13
I.D.E.I.A. Part B, Basic Regular	84.027	FT128012	278,028.00	09/01/11	08/31/12
I.D.E.I.A. Part B, Basic Regular	84.027	FT128013	257,294.43	09/01/12	08/31/13
Race To The Top	84.413A	B413A120008	20,256.00	09/01/11	11/30/15
Special Revenue Fund - Total					
Total U.S. Department of Education					
U.S. Department of Agriculture					
Passed-through State Department of Agriculture:					
Enterprise Fund:					
Non-Cash Assistance (Food Distribution):					
Food Distribution Program	10.555	N/A	31,162.67	07/01/12	06/30/13
Cash Assistance:					
School Breakfast Program	10.553	N/A	33,141.00	07/01/11	06/30/12
School Breakfast Program	10.553	N/A	33,239.36	07/01/12	06/30/13
After School Snack Program	10.555	N/A	3,923.00	07/01/11	06/30/12
After School Snack Program	10.555	N/A	5,211.33	07/01/12	06/30/13
National School Lunch Program	10.555	N/A	165,166.00	07/01/11	06/30/12
National School Lunch Program	10.555	N/A	186,602.53	07/01/12	06/30/13
Special Milk Program for Children	10.556	N/A	1,248.00	07/01/11	06/30/12
Special Milk Program for Children	10.556	N/A	1,124.56	07/01/12	06/30/13
Enterprise Fund - Total U.S. Department of Agriculture					
Total Federal Financial Assistance					

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

Balance June 30, 2012	Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30, 2013		
						(Accounts Receivable)	Unearned Revenue	Due to Grantor
\$ (30,637.11)	\$ -	\$ 30,637.11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			(571.00)			(571.00)		
<u>(30,637.11)</u>	<u>-</u>	<u>30,637.11</u>	<u>(571.00)</u>	<u>-</u>	<u>-</u>	<u>(571.00)</u>	<u>-</u>	<u>-</u>
(149,256.87)	(39,402.00)	180,900.00	(31,643.13)			-	-	
	39,402.00	140,561.00	(218,010.43)			(139,420.00)	61,970.57	
(58,848.00)		58,848.00						
(4,471.00)		6,450.00	(1,979.00)			-	-	
		10,480.00				(12,619.00)	23,099.00	
						(110.00)	110.00	
(4,407.44)	(6,964.00)	6,866.00	(2,044.65)				413.91	
	6,964.00		(12,275.82)			(18,455.00)	6,179.18	
	(2,444.00)	4,193.00					1,749.00	
	2,444.00						2,444.00	
			(11,719.00)			(11,719.00)		
(75,034.00)		75,034.00				-	-	
		110,835.00	(246,750.99)			(146,459.43)	10,543.44	
		14,357.00	(14,778.69)			(5,899.00)	5,477.31	
<u>(292,017.31)</u>	<u>-</u>	<u>608,524.00</u>	<u>(539,201.71)</u>	<u>-</u>	<u>-</u>	<u>(334,681.43)</u>	<u>111,986.41</u>	<u>-</u>
<u>(322,654.42)</u>	<u>-</u>	<u>639,161.11</u>	<u>(539,772.71)</u>	<u>-</u>	<u>-</u>	<u>(335,252.43)</u>	<u>111,986.41</u>	<u>-</u>
		31,162.67	(31,162.67)					
(1,729.14)		1,729.14						
		30,824.12	(33,239.36)			(2,415.24)		
(169.20)		169.20						
		4,920.46	(5,211.33)			(290.87)		
(6,529.27)		6,529.27						
		175,926.43	(186,602.53)			(10,676.10)		
(38.92)		38.92						
		1,050.13	(1,124.56)			(74.43)		
<u>(8,466.53)</u>	<u>-</u>	<u>252,350.34</u>	<u>(257,340.45)</u>	<u>-</u>	<u>-</u>	<u>(13,456.64)</u>	<u>-</u>	<u>-</u>
<u>\$ (331,120.95)</u>	<u>\$ -</u>	<u>\$ 891,511.45</u>	<u>\$ (797,113.16)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (348,709.07)</u>	<u>\$ 111,986.41</u>	<u>\$ -</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2013

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance</u>	<u>Carryover/ (Walkover) Amount</u>
			<u>From</u>	<u>To</u>	<u>June 30, 2012</u>	
State Department of Education (State Aid):						
General Fund:						
Equalization Aid	12-405-034-5120-078	\$ 5,408,297.00	07/01/11	06/30/12	\$ (594,908.00)	\$ -
Equalization Aid	13-495-034-5120-078	5,654,612.00	07/01/12	06/30/13		
Special Education Categorical Aid	13-495-034-5120-089	572,749.00	07/01/12	06/30/13		
Transportation Aid	13-495-034-5120-014	125,537.00	07/01/12	06/30/13		
Security Aid	13-495-034-5120-084	240,990.00	07/01/12	06/30/13		
Extraordinary Special Education Cost Aid	12-100-034-5120-473	15,437.00	07/01/11	06/30/12	(15,437.00)	
Extraordinary Special Education Cost Aid	13-100-034-5120-473	13,181.00	07/01/12	06/30/13		
Nonpublic Transportation Aid	12-495-034-5120-014	2,784.00	07/01/11	06/30/12	(2,784.00)	
Nonpublic Transportation Aid	13-495-034-5120-014	6,438.00	07/01/12	06/30/13		
Reimbursed TPAF Social Security Contrib.	12-495-034-5095-002	413,270.00	07/01/11	06/30/12	(19,965.82)	
Reimbursed TPAF Social Security Contrib.	13-495-034-5095-002	435,993.35	07/01/12	06/30/13		
Total General Fund					<u>(633,094.82)</u>	<u>-</u>
Special Revenue Fund:						
Preschool Education Aid	12-495-034-5120-086	118,025.00	07/01/11	06/30/12	(11,802.00)	
Preschool Education Aid	13-495-034-5120-086	125,060.00	07/01/12	06/30/13		
Total Special Revenue Fund					<u>(11,802.00)</u>	<u>-</u>
Debt Service Fund:						
Debt Servie Type II Aid	13-495-034-5120-017	91,977.00	07/01/12	06/30/13		
Total Debt Service Fund					<u>-</u>	<u>-</u>
NJ Economic Development Authority:						
Capital Projects Fund:						
EDA Educational Facilities Construction and Financing Act - Seciton 15: 2009 Allotment:						
Magowan School Renovations	1280-050-09-1001	516,305.00	07/01/09	06/30/10	(197,812.36)	
Ridgway School Renovations	1280-070-09-1002	393,096.00	07/01/09	06/30/10	54,473.76	
Total Economic Development Authority					<u>(143,338.60)</u>	<u>-</u>
State Department of Agriculture						
Enterprise Fund:						
State School Lunch Program	12-100-010-3350-023	4,611.00	07/01/11	06/30/12	(177.21)	
State School Lunch Program	13-100-010-3350-023	4,637.22	07/01/12	06/30/13		
Total Enterprise Fund					<u>(177.21)</u>	<u>-</u>
Total State Financial Assistance					<u>\$ (788,412.63)</u>	<u>\$ -</u>

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

Cash <u>Received</u>	<u>Adjustments</u>	Budgetary <u>Expenditures</u>	Repayment of Prior Years' <u>Balances</u>	Balance at June 30, 2013			Memo	
				<u>Accounts Receivable</u>	<u>Unearned Revenue</u>	<u>Due to Grantor at</u>	<u>Budgetary Receivable 6/30/13</u>	<u>Cumulative Total Expenditures</u>
\$ 594,908.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,132,314.74		(5,654,612.00)		(522,297.26)			(522,297.26)	5,654,612.00
519,846.12		(572,749.00)		(52,902.88)			(52,902.88)	572,749.00
113,941.57		(125,537.00)		(11,595.43)			(11,595.43)	125,537.00
218,730.57		(240,990.00)		(22,259.43)			(22,259.43)	240,990.00
15,437.00				-				
2,784.00		(13,181.00)		(13,181.00)				13,181.00
		(6,438.00)		(6,438.00)				6,438.00
19,965.82								
414,419.19		(435,993.35)		(21,574.16)				435,993.35
<u>7,032,347.01</u>	<u>-</u>	<u>(7,049,500.35)</u>	<u>-</u>	<u>(650,248.16)</u>	<u>-</u>	<u>-</u>	<u>(609,055.00)</u>	<u>7,049,500.35</u>
11,802.00								
112,554.00		(115,608.63)		(12,506.00)	9,451.37		(12,506.00)	115,608.63
124,356.00	-	(115,608.63)	-	(12,506.00)	9,451.37	-	(12,506.00)	115,608.63
91,977.00		(91,977.00)						
91,977.00	-	(91,977.00)	-	-	-	-	-	-
				(197,812.36)			(197,812.36)	
				(160,629.17)	\$ 215,102.93		(160,629.17)	-
-	-	-	-	(358,441.53)	215,102.93	-	(358,441.53)	-
				-				
177.21								
4,381.95		(4,637.22)		(255.27)				4,637.22
4,559.16	-	(4,637.22)	-	(255.27)	-	-	-	4,637.22
<u>\$ 7,253,239.17</u>	<u>\$ -</u>	<u>\$ (7,261,723.20)</u>	<u>\$ -</u>	<u>\$ (1,021,450.96)</u>	<u>\$ 224,554.30</u>	<u>\$ -</u>	<u>\$ (980,002.53)</u>	<u>\$ 7,169,746.20</u>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2013

Note 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Edgewater Park Township School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

Note 2: BASIS OF ACCOUNTING

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

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is (\$14,958.00) for the general fund and (\$703.50) for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$ -0- for the general fund and \$ -0- for the special revenue fund. See Exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 571.00	\$ 7,049,500.35	\$ 7,050,071.35
Special Revenue	539,201.71	114,905.13	654,106.84
Debt Service		91,977.00	91,977.00
Food Service	257,340.45	4,637.22	261,977.67
Total Awards and Financial Assistance	<u>\$ 797,113.16</u>	<u>\$ 7,261,019.70</u>	<u>\$ 8,058,132.86</u>

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 5: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2011-2012.

Note 6: OTHER

Revenues and expenditures reported under the food distribution program represent current year value received and current year distribution, respectively. TPAF social security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2013.

Note 7: MAJOR PROGRAMS

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

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 2- Schedule of Financial Statement Findings

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

No Current Year Findings

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 3- Schedule of Federal Award Findings and Questioned Costs

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

No Current Year Findings

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

No Current Year Findings

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

No Prior Year Findings

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings

