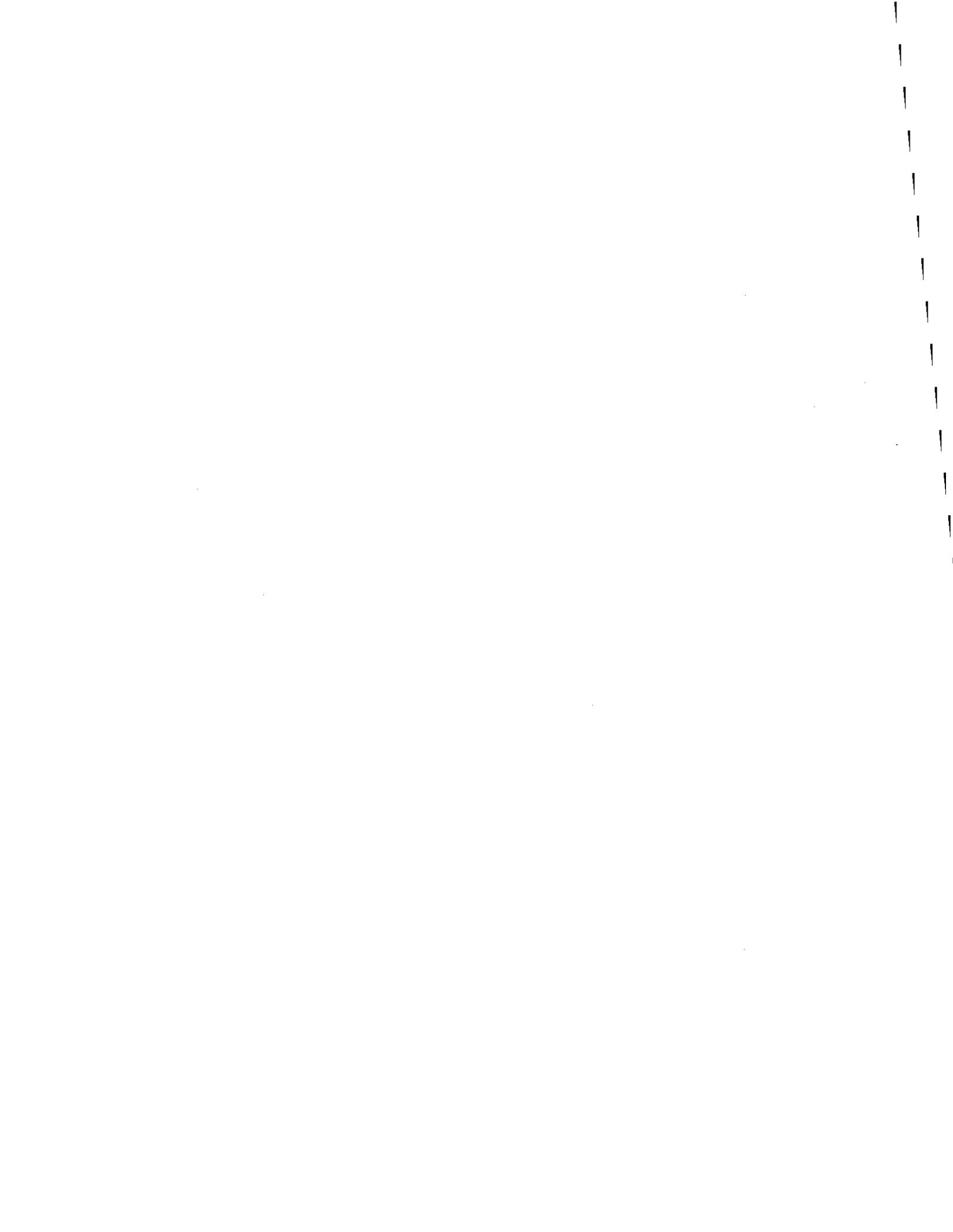


GIBBSBORO BOARD OF EDUCATION

Gibbsboro, New Jersey
County of Camden

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



COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

GIBBSBORO BOARD OF EDUCATION

GIBBSBORO, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Prepared by

**Gibbsboro Borough Board of Education
Finance Department**



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INTRODUCTORY SECTION





GIBBSBORO ELEMENTARY SCHOOL DISTRICT

Grades PS through 8

Mr. Brett Thorp
Principal
bthorp@gibbsoroschool.org

Tony Trongone
Superintendent
atrongone@gibbsboroschool.org

August 2, 2013

Honorable President and Members
of the Board of Education
Borough of Gibbsboro
Camden County, New Jersey, 08026

Dear Board Members:

The comprehensive annual financial report of the Gibbsboro Board of Education for the fiscal year ended June 30, 2013 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Nonprofits Organizations", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** The Gibbsboro Board of Education is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Gibbsboro Board of Education and its school constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels PS through 8. These include regular, as well as special education for handicapped youngsters. In addition to the classroom teachers, several professional and non-professional support staff are employed to meet the growing needs of the pupils we serve. The District completed the 2012-2013 fiscal year with an enrollment of 273 students.

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

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2012-13	273.0	10.08%
2011-12	248.0	0%
2010-11	248.0	-1.98%
2009-10	253.0	-.004%
2008-09	254.0	-5.3%
2007-08	268.0	-6.7%
2006-07	286.0	+3.6%
2005-06	275.0	-0.72%
2004-05	277.0	-7.05%
2003-04	298.0	+3.11%
2002-03	289.0	-1.64%
2001-02	304.0	-5.60%
2000-01	322.0	-2.12%
1999-00	329.0	-3.52%
1998-99	341.0	+7.24%

2) MAJOR INITIATIVES:

- Math Curriculum Aligned to Common Core Standards
 - Purchase of new math materials grades 5 & 6
 - Professional development for staff in new math curriculum
 - Implementation of Carnegie Learning Mathematics
 - Implement Fraction Nation and continue with FASTT Math
- Moving forward into second year of Professional Learning Communities
 - Staff and administration focused on SMART Goals
 - Schedule was created to facilitate Intervention and Enrichment
- Language Arts Curriculum alignment to Common Core Standards
 - Special Education environment, grades K-5, new reading program
 - Teachers participated in new reading program professional development
 - Teachers participated in Common Core LAL professional development
 - Various reading initiatives; Battle of The Books, Read Across America, Stop Everything and Read, etc.
- Expanded Instrumental Music program
- Embedding technology in the classroom - everyday
 - Grades K-8 utilizing mini-Dell lap-top computers in every classroom
 - New work stations for all staff members
 - Wireless educational environment
 - Adhere to PARCC-ready specification
- Continuation of Measuring for Academic Progress (MAP) assessment program
- Articulation with Eastern High School through OnCourse Curriculum Builder initiative
 - All accessible curriculum online, which can also be analyzed
 - Develop curriculum community with Eastern and Berlin
- Library resources expanded through implementation of Lexile system
- Expansion of communication to all stakeholders via Twitter, website, Instant Alert and Parent Portal
- Development of Character Education program
 - State School of Character
 - Creation of Gibbsboro Super 7
 - Participation in Stop Hunger Now
- Development of school wide teacher observation advisory committee

3) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

(1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District 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.

4) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2013.

5) **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.

6) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund and debt service fund revenues for the fiscal year ended June 30, 2013:

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) From 2012</u>	<u>Percent Increase/ (Decrease)</u>
Local Sources	\$2,727,024	60.53%	\$ (8,033)	(.29)%
State Sources	1,686,735	37.44%	(124)	(.01)%
Federal Sources	<u>91,440</u>	<u>2.03%</u>	<u>(54,448)</u>	<u>(37.32)%</u>
Total	<u>\$4,505,199</u>	<u>100.00%</u>	<u>\$(62,605)</u>	

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2013:

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) From 2012</u>	<u>Percent Increase/ (Decrease)</u>
Current Expense:				
Instruction	\$1,922,309	41.58%	\$(78,202)	(3.91)%
Undistributed Expenses	2,457,495	53.16%	180,550	7.93%
Capital Outlay	19,840	.43%	(1,306)	(6.18)%
Debt Service	<u>223,442</u>	<u>4.83%</u>	<u>16,553</u>	8.00%
Total	<u>\$4,623,086</u>	<u>100.00%</u>	<u>\$117,595</u>	

7) **DEBT ADMINISTRATION:** As of June 30, 2013, the District had \$2,730,000 in outstanding debt principal for the 2011 refunding bonds.

8) **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 New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) **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.

10) **OTHER INFORMATION:**

A) **Independent Audit-** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C. was selected by the Board's audit 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 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) **ACKNOWLEDGMENTS:**

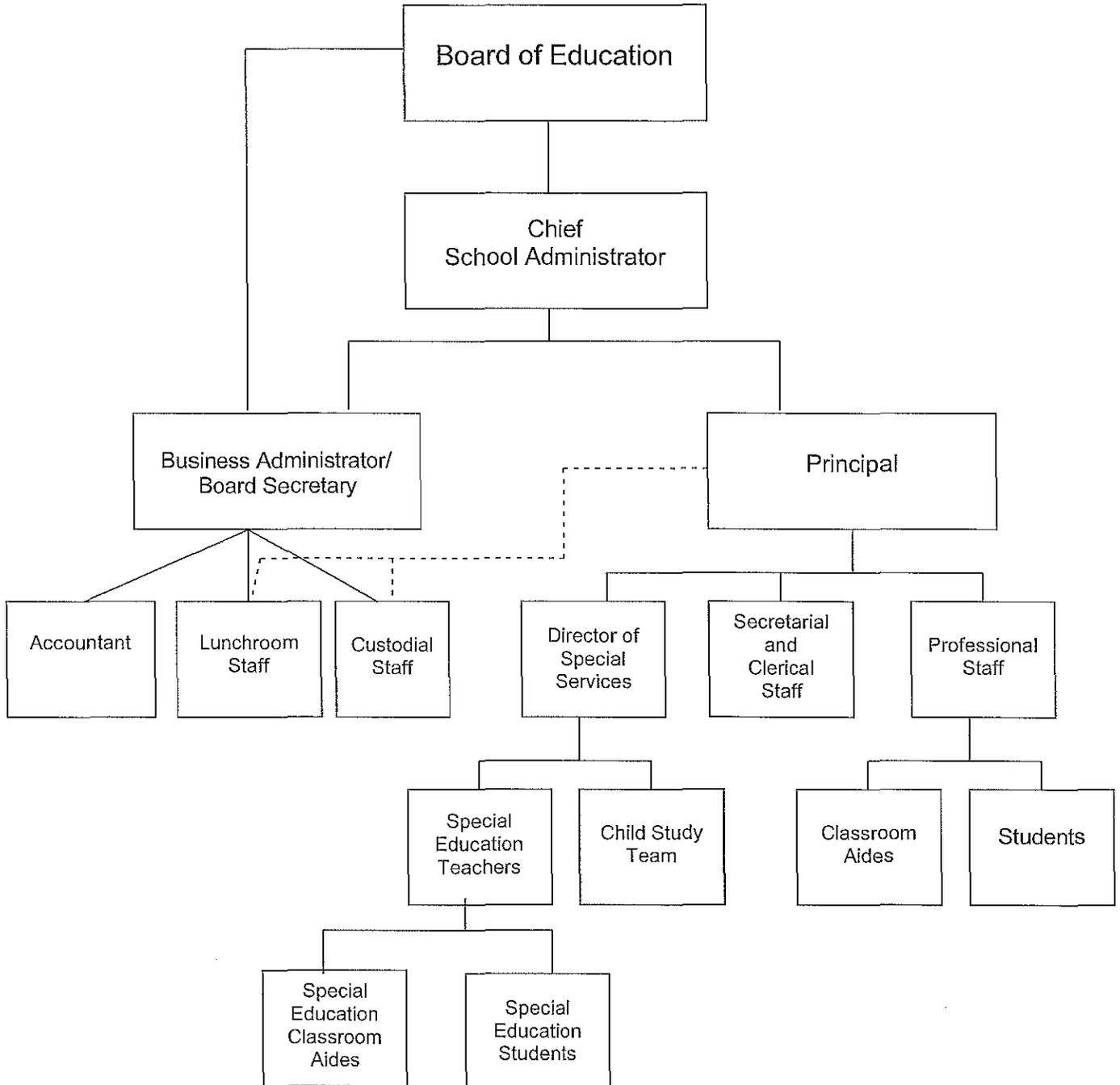
We would like to express our appreciation to the members of the Gibbsboro Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.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

Respectfully submitted,



Mr. Anthony Trovone
Superintendent of Schools

ORGANIZATION CHART





GIBBSBORO BOARD OF EDUCATION
37 Kirkwood Road
Gibbsboro, New Jersey 08026

ROSTER OF OFFICIALS

JUNE 30, 2013

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Joyce A. Miller, President	2013
Lorraine Balut, Vice President	2014
Kathleen Campbell	2014
Maria Carrington	2016
Ellie Falcone	2014
Leonard Kolojejchick	2016
Peggy Mason	2013
Maggie Moy	2013
Dorothy Warner	2016

OTHER OFFICIALS

Anthony Trongone, Superintendent
Frank Domin, Business Administrator
Brett Thorp, Principal
Beth Ann Coleman, Treasurer
Ronald Sahli, Esq., Solicitor

GIBBSBORO BOARD OF EDUCATION
37 Kirkwood Road
Gibbsboro, New Jersey 08026

CONSULTANTS AND ADVISORS

INSURANCE BROKER

Leonard O'Neill Insurance Group
Gibbsboro, New Jersey

AUDIT FIRM

Kevin P. Frenia, CPA, PSA
Holman Frenia Allison, P. C.
618 Stokes Road
Medford, New Jersey 08055

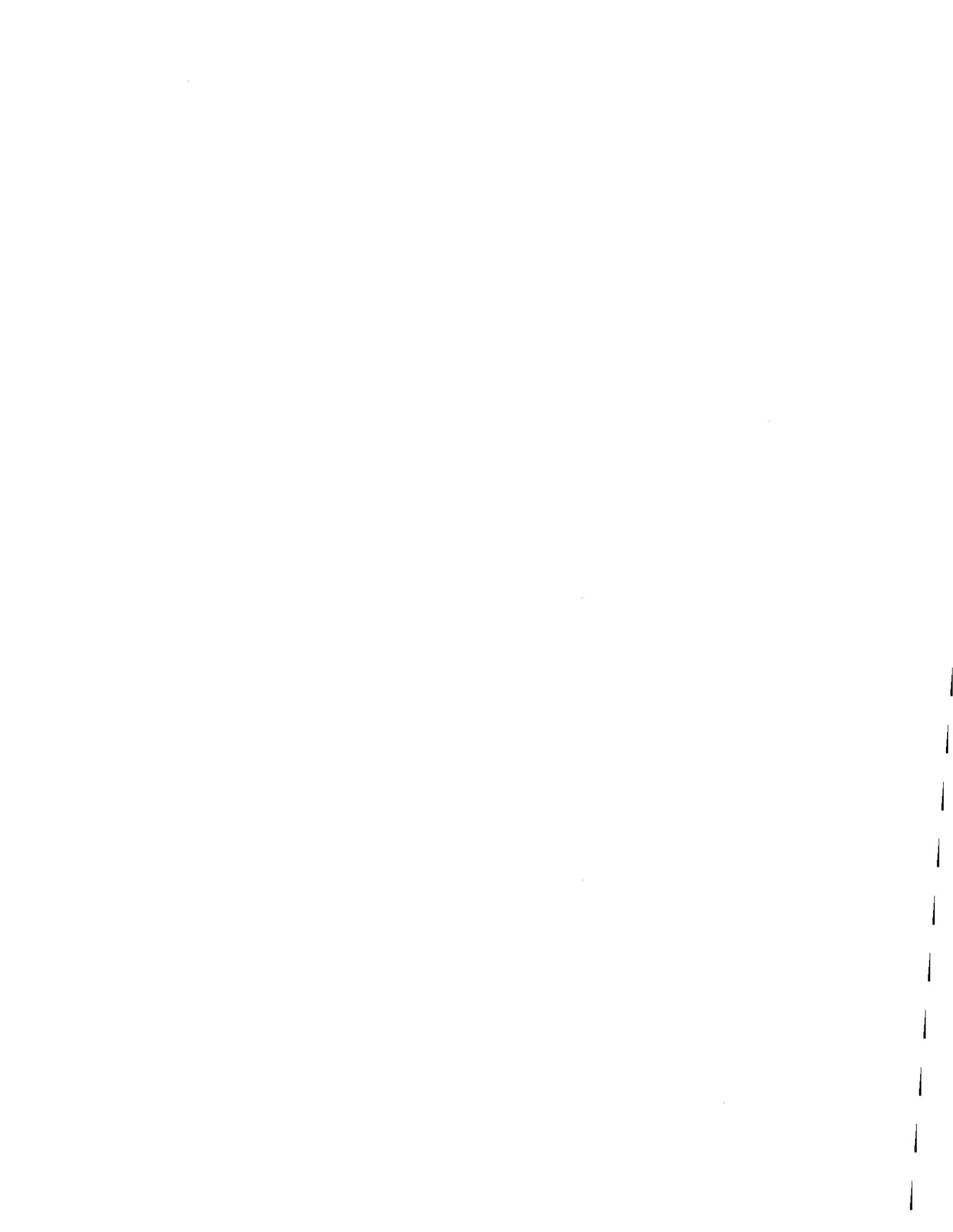
SOLICITOR

Ronald W. Sahli, Esq.
Hammonton, New Jersey

OFFICIAL DEPOSITORY

Columbia Bank
Voorhees, NJ

FINANCIAL SECTION





HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

10 Allen Street, Suite 2B, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
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www.hfacpas.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Gibbsboro Borough School District
County of Camden
Gibbsboro, New Jersey 08026

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Gibbsboro Borough School District, County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2013, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 12 through 19 and 50 through 58 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 Gibbsboro Borough Board of Education's basic financial statements. The accompanying introductory section, comparative totals for June 30, 2012, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements.

The accompanying schedule of expenditures of state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements. The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2013 on our consideration of the Board of Education of the Gibbsboro Borough School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Board of Education of the Gibbsboro Borough School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read "Kevin P. Frenia". The signature is written in a cursive, flowing style.

Kevin P. Frenia
Public School Accountant
Certified Public Accountant
No. 1011

Medford, New Jersey
August 2, 2013

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis



Gibbsboro School District
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

The discussion and analysis of Gibbsboro School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is a new element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2012-13) and the prior year (2011-12) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2012-13 are as follows:

- The assets of the Gibbsboro School District exceeded its liabilities at the close of the most recent fiscal year by \$2,462,432 (net position).
- Net Position for Governmental Activities and for Business-Type Activities were \$2,458,729 and \$3,703, respectively.
- The General Fund, fund balance as of June 30, 2013 was \$448,927, a decrease of \$59,338 when compared with the beginning balance as of July 1, 2012 of \$508,265.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discuss and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements, Exhibit A-1 and A-2, are government-wide financial statements that provide both long-term and short-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short-term and long-term financial information about those types of activities that operate like a business.

Fiduciary fund statements provide information about the financial relationships in which the School District acts as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The statements are followed by another section, Part II that contains required supplementary information that further explains and supports the information in the financial statements including budget schedules, reconciliations and individual fund statements.

Table A-1 summarizes the major features of the Gibbsboro School District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Table A-1			
Major Features of the District-Wide and Fund Financial Statements			
	District-wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education, building maintenance, and pupil transportation.	Activities the District operates similar to private business: Food Service Fund
Required Financial Statements	Statement of net position	Balance sheet	Statement of net position
	Statement of activities	Statement of revenue, expenditures and changes in fund balances	Statement of revenue, expenses, and changes in fund net assets Statement of cash flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities include all assets and liabilities of the School District using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net position and change in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District’s facility condition, required educational programs, changes in the District’s property tax base and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental and business – type activities.

- *Governmental activities* - Most of the School District's programs and services are reported including, but not limited to, regular and special instruction, support services, operation and maintenance of plant, pupil transportation and administration. Aid from the State of New Jersey and from the Federal government along with local property taxes finances the majority of these activities.
- *Business-type activities* - The District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service Fund is included here.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The Fund financial reports provide detailed information about the School District's major funds. The School District uses several funds to account for a variety of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund and the Debt Service Fund.

Governmental Funds

Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

FINANCIAL ANALYSIS OF THE GIBBSBORO SCHOOL DISTRICT AS A WHOLE

The Statement of Net Position provides the perspective of the School District as a whole.

Table A-2 provides a summary of the School District's net position for 2013.

Table A-2
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and Other Assets	\$ 625,280	\$ 758,486	3,703	35,196	628,983	\$ 793,682
Capital Assets	4,745,731	4,913,644			4,745,731	4,913,644
Total Assets	5,371,011	5,672,130	3,703	35,196	5,374,714	5,707,326
Long Term Liabilities	2,813,702	2,848,844			2,813,702	2,848,844
Other Liabilities	98,580	261,260			95,580	261,260
Total Liabilities	2,912,282	3,110,104			2,912,282	3,110,104
Net Position						
Invested in capital assets, net of debt	2,015,731	2,053,644			2,015,731	2,053,644
Restricted	295,944	395,119			295,944	395,119
Unrestricted	147,054	113,260	3,703	35,196	150,757	148,459
Total Net Position	2,458,729	2,562,026	3,703	\$ 35,196	2,462,432	2,597,222

The District's financial position for governmental and business-type activities is the product of the following factors:

- Programs revenues were \$142,696
 - Operating Grants & Contributions - \$109,395
 - Charges for Services - \$33,301
- General revenues, Special Items, Extraordinary Items and Transfers amounted to \$4,413,768.
- Net Expenditures were \$4,548,558.
- Total District revenues & beginning assets are adjusted by net adjusted expenditures resulting in a calculation of net position of \$2,462,432, as of June 30, 2013.
- Revenues \$4,413,768 + Beginning assets \$2,597,222 – Net expenditures (\$4,548,558) = Net Position of \$2,462,432.

Table A-3 shows a summary of the changes in net assets for fiscal year 2013.

	<u>2013</u>	<u>2012</u>
Revenues		
Program Revenues		
Charges for Services	\$ 33,301	\$ 39,045
Operating Grants & Contributions	109,395	124,944
General Revenues		
Property Taxes	2,725,301	2,714,952
State & Federal Aid	1,686,735	1,723,547
Other	1,732	20,114
Total Revenues	<u>4,556,464</u>	<u>4,622,602</u>
Expenses		
Governmental Activities:		
Instruction		
Regular	1,489,039	1,582,455
Special Education	433,270	418,056
Support Services:		
Attendance	7,212	7,036
Health	71,917	68,901
Student and Instruction Related Services	378,830	357,287
Educational Media Services/School Library	36,572	42,019
Instructional Staff Training Services	5,107	4,330
School Administrative Services	59,906	58,270
General and Central Administrative Services	214,568	225,042
Administrative Information Technology	1,453	1,410
Plant Operations & Maintenance	314,006	298,107
Pupil Transportation	78,900	70,373
Unallocated Benefits	1,289,024	1,158,627
Interest on Long-Term Debt	126,568	96,656
Unallocated Depreciation	167,913	167,326
Unallocated Compensated Absences	(35,142)	17,496
Total Expenses Governmental Activities	<u>4,639,143</u>	<u>4,579,293</u>
Business-Type Activities:		
Food Service	52,111	60,029
Total Expenses Business-Type Activities	<u>52,111</u>	<u>60,029</u>
Total Expenses	<u>4,691,254</u>	<u>4,639,322</u>
Net Increase/Decrease in Net Position	(134,790)	(16,720)
Net Position Beginning July 1, 2012	2,597,222	2,613,942
Net Position Ending June 30, 2013	<u>\$ 2,462,432</u>	<u>\$2,597,222</u>

Total revenues for the District were \$4,556,464. Government funding was the source of 39.42% of the District's revenues. This includes Federal Sources and the State of New Jersey.

Property taxes of \$2,725,301 provided the District with 59.81% of the District's total revenue.

The District's expenses for government activities are predominately related to instruction and support services. Instruction together with tuition, total \$1,922,309, 40.98% of total expenditures for the District. (See Table A-4)

Table A-4
Net Cost of Governmental Activities

Governmental Activities:	Source	2013		2012	
		Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost
Instruction	A-2	1,922,309	1,852,668	2,000,511	1,924,861
Support Services:					
Attendance	A-2	7,212	7,212	7,036	7,036
Health	A-2	71,917	71,917	68,901	68,901
Student and Instruction Related Services	A-2	378,830	357,031	357,287	323,737
Educational Media Services/School Library	A-2	36,572	36,572	42,019	42,019
Instructional Staff Training Services	A-2	5,107	5,107	4,330	4,330
School Administrative Services	A-2	59,906	59,906	58,270	58,270
General and Business Administrative Services	A-2	214,568	214,568	225,042	225,042
Administration Information Technology	A-2	1,453	1,453	1,410	1,410
Plant Operations and Maintenance	A-2	314,006	314,006	298,107	298,107
Pupil Transportation	A-2	78,900	78,900	70,373	70,373
Unallocated Benefits	A-2	1,289,024	1,289,024	1,158,627	1,158,627
Interest on Long-Term Debt	A-2	119,484	119,484	96,656	96,656
Unallocated Compensated Absences	A-2	(35,142)	(35,142)	17,496	17,496
Unallocated Debt Issuance Costs	A-2	7,084	7,084	5,902	5,902
Unallocated Depreciation	A-2	167,913	167,913	167,326	167,326
Total Governmental Activities		4,639,143	4,547,703	4,579,293	4,470,093

Activity Descriptions

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

Tuition expenses include the cost to the District to send pupils with special needs living within the District to private schools and/or schools outside of the District area.

Student and instruction related services include the activities designed to assess and improve the well being of students and to supplement the teaching process.

School administrative and general and business administrative services include expenses associated with establishing and administering policy for the District including financial supervision.

Plant operation and maintenance of plant activities involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school activities.

Unallocated benefits includes the costs of benefits for the District staff for social security, retirement contributions, worker's compensation, health benefits, and other employee benefits.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The financial performance of the Gibbsboro School District as a whole is reflected in the governmental funds, which are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$4,505,199, expenditures of \$4,623,086, and other financing uses of \$3,754. As the District completed the year, its governmental funds reported a combined fund balance of \$448,928.

GENERAL FUND BUDGETING HIGHLIGHTS

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

The final budgetary basis revenue estimate was \$3,862,567. The original budgeted estimate was \$3,862,567. The final budgetary basis expenditure appropriation estimate was \$4,019,680 compared to the original estimate of \$4,019,680.

The following schedule (Table A-5) presents a summary of General Fund Revenues.

**Table A-5
Summary of General Fund Revenues
For the Year Ended**

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Revenues		
Local Sources:		
Local tax levy	2,529,761	2,480,161
Miscellaneous	1,723	5,896
	<hr/>	<hr/>
Total - Local Sources	2,531,484	2,486,057
	<hr/>	<hr/>
State Sources	1,686,735	1,696,524
Federal Sources	-0-	50,897
	<hr/>	<hr/>
Total - Government Sources	1,686,735	1,747,421
	<hr/>	<hr/>
Total Revenues	<u>4,218,219</u>	<u>4,233,478</u>

The primary source of funding for the District is received from local property taxes that accounted for 60.06% of total revenues. State aid accounted for 39.90% of total revenues.

The following schedule (Table A-6) presents a summary of General Fund expenditures.

Table A-6
Summary of General Fund Expenditures
For the Year Ended

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Current		
Instruction		
Regular	1,419,398	1,506,805
Special Education	349,707	335,939
Other	83,563	82,117
Support Services and Undistributed Costs:		
Services	477,839	446,023
School Administrative Services	59,906	58,270
General and Business Administrative	216,021	211,995
Services		
Plant Operations and Maintenance	314,006	298,107
Pupil Transportation	78,900	70,373
Capital Outlay	19,840	21,146
Unallocated Benefits	<u>1,289,024</u>	<u>1,158,627</u>
 Total Expenditures	 <u>4,308,204</u>	 <u>4,189,402</u>

Total General Fund expenditures increased \$118,802 or 2.84% from the previous year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets are individual items purchased at a cost exceeding \$2,000, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

At the end of the fiscal year 2013, the School District had \$4,745,731 invested in land buildings, furniture and equipment, net of depreciation for governmental activities.

Table A-7 shows a summary of the fiscal 2013 & 2012 balances.

Table A-7
Capital Assets

	June 30, 2013 Governmental Activities	June 30, 2012 Governmental Activities
Building & Building Improvements	\$ 6,620,517	\$ 6,620,517
Land Improvements	29,220	29,220
Equipment	<u>87,452</u>	<u>87,452</u>
Total Capital Assets	6,737,189	6,737,189
 Less: Accumulated Depreciation	 <u>1,991,458</u>	 <u>1,823,545</u>
 Net Capital Assets	 <u><u>4,745,731</u></u>	 <u><u>4,913,644</u></u>

DEBT SERVICE FUND

The Current year obligations for payment of debt service principal and interest amounted to \$223,442. Funding was provided by the local tax levy.

FOOD SERVICE FUND

The Food Service Fund had a net position of \$3,703 as of June 30, 2013. This reflects a decrease of (\$31,493) from June 30, 2012.

LONG-TERM OBLIGATIONS

As of June 30, 2013 the District had \$2,730,000 in general obligation bonds outstanding, a decrease of \$130,000 from last year as shown in Table A-8.

The District also had a \$83,702 liability for compensated absences. This liability represents the District's contractual obligation to compensate employees for accumulated unused sick leave entitlements and accumulated unused vacation days upon retirement.

Table A-8 shows the District's long-term obligations.

**Table A-8
Long Term Obligations**

	Balance at <u>June 30,</u> <u>2013</u>	Balance at <u>June 30,</u> <u>2012</u>	Increase/ <u>Decrease</u>
General Obligation Bonds Payable	2,730,000	2,860,000	(130,000)
Compensated Absences	83,702	118,844	(35,142)
TOTAL	<u>2,813,702</u>	<u>2,978,844</u>	<u>(165,142)</u>

CURRENT FINANCIAL ISSUES AND CONCERNS

The future financing of public schools in the State of New Jersey is becoming very unpredictable. In 2013, the State decreased state aid provided to the District by \$(124). The State has withheld the last two state aid payments until after the close of the fiscal year for 2013.

The School District remains fiscally responsible due to the administration, faculty, and the Board of Education, who are committed to the fiscal responsibilities of the District.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

These financial reports are designed to provide our citizens, taxpayers and creditors with a general overview of the School District's finances and to show the accountability for money received from the state and local government. If you have questions about this report or need additional information, contact Mr. Anthony Trongone, School Superintendent at: Gibbsboro School District, 37 Kirkwood Road, Gibbsboro, New Jersey 08026.

BASIC FINANCIAL STATEMENTS

A. District-Wide Financial Statements

GIBBSBORO BOROUGH BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
			JUNE 30, 2013	JUNE 30, 2012
				(MEMORANDUM ONLY)
Cash & Cash Equivalents	\$365,268	1	365,269	565,238
Receivables, Net	83,660	3,702	87,362	40,527
Capital Assets, Net (Note 4)	4,745,731		4,745,731	4,913,644
Unamortized Loss on Early Retirement of Debt	112,153		112,153	119,508
Unamortized Bond Issue Costs	64,199		64,199	68,409
Total Assets	5,371,011	3,703	5,374,714	5,707,326
LIABILITIES				
Other Payables				34,401
Accrued Interest Payable	30,242		30,242	24,040
Unamortized Bond Premium	68,338		68,338	72,819
Noncurrent Liabilities (Note 5):				
Due Within One Year	135,000		135,000	130,000
Due Beyond One Year	2,678,702		2,678,702	2,848,844
Total Liabilities	2,912,282		2,912,282	3,110,104
NET POSITION				
Invested in Capital Assets, Net of Related Debt	2,015,731		2,015,731	2,053,644
Restricted For:				
Debt Service	(30,241)		(30,241)	3,863
Other Purposes	326,185		326,185	799,935
Unrestricted	147,054	3,703	150,757	(260,220)
Total Net Position	\$2,458,729	3,703	2,462,432	2,597,222

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

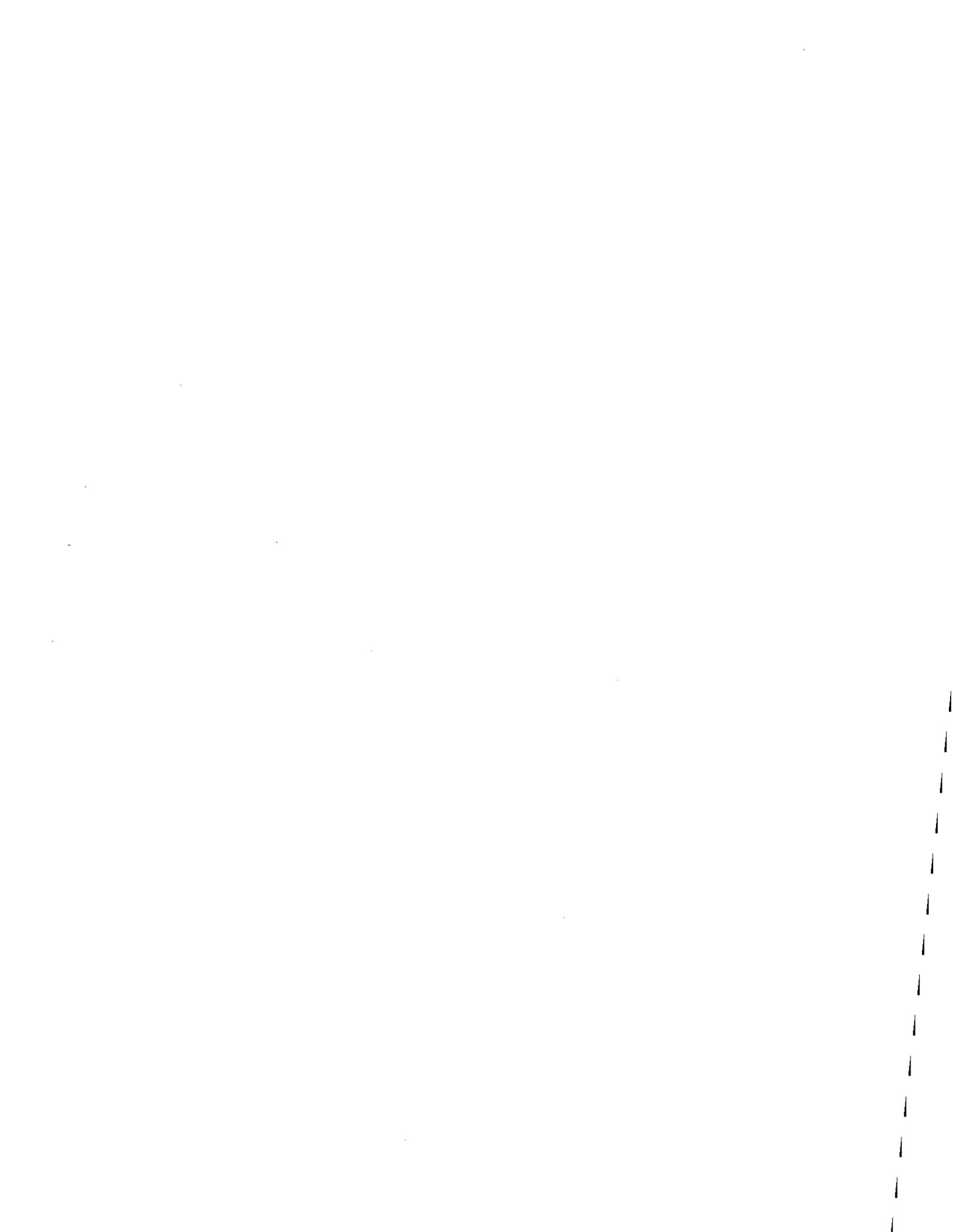
**GIBBSBORO BOROUGH BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		TOTALS	
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	JUNE 30, 2013	(MEMORANDUM ONLY) JUNE 30, 2012
Governmental Activities:							
Instruction:							
Regular Instruction	\$1,489,039		69,641	(1,419,398)		(1,419,398)	(1,506,805)
Special Education Instruction	349,707			(349,707)		(349,707)	(335,939)
Other Instruction	83,563			(83,563)		(83,563)	(82,117)
Support Services & Undistributed Costs:							
Attendance/Social Work	7,212			(7,212)		(7,212)	(7,036)
Health Services	71,917			(71,917)		(71,917)	(68,901)
Student & Instruction Related Services	378,830		21,799	(357,031)		(357,031)	(323,737)
Educational Media Services/School Library	36,572			(36,572)		(36,572)	(42,019)
Instructional Staff Training	5,107			(5,107)		(5,107)	(4,330)
General Administrative Services	133,874			(133,874)		(133,874)	(145,386)
School Administrative Services	59,906			(59,906)		(59,906)	(58,270)
Central Services	80,694			(80,694)		(80,694)	(79,656)
Administrative Information Technology	1,453			(1,453)		(1,453)	(1,410)
Plant Operations & Maintenance	314,006			(314,006)		(314,006)	(298,107)
Pupil Transportation	78,900			(78,900)		(78,900)	(70,373)
Unallocated Benefits	1,289,024			(1,289,024)		(1,289,024)	(1,158,627)
Interest on Long-Term Debt	119,484			(119,484)		(119,484)	(96,656)
Amortized Debt Issuance Costs	7,084			(7,084)		(7,084)	(5,902)
Unallocated Compensated Absences	(35,142)			35,142		35,142	(17,496)
Unallocated Depreciation	167,913			(167,913)		(167,913)	(167,326)
Total Governmental Activities	4,639,143		91,440	(4,547,703)		(4,547,703)	(4,470,093)

GIBBSBORO BOROUGH BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

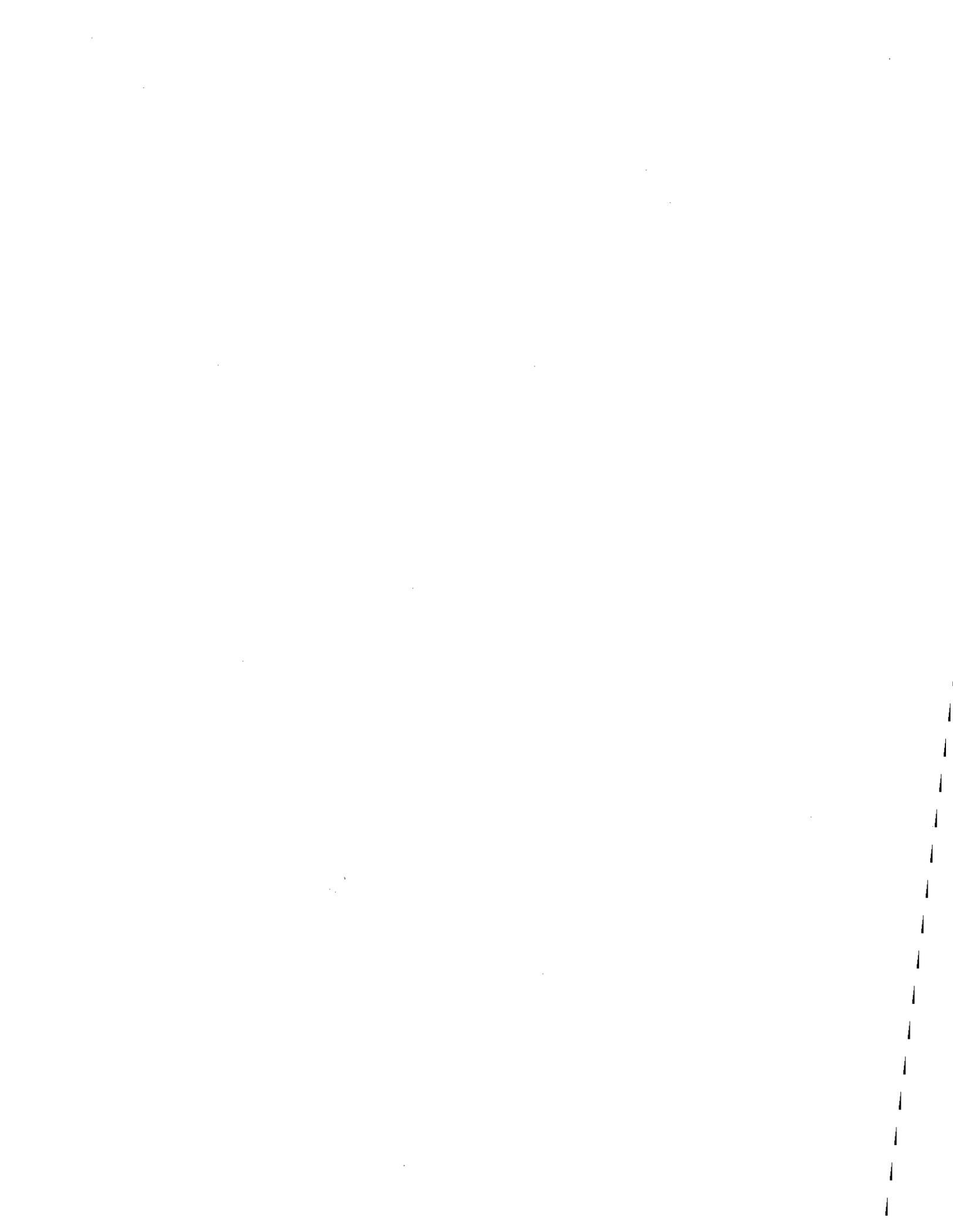
FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		TOTALS	
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	JUNE 30, 2013	JUNE 30, 2012
Business-Type Activities:							(MEMORANDUM ONLY)
Food Service	52,111	33,301	17,955		(855)	(855)	(5,240)
Total Business-Type Activities	52,111	33,301	17,955		(855)	(855)	(5,240)
Total Primary Government	\$4,691,254	33,301	109,395	(4,547,703)	(855)	(4,548,558)	(4,475,333)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				2,529,761		2,529,761	2,480,161
Taxes Levied for Debt Service				195,540		195,540	234,791
Federal & State Aid Not Restricted				1,686,735		1,686,735	1,723,547
Miscellaneous Income				1,723	9	1,732	20,114
Transfers				(3,754)	3,754		
Total General Revenues, Special Items, Extraordinary Items & Transfers				4,410,005	3,763	4,413,768	4,458,613
Change In Net Position				(137,698)	2,908	(134,790)	(16,720)
Net Position July 1, as previously stated				2,562,026	35,196	2,597,222	2,613,942
Prior Period Adjustment				34,401	(34,401)		
Net Position July 1, as restated				2,596,427	795	2,597,222	2,613,942
Net Position - Ending				\$2,458,729	3,703	2,462,432	2,597,222

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



B. Fund Financial Statements

Governmental Funds



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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS	
				(MEMORANDUM ONLY)	
				JUNE 30, 2013	JUNE 30, 2012
ASSETS & OTHER DEBITS					
Assets:					
Cash & Cash Equivalents	\$383,960		1	383,961	512,099
Accounts Receivable:					
Federal Aid		72,014		72,014	
State Aid	7,676			7,676	1,566
Interfund	3,970			3,970	3,804
Restricted Cash & Cash Equivalents	53,321			53,321	53,100
Total Assets	\$448,927	72,014	1	520,942	570,569
Liabilities & Fund Balances:					
Liabilities:					
Cash Deficit		72,014		72,014	
Interfund Payable					34,401
Total Liabilities		72,014		72,014	34,401
Fund Balances:					
Restricted for:					
Capital Reserve Account	\$1			1	1
Maintenance Reserve Account	53,320			53,320	53,100
Excess Surplus	90,256			90,256	181,042
Excess Surplus Designated for Subsequent Year's Expenditures	181,042			181,042	155,373
Assigned to:					
Designated for Subsequent Year's Expenditures	1,566			1,566	29,642
Debt Service Fund			1	1	1
Unassigned:					
General Fund	122,742			122,742	117,009
Total Fund Balances	448,927		1	448,928	536,168
Total Liabilities & Fund Balances	\$448,927	72,014	1		

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,737,189 and the accumulated depreciation is \$1,991,458.	4,745,731	4,913,644
Accrued interest payable is not recorded in the fund financial due to the fact that payable is not due in the current period.	(30,242)	(24,040)
Unamortized bond issuance costs/loss on refunding net of Bond Premium is not recorded in the fund financials But is recorded on the district wide financials	108,014	115,098
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 (see Illustrative Note 5)	(2,813,702)	(2,978,844)
Net position of Governmental Activities	\$2,458,729	2,562,026

See Accompanying Notes to Financial Statements

GIBBSBORO BOROUGH BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
				JUNE 30, 2013	JUNE 30, 2012
Revenues:					
Local Sources:					
Local Tax Levy	\$2,529,761		195,540	2,725,301	2,714,952
Miscellaneous	1,723			1,723	20,105
Total Revenues - Local Sources	2,531,484		195,540	2,727,024	2,735,057
State Sources	1,686,735			1,686,735	1,686,859
Federal Sources		91,440		91,440	145,888
Total Revenues	4,218,219	91,440	195,540	4,505,199	4,567,804
Expenditures:					
Current Expense:					
Regular Instruction	1,419,398	69,641		1,489,039	1,582,455
Special Education Instruction	349,707			349,707	335,939
Other Instruction	83,563			83,563	82,117
Support Services & Undistributed Costs:					
Attendance/Social Work	7,212			7,212	7,036
Health Services	71,917			71,917	68,901
Student & Instruction Related Services	357,031	21,799		378,830	357,287
Educational Media Services/School Library	36,572			36,572	42,019
Instructional Staff Training	5,107			5,107	4,330
General Administrative Services	133,874			133,874	130,929
School Administrative Services	59,906			59,906	58,270
Central Services	80,694			80,694	79,656
Administrative Information Technology	1,453			1,453	1,410
Plant Operations & Maintenance	314,006			314,006	298,107
Pupil Transportation	78,900			78,900	70,373
Unallocated Benefits	1,289,024			1,289,024	1,158,627
Capital Outlay	19,840			19,840	21,146
Debt Service:					
Principal			130,000	130,000	100,000
Interest			93,442	93,442	106,889
Total Expenditures	4,308,204	91,440	223,442	4,623,086	4,505,491
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(89,985)		(27,902)	(117,887)	62,313
Other Financing Sources/(Uses):					
Food Services:					
Transfer to Cover Deficit	(3,754)			(3,754)	(5,956)
Total Other Financing Sources/(Uses)	(3,754)			(3,754)	(5,956)
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses	(93,739)		(27,902)	(121,641)	56,357
Fund Balances July 1, as previously stated	508,265		27,903	536,168	479,811
Prior Period Adjustment	34,401			34,401	
Fund Balances July 1, restated	542,666		27,903	570,569	
Fund Balances June 30	\$448,927	-	1	448,928	536,168

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

**GIBBSBORO BOROUGH BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$121,641)

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	(\$167,913)	
Capital Outlays	<u>-</u>	(167,913)

Amortization of losses on early extinguishments of debt and premiums from refunded debt issuances are recorded when incurred in the governmental funds but are accrued and expensed over time in the statement of activities.

Current Year	(12,986)	
Prior Year	<u>5,902</u>	(7,084)

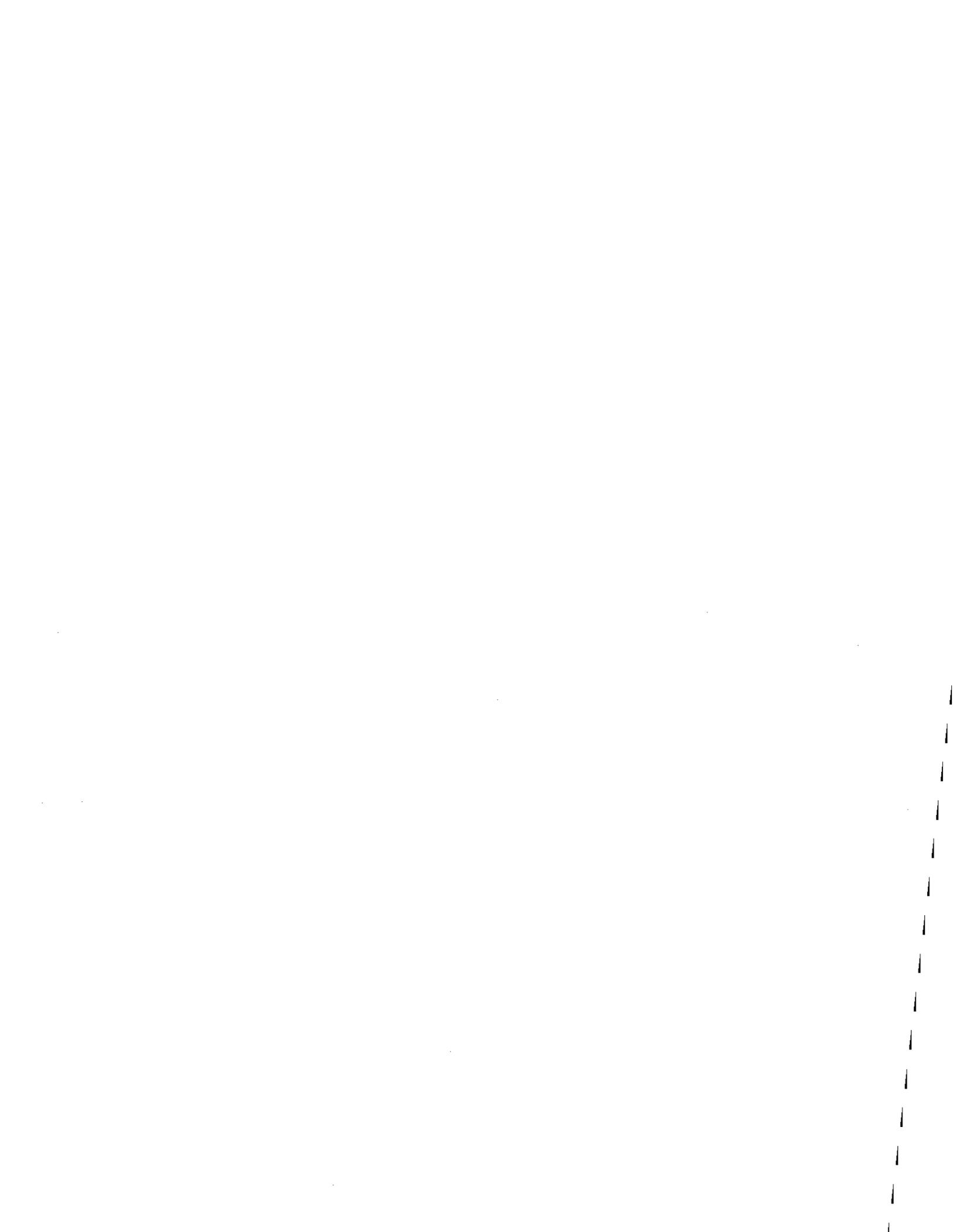
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 130,000

Net Difference Accrued interest on bonds and capital leases is not recorded in fund financial statements (6,202)

Decrease in accrual for compensated absences 35,142

Change in Net Position of Governmental Activities (\$137,698)

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



Proprietary Funds

GIBBSBORO BOROUGH BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE		TOTALS	
	FUNDS	(MEMORANDUM ONLY)		
	FOOD SERVICE	JUNE 30, 2013	JUNE 30, 2012	
ASSETS				
Cash & Cash Equivalents	\$1	1	39	
Accounts Receivable:				
State	137	137	33	
Federal	3,565	3,565	723	
Interfund			34,401	
Total Assets	<u>3,703</u>	<u>3,703</u>	<u>35,196</u>	
NET POSITION				
Unrestricted	<u>3,703</u>	<u>3,703</u>	<u>35,196</u>	
Total Net Position	<u>\$3,703</u>	<u>3,703</u>	<u>35,196</u>	

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

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE		TOTALS	
	FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2013	JUNE 30, 2012	
Operating Revenues:				
Local Sources:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$28,427	28,427		33,488
Daily Sales - Non-Reimbursable Programs:				
School Lunch Program	4,874	4,874		5,557
Total Operating Revenue	33,301	33,301		39,045
Operating Expenses:				
Salaries & Benefits	9,735	9,735		10,206
Cost of Sales	42,376	42,376		49,823
Total Operating Expenses	52,111	52,111		60,029
Operating Income/(Loss)	(18,810)	(18,810)		(20,984)
Nonoperating Revenues:				
State Sources:				
State School Lunch Program	671	671		708
Federal Sources:				
National School Lunch Program	17,171	17,171		14,802
Special Milk Program	113	113		234
Interest & Investment Revenue	9	9		9
Total Nonoperating Revenues	17,964	17,964		15,753
Other Financing Sources:				
Operating Transfer In	3,754	3,754		5,956
Total Other Financing Sources	3,754	3,754		5,956
Change in Net Position	2,908	2,908		725
Total Net Assets - Beginning, as Previously Stated	35,196	35,196		34,471
Prior Period Adjustment	(34,401)	(34,401)		
Total Net Position - Beginning, Restated	795	795		
Total Net Position - Ending	\$3,703	3,703		35,196

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

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

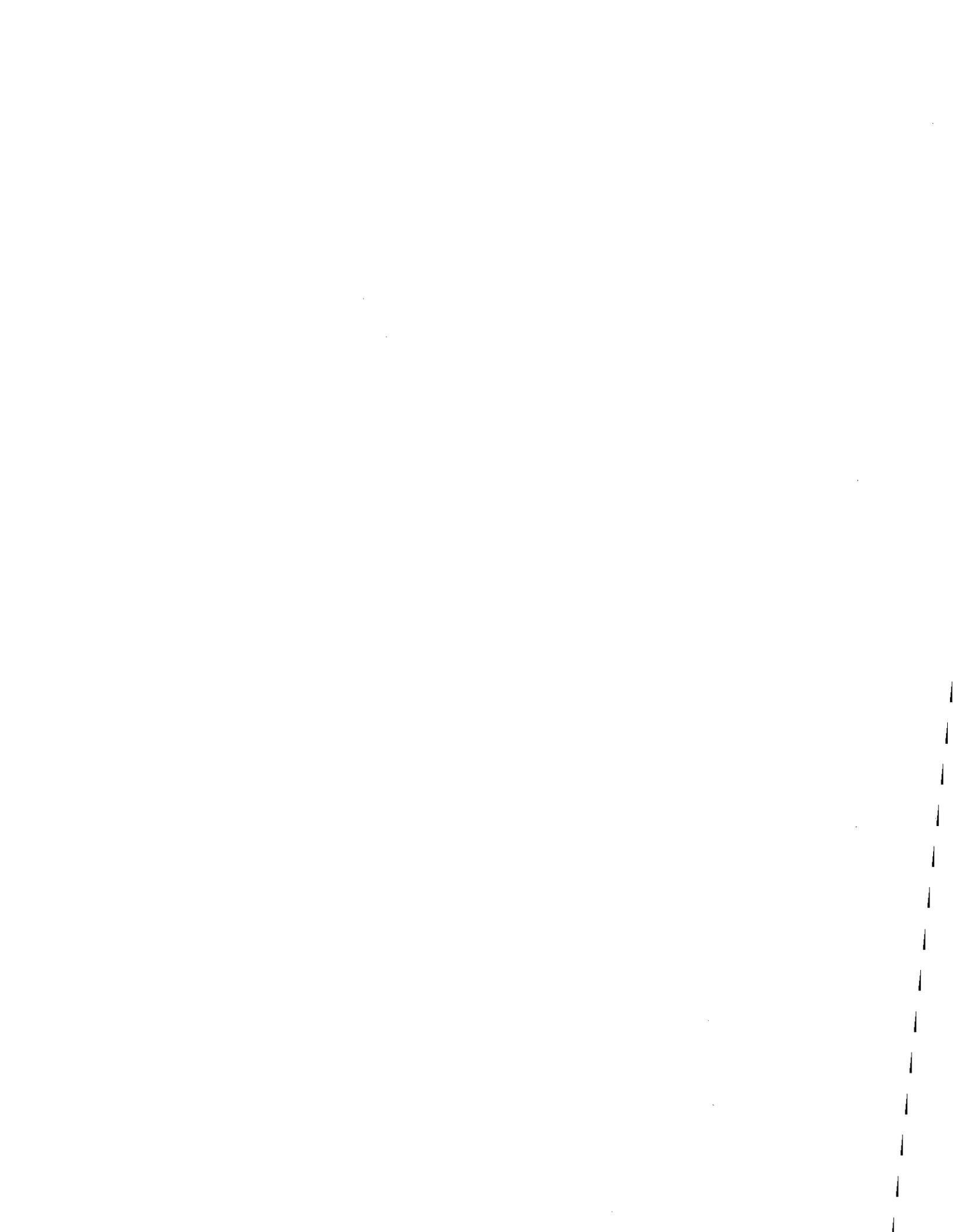
	BUSINESS-TYPE	TOTALS	
	ACTIVITIES -	(MEMORANDUM ONLY)	
	ENTERPRISE FUNDS	JUNE 30, 2013	JUNE 30, 2012
	FOOD SERVICE		
Cash Flows From Operating Activities:			
Receipts from Customers	\$33,301	33,301	39,045
Payments to Employees & Benefits	(9,735)	(9,735)	(10,206)
Payments to Suppliers	(42,376)	(42,376)	(49,823)
Net Cash Provided/(Used) by Operating Activities	(18,810)	(18,810)	(20,984)
Cash Flows From Noncapital Financing Activities:			
Cash Received From Board Contribution	3,754	3,754	5,956
Cash Received From State & Federal Reimbursements	15,009	15,009	14,988
Net Cash Provided by Noncapital Financing Activities	18,763	18,763	20,944
Cash Flows From Investing Activities:			
Interest & Dividends	9	9	9
Net Cash Provided/(Used) by Investing Activities	9	9	9
Net Increase/(Decrease) in Cash & Cash Equivalents	(38)	(38)	(31)
Balances - Beginning of Year	39	39	70
Balances - Ending of Year	\$1	1	39

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

Operating Income/(Loss)	(\$18,810)	(18,810)	(20,984)
Net Cash Provided/(Used) by Operating Activities	(\$18,810)	(18,810)	(20,984)

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

Fiduciary Fund



**GIBBSBORO BOROUGH BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

ASSETS	AGENCY		TOTALS	
	STUDENT ACTIVITY	PAYROLL	JUNE 30, 2013	(MEMORANDUM ONLY) JUNE 30, 2012
Cash & Cash Equivalents	\$20,312	20,075	40,387	32,396
Total Assets	20,312	20,075	40,387	32,396
LIABILITIES				
Interfund Payable		3,970	3,970	3,804
Payroll Deductions & Withholdings		16,105	16,105	15,392
Due to Student Groups	20,312		20,312	13,200
Total Liabilities	20,312	20,075	40,387	32,396
Total Net Position	-	-	-	-

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

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



GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies

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

The District has implemented these standards beginning the fiscal year-ending June 30, 2004 with the implementation of GASB Statement 34; the District has prepared required supplementary information titled *Management's Discussion and Analysis*, which precedes the basic financial statements.

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

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

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2013 and for the year then ended.

A. Reporting Entity

The Gibbsboro Borough Board of Education is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of 9 members elected to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The Gibbsboro Borough Board of Education has an approximate enrollment at June 30, 2013 of 273 students.

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

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

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

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

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

B. District-Wide and Fund Financial Statements

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

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

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

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

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

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

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

D. Fund Accounting

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

Governmental Funds

General Fund - The general fund is the general operating fund of the Gibbsboro Borough Board of Education and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education Gibbsboro Borough Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles 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.

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

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

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

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

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

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

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

Food Service Fund:	
Equipment	15 Years
Light Trucks & Vehicle	8 Years
Heavy Trucks & Vehicle	8 Years

Internal Service - The internal service fund is used to account for the financing of goods or services provided by one department to other departments or to other District Boards of Education and governmental units, on a cost reimbursement basis. Internal Service Funds are cost accounting and distribution entities and are intended to break even.

Fiduciary Fund

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

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The district currently has no private purpose trust fund.

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

E. Basis of Accounting

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

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

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

In its accounting and financial reporting, the Gibbsboro Borough Board of Education follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The Gibbsboro Borough Board of Education's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

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

F. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Effective January 17, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund.

Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6:20-2A(m)1*. All budget amendments must be approved by School Board resolution.

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

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

F. Budgets/Budgetary Control (continued):

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

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

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

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$4,212,138	\$91,440
Difference – Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	134,557	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(128,476)</u>	<u> </u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$4,218,219</u>	<u>\$91,440</u>

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

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

F. Budgets/Budgetary Control (continued):

	General Fund	Special Revenue Fund
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	<u>\$4,308,204</u>	<u>\$91,440</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$4,308,204</u>	<u>\$91,440</u>

G. Encumbrances

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

Open encumbrances in the special revenue fund for which the Gibbsboro Borough Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

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

H. Cash and Cash Equivalents

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

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

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

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

I. Tuition Receivable/Payable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

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

The tuition rate adjustments for the years 2011-2012 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

J. Inventories & Prepaid Expenses

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

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

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

K. Short-Term Interfund Receivables/Payables

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

L. Fixed Assets

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

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

Machinery & Equipment	3 – 20 Years
Building & Other Improvements	7 – 60 Years
Infrastructure	30 Years

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2012 for such salaries.

N. Compensated Absences

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

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

O. Deferred Revenue

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

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

P. Long-Term Obligations

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

Q. Fund Equity

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Riverside School District classifies governmental fund balances as follows:

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

R. Subsequent Events

Gibbsboro Borough Board of Education has evaluated subsequent events occurring after June 30, 2013 through the date of August 2, 2013, which is the date the financial statements were available to be issued.

Note 2. Cash and Cash Equivalents

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

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$405,656</u>
Total Deposits	<u>\$405,656</u>

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Note 2. Cash and Cash Equivalents (continued):

The District's Cash & Cash Equivalents are Reported as Follows:

Governmental Activities	\$365,268
Business-Type Activities	1
Fiduciary Fund	<u>40,387</u>
Total Cash and Cash Equivalents	<u>\$405,656</u>

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does have a deposit policy for custodial credit risk. As of June 30, 2013, the District's bank balance of \$435,860 was insured or collateralized as follows:

Insured	\$250,051
Collateralized in the District's Name Under GUDPA (See Note 3)	<u>185,809</u>
Total	<u>\$435,860</u>

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2013 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act.

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

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

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

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

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

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

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

Note 4. Fixed Assets

The following schedule is a summarization of the general fixed assets for the fiscal year ended June 30, 2013:

	June 30, 2012	Additions	Deletions	Transfers	June 30, 2013
Building & Building Improvements	\$6,620,517	\$ -	\$ -	\$ -	\$6,620,517
Land & Improvements	29,220				29,220
Machinery & Equipment	87,452				87,452
Subtotal	6,737,189				6,737,189
Accumulated Depreciation	(1,823,545)	(167,913)			(1,991,458)
Total	<u>\$4,913,644</u>	<u>\$(167,913)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$4,745,731</u>

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 5. Long-Term Obligations

During the fiscal year ended June 30, 2013 the following changes occurred in liabilities reported in the General Long-Term Debt Account Group:

	Balance 6/30/12	Issued	Retired	Balance 6/30/13	Due Within One Year
Compensated Absences	\$ 118,844	\$ -	\$ 35,142	\$ 83,702	
Bonds Payable	<u>2,860,000</u>		<u>130,000</u>	<u>2,730,000</u>	<u>\$135,000</u>
Total	<u>\$2,978,844</u>	<u>\$ -</u>	<u>\$165,142</u>	<u>\$2,813,702</u>	<u>\$135,000</u>

A. Bonds Payable:

Bonds 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 Board are general obligation bonds.

In August 2011, the Gibbsboro Borough Board of Education refunded \$2,634,000 for the 2002 General Obligation School Bonds. Payments are due each March 1st and September 1st commencing March 1, 2012 at an interest rate of 2.00% to 4.00%.

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

Year Ending June 30,	Principal	Interest	Total
2014	\$ 135,000	\$ 89,375	\$ 224,375
2015	140,000	86,625	226,625
2016	145,000	83,775	228,775
2017	145,000	80,875	225,875
2018	150,000	77,737	227,737
2019-2023	820,000	265,025	1,085,025
2024-2028	980,000	144,000	1,124,000
2029	<u>215,000</u>	<u>4,300</u>	<u>219,300</u>
Total	<u>\$2,730,000</u>	<u>\$831,712</u>	<u>\$3,561,712</u>

Note 6. Accounts Receivable

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

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 6. Accounts Receivable (continued):

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Intergovernmental	<u>\$ 7,676</u>	<u>\$ 72,014</u>	<u>\$ 3,702</u>	<u>\$ 83,392</u>
Total	<u><u>\$ 7,676</u></u>	<u><u>\$ 72,014</u></u>	<u><u>\$ 3,702</u></u>	<u><u>\$ 83,392</u></u>

Note 7. Pension Plans

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

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

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

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A.43:15A* and *43.3B* and *N.J.S.A.18A:6C* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 7. Pension Plans (continued):

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

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

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Significant Legislation below.

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in PERS will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 PERS members will be age 65 and 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

Contribution Requirements – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 7. Pension Plans (continued):

Jersey legislation. TPAF and PERS provide for employee contributions of 6.5%, effective October 1, 2011, of employees' annual compensation, as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Year Funding	Three-Year Trend Information for PERS		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/13	\$22,427	100%	\$ -0-
6/30/12	26,172	100%	-0-
6/30/11	28,275	100%	-0-

**Three-Year Trend Information for TPAF Pension & Post-Retirement Medical Contributions
(Paid on behalf of the District)**

Year Funding	Three-Year Trend Information for TPAF Pension & Post-Retirement Medical Contributions (Paid on behalf of the District)		
	Annual Pension/Medical Cost	Percentage Contributed	Net Pension/Medical Obligation
6/30/13	\$241,409	100%	\$ -0-
6/30/12	201,950	100%	-0-
6/30/11	144,709	100%	-0-

During the year ended June 30, 2013 the State of New Jersey contributed \$241,409 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$133,481 for the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 8. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Note 8. Post-Retirement Benefits (continued):

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

Note 9. Risk Management

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

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

Note 10. Interfund Receivables and Payables

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$3,970	
Trust & Agency	<u> </u>	<u>\$3,970</u>
Total	<u>\$3,970</u>	<u>\$3,970</u>

The purpose of these interfunds is short-term borrowings.

Note 11. Fund Balance Disclosures

General Fund – Of the \$448,927 General Fund fund balance at June 30, 2013, \$181,042 is restricted for subsequent years expenditures; \$1 is restricted to establish the Capital Reserve Account; \$53,320 is restricted to establish the Maintenance Reserve Account; \$90,256 is restricted for excess surplus in accordance with *N.J.S.A.18A:7F-7*; \$1,566 is assigned as designated for subsequent year's expenditures and \$122,742 is unassigned.

GIBBSBORO BOROUGH BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 12. Deferred Compensation

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

Lincoln	AXXA Equitable	Vanguard
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Note 13. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2013 is \$83,702.

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

Note 14. Calculation of Excess Surplus

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey School Funding Reform Act of 2008 (SFRA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013 is \$90,256.

GIBBSBORO BOROUGH BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Note 15. Deferred Bond Issuance Costs

In governmental funds, bond issuance cost, loss on early retirement of debt and bond premiums on the refinancing of bonds are recognized in the current period. For district-wide financial statements, debt issuance and refinancing costs are amortized over the life of the original issue or refunding issue, whichever is longer. The cost associated with the 2011/2012 Refunding Issues was \$68,409, the loss on the refunding was \$119,508 and premiums on the Bonds was \$72,819. Amortized costs for the 2012-2013 school year were \$7,718, \$13,483 and \$8,215 respectively.

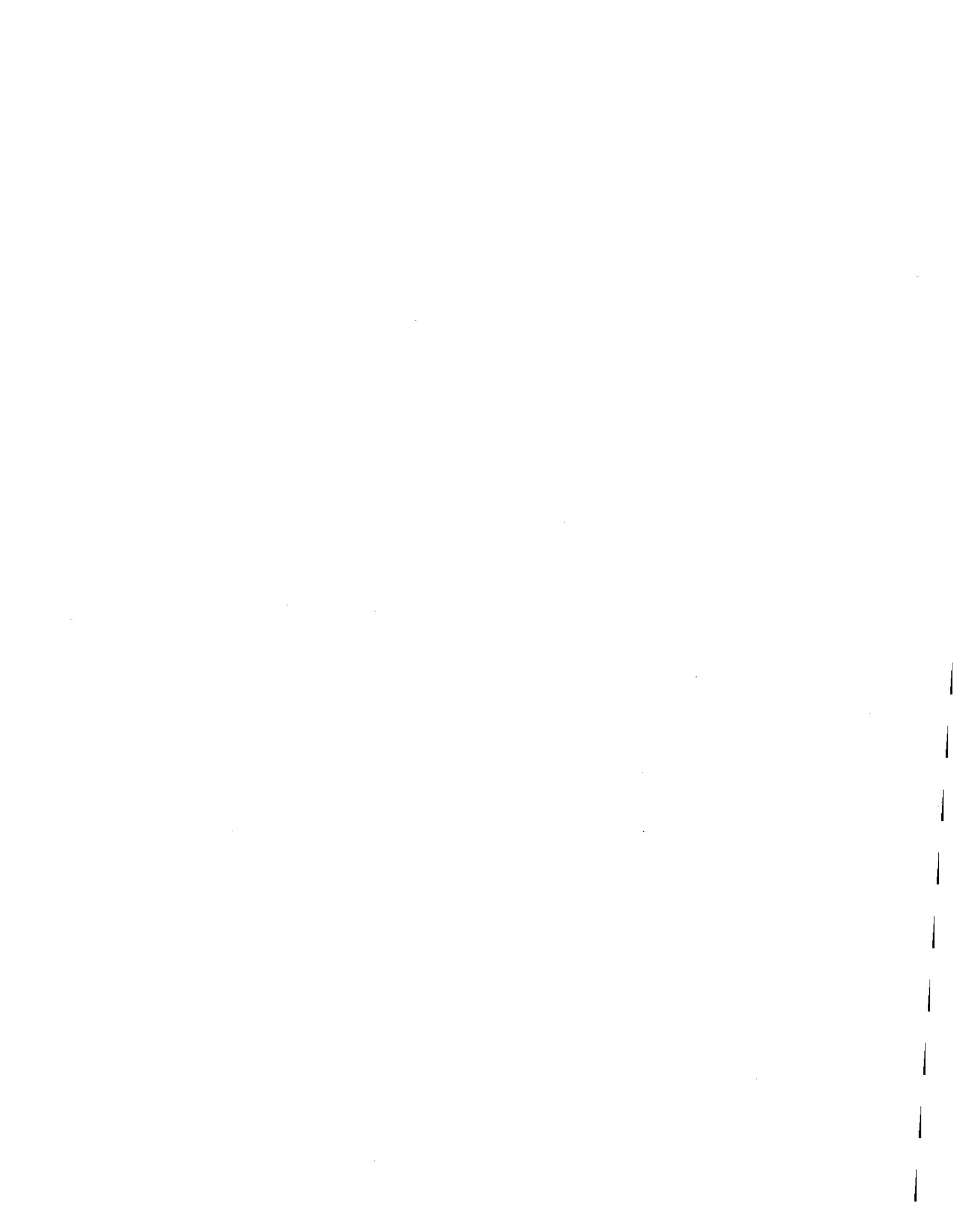
Note 16. Prior Period Adjustment

Due to an accounting error which occurred in 2004 between the General Fund and the Food Service Fund, an interfund has been on the respective balance sheets since that time. Management of the Gibbsboro Borough School District has decided that this interfund is not correct and should be adjusted so the respective funds are properly presented. The following adjustments were made as of July 1, 2012:

A. General Fund Fund Balance	
July 1, 2012, as previously stated	\$536,168
Prior Period Adjustment	<u> 34,401</u>
General Fund Fund Balance	
July 1, 2012 restated	<u>\$570,569</u>
B. Food Service Net Position	
July 1, 2012, as previously stated	\$ 35,196
Prior Period Adjustment	<u>(34,401)</u>
Food Service Net Position	
July 1, 2012 restated	<u>\$ 795</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules



GIBBSBORO BOROUGH BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:											
Local Sources:											
Local Tax Levy	10-1210	\$2,529,761		2,529,761	2,529,761		2,480,161		2,480,161	2,480,161	
Tuition	10-1300										
Miscellaneous	10-1xxx	28,260		28,260	1,723	(26,537)	30,000		30,000	5,896	(24,104)
Total Local Sources		2,558,021		2,558,021	2,531,484	(26,537)	2,510,161		2,510,161	2,486,057	(24,104)
State Sources:											
Nonpublic Transportation Aid	10-3xxx				1,218	1,218				1,566	1,566
Categorical Special Education Aid	10-3132	128,648		128,648	128,648		120,782		120,782	120,782	
Equalization Aid	10-3176	760,307		760,307	760,307		729,246		729,246	729,246	
Categorical Security Aid	10-3177	18,806		18,806	18,806		18,710		18,710	18,710	
Adjustment Aid	10-3178	377,509		377,509	377,509		428,766		428,766	471,886	43,120
Categorical Transportation Aid	10-3121	19,276		19,276	19,276		19,412		19,412	19,412	
Nonbudgeted:											
On-Behalf TPAF Pension Contribution					113,298	113,298				201,950	201,950
On-Behalf TPAF Post Retirement Medical Contribution					128,111	128,111					
Reimbursed TPAF Social Security					133,481	133,481				132,972	132,972
Total State Sources		1,304,546		1,304,546	1,680,654	376,108	1,316,916		1,316,916	1,696,524	379,608
Federal Sources:											
Education Jobs Fund	18-4522						49,351	1,546	50,897	50,897	
Total Federal Sources							49,351	1,546	50,897	50,897	
Total Revenues		3,862,567		3,862,567	4,212,138	349,571	3,876,428	1,546	3,877,974	4,233,478	355,504
Expenditures:											
Current Expense:											
Instruction - Regular Programs:											
Salaries of Teachers:											
Preschool	11-105-100-101	31,823	1	31,824	31,824		31,213	1	31,214	31,214	
Kindergarten	11-110-100-101	141,327	(18,020)	123,307	122,665	642	139,154	(3,957)	135,197	134,961	236
Grades 1 - 5	11-120-100-101	562,991	53,683	616,674	614,174	2,500	582,216	(19,470)	562,746	562,746	
Grades 6 - 8	11-130-100-101	528,577	(30,664)	497,913	497,144	769	498,662	24,227	522,889	522,889	
Home Instruction - Regular	11-150-100-101	2,500	1,836	4,336	4,306	30	2,500	(1,011)	1,489	344	1,145
Regular Programs - Undistributed Instruction:											
Other Salaries for Instruction	11-190-100-106	18,238	2,352	20,590	18,507	2,083	17,838	250	18,088	17,883	205
Purchased Professional & Educational Services											
Educational Services	11-190-100-320	56,865	(8,778)	48,087	44,797	3,290	88,000	(21,716)	66,284	64,666	1,618
Other Purchased Services	11-190-100-500	6,800	2,582	9,382	9,381	1	6,881	1,104	7,985	7,985	
General Supplies	11-190-100-610	65,004	(7,582)	57,422	53,783	3,639	68,621	67,224	135,845	135,845	
Textbooks	11-190-100-640	18,000	5,000	23,000	22,334	666	41,101	(15,607)	25,494	25,494	
Other Objects	11-190-100-890	2,000	(410)	1,590	483	1,107	2,000	778	2,778	2,778	

GIBBSBORO BOROUGH BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Regular Programs	1,434,125		1,434,125	1,419,398	14,727	1,478,186	31,823	1,510,009	1,506,805	3,204	
Special Education:											
Multiple Handicapped:											
Salaries of Teachers	11-212-100-101	130,396	(1,536)	128,860	128,860	148,754	(18,102)	130,652	129,663	989	
Other Salaries for Instruction	11-212-100-106	29,654	(3,939)	25,715	25,715	28,849	500	29,349	29,179	170	
General Supplies	11-212-100-610	600	164	764	764	500	876	1,376	1,375	1	
Textbooks	11-212-100-640	400	(400)			300		300	300		
Total Multiple Handicapped		161,050	(5,711)	155,339	155,339	178,403	(16,726)	161,677	160,517	1,160	
Resource Room/Resource Center:											
Salaries of Teachers	11-213-100-101	122,049	447	122,496	122,496	139,319	(13,000)	126,319	120,405	5,914	
Other Salaries for Instruction	11-213-100-106	16,942	18,816	35,758	35,758	31,455	(831)	30,624	19,189	11,435	
General Supplies	11-213-100-610	300	101	401	401	300	831	1,131	1,131		
Textbooks	11-213-100-640	200	(200)			200		200	200		
Total Resource Room/Resource Center		139,491	19,164	158,655	158,655	171,274	(13,000)	158,274	140,925	17,349	
Preschool Disabilities - Part Time:											
Salaries of Teachers	11-215-100-101	32,824		32,824	32,821	3	32,214	750	32,964	32,708	256
Other Salaries for Instruction	11-215-100-106	16,150	(13,428)	2,722	2,722	15,798	(11,379)	4,419	1,632	2,787	
General Supplies	11-215-100-610	200	(25)	175	170	5	200	200	157	43	
Total Preschool Disabilities - Part-Time		49,174	(13,453)	35,721	35,713	8	48,212	(10,629)	37,583	34,497	3,086
Total Special Education		349,715		349,715	349,707	8	397,889	(40,355)	357,534	335,939	21,595
School Sponsored Cocurricular Activities & Athletics:											
Salaries	11-401-100-100	60,000		60,000	60,000	65,000	1,546	66,546	50,304	16,242	
Supplies and Materials	11-401-100-600	8,000	2,105	10,105	10,105	12,000	2,117	14,117	14,117		
Salaries	11-402-100-100	12,000	(831)	11,169	11,127	42	12,000	(882)	11,118	11,118	
Supplies and Materials	11-402-100-600	4,000	(1,669)	2,331	2,331	8,000		8,000	6,578	1,422	
Total School Sponsored Cocurricular - Activities & Athletics		84,000	(395)	83,605	83,563	42	97,000	2,781	99,781	82,117	17,664
Total - Instruction		1,867,840	(395)	1,867,445	1,852,668	14,777	1,973,075	(5,751)	1,967,324	1,924,861	42,463

GIBBSBORO BOROUGH BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

	ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Undistributed Expenditures:											
Instruction:											
	Tuition to Private Schools for Disabled Within the State - Special	11-000-100-566	47,916	(4,791)	43,125	43,125	42,309	(3,378)	38,931	815	38,116
	Total Instruction		47,916	(4,791)	43,125	43,125	42,309	(3,378)	38,931	815	38,116
Attendance & Social Work Services:											
	Salaries	11-000-211-100	7,212		7,212	7,212	7,036		7,036	7,036	
	Total Attendance Services		7,212		7,212	7,212	7,036		7,036	7,036	
Health Services:											
	Salaries	11-000-213-100	69,883	4	69,887	69,887	66,456		66,456	66,456	
	Purchased Professional & Technical Services	11-000-213-300	1,000	(70)	930	250	680	1,000	1,000	840	160
	Supplies and Materials	11-000-213-600	2,500		2,500	1,780	720	2,500	2,500	1,605	895
	Total Health Services		73,383	(66)	73,317	71,917	1,400	69,956	69,956	68,901	1,055
Other Support Services - Students - Related Services:											
	Salaries	11-000-216-100	56,946	4,857	61,803	61,803	55,857	3,028	58,885	58,885	
	Supplies and Materials	11-000-216-600	300		300	176	124	300	300	215	85
	Total Other Support Services - Students - Regular		57,246	4,857	62,103	61,979	124	56,157	3,028	59,185	59,100
Other Support Services - Students - Extra Services:											
	Salaries	11-000-217-100					12,500	(12,231)	269		269
	Purchased Professional & Educational Services	11-000-217-320	33,000		33,000	32,348	652	18,000	12,231	30,231	23,254
	Supplies and Materials	11-000-217-600	200		200		200	200	200	200	200
	Total Other Support Services - Students - Extra Services		33,200		33,200	32,348	852	30,700		30,700	23,254
Other Support Services - Students - Regular Services:											
	Salaries	11-000-218-105	21,636		21,636	21,636	21,108		21,108	21,108	
	Purchased Professional & Educational Services	11-000-218-320	7,200	437	7,637	7,637	7,200		7,200	7,091	109
	Supplies & Materials	11-000-218-600	2,000	(1,477)	523		523	2,000	2,000	1,773	227
	Total Other Support Services-Students-Related Services		30,836	(1,040)	29,796	29,273	523	30,308	30,308	29,972	336

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

	ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Other Support Services - Students - Special Services:											
Salaries of Other Professional Staff	11-000-219-104	107,936		107,936	107,936		89,171	16,743	105,914	105,914	
Salaries of Secretarial & Clerical Assistants	11-000-219-105	34,341		34,341	34,341		32,341		32,341	32,341	
Other Purchased Professional & Educational Services	11-000-219-320	33,349		33,349	33,349		60,354	(27,019)	33,335	32,938	397
Other Purchased Professional & Technical Services	11-000-219-390	3,000	2,702	5,702	5,702		3,000	(1,154)	1,846	1,846	
Supplies and Materials	11-000-219-600	3,300	37	3,337	3,337		1,500	1,154	2,654	1,009	1,645
Total Other Support Services-Students-Special Services		181,926	2,739	184,665	184,665		186,366	(10,276)	176,090	174,048	2,042
Improvement of Instruction Services/Other Support Services - Instruction Staff:											
Salaries	11-000-221-102	21,323		21,323	21,323		14,280		14,280	14,280	
Salaries of Secretarial & Clerical Assistants	11-000-221-105	9,735		9,735	9,735		9,568		9,568	9,568	
Purchases Professional & Educational Services	11-000-221-320	11,000		11,000	10,752	248	4,000	1,000	5,000	5,000	
Other Purchased Services	11-000-221-500	500		500	436	64	500	(500)			
Supplies and Materials	11-000-221-600	8,200	(1,098)	7,102	6,520	582	8,200	(500)	7,700	7,700	
Total Improvement of Instruction Services/Other Support Services Instructional Staff		50,758	(1,098)	49,660	48,766	894	36,548		36,548	36,548	
Educational Media Services/School Library:											
Salaries	11-000-222-100	37,440	(3,437)	34,003	34,003		36,629		36,629	36,629	
Other Purchased Services	11-000-222-500	1,000		1,000	1,000		1,000		1,000	1,000	
Supplies and Materials	11-000-222-600	4,000	(3,166)	834	754	80	4,000		4,000	3,828	172
Other Objects	11-000-222-800	2,000	(811)	1,189	815	374	2,000		2,000	562	1,438
Total Educational Media Services/School Library		44,440	(7,414)	37,026	36,572	454	43,629		43,629	42,019	1,610
Instructional Staff Training Services:											
Purchased Professional/ Educational Services	11-000-223-320	3,000	300	3,300	2,907	393	3,000		3,000	2,489	511
Other Purchased Services	11-000-223-500	2,200		2,200	2,200		2,200		2,200	1,841	359
Total Instructional Staff Training Services		5,200	300	5,500	5,107	393	5,200		5,200	4,330	870

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

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	BUDGET FINAL	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	BUDGET FINAL	ACTUAL	
Support Services General Administration:										
Salaries	23,375	1	23,376	23,376		22,799		22,799	22,799	
11-000-230-331 Legal Services	15,000	(7,550)	7,450		7,450	15,000		15,000		15,000
11-000-230-332 Audit Fees	13,500	(180)	13,320	12,550	770	13,200	(610)	12,590	12,200	390
Other Purchased Professional Services	66,272	1,033	67,305	67,305		64,806	1,609	66,415	66,415	
11-000-230-339 Purchased Technical Services	2,500	(854)	1,646	1,120	526	2,500	(999)	1,501	1,078	423
11-000-230-530 Communications/Telephone	11,000		11,000	8,217	2,783	11,000		11,000	9,009	1,991
11-000-230-585 BOE Other Purchased Services	200		200	200		200		200	200	
11-000-230-590 Other Purchased Services	14,000	(661)	13,339	13,339		14,000		14,000	12,517	1,483
11-000-230-610 General Supplies	2,000	688	2,688	2,688		2,000		2,000	1,453	547
11-000-230-630 BOE Meeting Supplies	200	15	215	215		200		200	180	20
11-000-230-890 Miscellaneous Expenditures	1,700	(42)	1,658	1,376	282	1,500		1,500	1,500	
11-000-230-895 BOE Membership Dues & Fees	4,000		4,000	3,488	512	4,000		4,000	3,578	422
Total Support Services General Administration	153,747	(7,550)	146,197	133,874	12,323	151,205		151,205	130,929	20,276
Support Services School Administration:										
11-000-240-103 Salaries of Principals	58,906		58,906	58,906		57,120	350	57,470	57,470	
11-000-240-600 Supplies and Materials	1,000		1,000	1,000		1,000		1,000	800	200
Total Support Services School Administration	59,906		59,906	59,906		58,120	350	58,470	58,270	200
Central Services:										
11-000-251-100 Salaries	56,373		56,373	56,373		54,998		54,998	54,998	
11-000-251-330 Purchased Professional Services	25,994	(3,195)	22,799	22,799		24,108		24,108	23,767	341
11-000-251-600 Supplies and Materials	3,000	(1,798)	1,202	1,202		3,000		3,000	579	2,421
11-000-251-890 Other Objects	1,500	(84)	1,416	320	1,096	1,500		1,500	312	1,188
Total Central Services	86,867	(5,077)	81,790	80,694	1,096	83,606		83,606	79,656	3,950
Administrative Information Technology										
11-000-252-330 Purchased Professional Services	2,280	84	2,364	1,453	911	2,280		2,280	1,410	870
Total Administrative Information Technology	2,280	84	2,364	1,453	911	2,280		2,280	1,410	870
Allowable Maintenance for School Facilities:										
11-000-261-420 Cleaning, Repair & Maintenance Services	25,000		25,000	24,999	1	25,000	4,606	29,606	29,606	

GIBBSBORO BOROUGH BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Allowable Maintenance for School Facilities (continued):											
General Supplies	11-000-261-610	2,000		2,000	2,000		2,000		2,000	1,535	465
Total Allowable Maintenance for School Facilities		27,000		27,000	26,999	1	27,000	4,606	31,606	31,141	465
Other Operation & Maintenance of Plant:											
Salaries	11-000-262-100	102,800	2,574	105,374	105,373	1	102,926	(2,819)	100,107	99,891	216
Purchases Professional & Technical Services	11-000-262-300						9,000	5,573	14,573	14,572	1
Cleaning, Repair & Maintenance Services	11-000-262-420	25,000	7,959	32,959	32,959		25,000	1,500	26,500	26,500	
Other Purchased Property Services	11-000-262-490	9,000	2,172	11,172	11,172		9,000		9,000	7,296	1,704
Insurance	11-000-262-520	18,000	(2,286)	15,714	15,714		18,200	(2,118)	16,082	16,039	43
General Supplies	11-000-262-610	22,000	(2,261)	19,739	19,739		22,000	(1,847)	20,153	16,792	3,361
Energy (Natural Gas)	11-000-262-621	50,000	(22,572)	27,428	27,428		48,000	(14,808)	33,192	20,618	12,574
Energy (Heat & Electricity)	11-000-262-622	75,000	(377)	74,623	74,622	1	72,000		72,000	65,258	6,742
Total Other Operation & Maintenance of Plant		301,800	(14,791)	287,009	287,007	2	306,126	(14,519)	291,607	266,966	24,641
Student Transportation Services:											
Management Fee CCESE	11-000-270-350	2,000	615	2,615	2,615		3,000		3,000	1,522	1,478
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	10,000	1,698	11,698	11,698		10,000		10,000	9,010	990
Contracted Services (Special Education Students) - ESC'S	11-000-270-518	52,000	6,090	58,090	58,090		52,000		52,000	50,736	1,264
Contracted Services - Aid in Lieu of Payments	11-000-270-503	8,000	(1,503)	6,497	6,497		8,000	1,105	9,105	9,105	
Total Student Transportation Services		72,000	6,900	78,900	78,900		73,000	1,105	74,105	70,373	3,732

GIBBSBORO BOROUGH BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Unallocated Benefits - Employee Benefits:											
Social Security Contributions	11-000-291-220	42,000	9,732	51,732	51,732		42,000	4,214	46,214	46,214	
Other Retirement Contribution - PERS	11-000-291-241	32,000	(9,502)	22,498	22,427	71	33,600	(33,600)			
Other Contributions - D.C.R.P	11-000-291-249		2,321	2,321	2,321			27,386	27,386	26,172	1,214
Unemployment Compensation	11-000-291-250	7,000	2,977	9,977	9,922	55	7,000	2,710	9,710	9,710	
Workmen's Compensation	11-000-291-260	25,000	(2,537)	22,463	22,463		22,000	1,408	23,408	23,359	49
Health Benefits	11-000-291-270	731,937	25,994	757,931	757,931		677,880		677,880	674,138	3,742
Tuition Reimbursement	11-000-291-280	5,000	(400)	4,600	4,600						
Other Employee Benefits	11-000-291-290	43,611	(270)	43,341	42,738	603	26,540	17,574	44,114	44,112	2
Total Unallocated Benefits		886,548	28,315	914,863	914,134	729	809,020	19,692	828,712	823,705	5,007
Nonbudgeted:											
On-Behalf TPAF Pension Contribution				113,298	(113,298)					67,088	(67,088)
On-Behalf TPAF Post Retirement Medical Contribution				128,111	(128,111)					134,862	(134,862)
Reimbursed TPAF Social Security				133,481	(133,481)					132,972	(132,972)
Total Undistributed Expenditures		2,122,265	1,368	2,123,633	2,435,696	(312,063)	2,018,566	608	2,019,174	2,243,395	(89,359)
Total Expenditures - Current Expense		3,990,105	973	3,991,078	4,288,364	(297,286)	3,991,641	(5,143)	3,986,498	4,168,256	(181,758)
Undistributed Expenditures:											
Instruction	12-000-100-730							4,842	4,842	4,842	
Special Education Instruction	12-000-X00-730							1,847	1,847	1,847	
Total Equipment Expenditures								6,689	6,689	6,689	
Facilities Acquisitions & Construction Services:											
Assessment for Debt Service on SDA Funding	12-000-400-896	19,840		19,840	19,840						
Other Objects	12-000-400-800						14,457		14,457	14,457	
Total Facilities Acquisitions & Construction Services Expenditures		19,840		19,840	19,840		14,457		14,457	14,457	
Total Capital Outlay		19,840		19,840	19,840		14,457	6,689	21,146	21,146	
Total Expenditures		4,009,945	973	4,010,918	4,308,204	(297,286)	4,006,098	1,546	4,007,644	4,189,402	(181,758)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(147,378)	(973)	(148,351)	(96,066)	52,285	(129,670)		(129,670)	44,076	173,746

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GIBBSBORO BOROUGH BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

ACCOUNT NUMBER	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Other Financing Sources/(Uses):										
Food Services:										
Transfer to Cover Deficit	11-000-310-930	(9,735)	973	(8,762)	(3,754)	(5,008)	(15,068)	(15,068)	(5,956)	(9,112)
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses		(157,113)		(157,113)	(99,820)	57,293	(144,738)	(144,738)	38,120	182,858
Fund Balances, July 1 as previously stated		642,822		642,822	642,822		604,702	604,702	604,702	604,702
Prior Period Adjustment		34,401		34,401	34,401					
Fund Balances, July 1 restated		677,223		677,223	677,223					
Fund Balances, June 30		\$520,110	-	520,110	577,403	57,293	459,964	459,964	642,822	182,858

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Capital Reserve Account	\$1
Maintenance Reserve Account	53,320
Excess Surplus	90,256
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	181,042
Assigned Fund Balance	
Designated for Subsequent Year's Expenditures	1,566
Unassigned Fund Balance	<u>251,218</u>
Subtotal	577,403
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	<u>(128,476)</u>
Fund Balance Per Governmental Funds (GAAP)	<u>\$448,927</u>

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

	JUNE 30, 2013				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES										
Local Sources							14,209	14,209	14,209	
Federal Sources	\$80,743	10,697	91,440	91,440		81,968	13,023	94,991	94,991	
Total Revenues	80,743	10,697	91,440	91,440		81,968	27,232	109,200	109,200	
EXPENDITURES:										
Instruction:										
Salaries of Teachers	18,447	1,858	20,305	20,305		73,287	(51,299)	21,988	21,988	
Other Salaries for Instruction		4,227	4,227	4,227			4,246	4,246	4,246	
Other Purchased Services	62,296	(17,188)	45,108	45,108			47,916	47,916	47,916	
General Supplies		1	1	1		8,681	(7,181)	1,500	1,500	
Total Instruction	80,743	(11,102)	69,641	69,641		81,968	(6,318)	75,650	75,650	
Support Services:										
Other Salaries		9,380	9,380	9,380						
Personal Services - Employee Benefits		3,652	3,652	3,652			2,187	2,187	2,187	
Purchased Professional Services		7,045	7,045	7,045			7,800	7,800	7,800	
Other Purchased Services		1,722	1,722	1,722			6,279	6,279	6,279	
Supplies & Materials							3,075	3,075	3,075	
Total Support Services		21,799	21,799	21,799			19,341	19,341	19,341	
Facilities Acquisition & Construction Services:										
Instructional Equipment							14,209	14,209	14,209	
Total Facilities Acquisition & Construction Services							14,209	14,209	14,209	
Total Expenditures	80,743	10,697	91,440	91,440		81,968	27,232	109,200	109,200	
Total Outflows	80,743	10,697	91,440	91,440		81,968	27,232	109,200	109,200	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-		-	-	-	-	-



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION



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

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$4,212,138	91,440
Difference - Budget to GAAP:		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements.		
Current Year	(128,476)	
Prior Year	134,557	
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$4,218,219	91,440
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$4,308,204	91,440
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$4,308,204	91,440

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable



E. Special Revenue Fund



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

	<u>NO CHILD LEFT BEHIND (N.C.L.B.)</u>	
	TITLE I PART A	TITLE II PART A
Revenues:		
Federal Sources	\$10,659	7,722
	<hr/>	<hr/>
Total Revenues	\$10,659	7,722
	<hr/> <hr/>	<hr/> <hr/>
Expenditures:		
Instruction:		
Salaries of Teachers	\$8,882	
General Supplies	1	
	<hr/>	
Total Instruction	8,883	
	<hr/>	
Support Services:		
Personal Services - Employee Benefits	1,776	
Purchased Professional Services		6,000
Other Purchased Services		1,722
	<hr/>	<hr/>
Total Support Services	1,776	7,722
	<hr/>	<hr/>
Total Expenditures	\$10,659	7,722
	<hr/> <hr/>	<hr/> <hr/>

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

	I.D.E.A. PART B BASIC REGULAR PROGRAM	I.D.E.A. PART B PRESCHOOL PROGRAM	RACE TO THE TOP
Revenues:			
Federal Sources	\$67,787	4,227	1,045
Total Revenues	\$67,787	4,227	1,045
Expenditures:			
Instruction:			
Salaries of Teachers	\$11,423		
Other Salaries for Instruction		4,227	
Other Purchased Services	45,108		
Total Instruction	56,531	4,227	
Support Services:			
Other Salaries	9,380		
Personal Services - Employee Benefits	1,876		
Purchased Professional Services			1,045
Total Support Services	11,256		1,045
Total Expenditures	\$67,787	4,227	1,045

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

	2013	2012
Revenues:		
Local Sources		14,209
Federal Sources	\$91,440	94,991
		<hr/>
Total Revenues	91,440	109,200
		<hr/> <hr/>
Expenditures:		
Instruction:		
Salaries of Teachers	\$20,305	21,988
Other Salaries for Instruction	4,227	4,246
Other Purchased Services	45,108	47,916
General Supplies	1	1,500
		<hr/>
Total Instruction	69,641	75,650
		<hr/>
Support Services:		
Other Salaries	9,380	
Personal Services - Employee Benefits	3,652	2,187
Purchased Professional Services	7,045	7,800
Other Purchased Services	1,722	6,279
Supplies & Materials		3,075
		<hr/>
Total Support Services	21,799	19,341
		<hr/>
Facilities Acquisition & Construction Services:		
Instructional Equipment		14,209
		<hr/>
Total Facilities Acquisition & Construction Services		14,209
		<hr/>
Total Expenditures	\$91,440	109,200
		<hr/> <hr/>

F. Capital Projects Fund

Not Applicable

G. Proprietary Funds

Enterprise Funds

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

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	2013	2012
Cash & Cash Equivalents	\$1	1	39
Accounts Receivable:			
State	137	137	33
Federal	3,565	3,565	723
Interfund			34,401
Total Assets	3,703	3,703	35,196
NET POSITION			
Unrestricted	3,703	3,703	35,196
Total Net Position	\$3,703	3,703	35,196

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE	2013	2012
Operating Revenues:			
Local Sources:			
Daily Sales - Reimbursable Programs:			
School Lunch Program	\$28,427	28,427	33,488
Daily Sales - Non-Reimbursable Programs:			
School Lunch Program	4,874	4,874	5,557
Total Operating Revenue	33,301	33,301	39,045
Operating Expenses:			
Salaries & Benefits	9,735	9,735	10,206
Cost of Sales	42,376	42,376	49,823
Total Operating Expenses	52,111	52,111	60,029
Operating Income/(Loss)	(18,810)	(18,810)	(20,984)
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	671	671	708
Federal Sources:			
National School Lunch Program	17,171	17,171	14,802
Special Milk Program	113	113	234
Interest & Investment Revenue	9	9	9
Total Nonoperating Revenues	17,964	17,964	15,753
Other Financing Sources/(Uses):			
Operating Transfer In	3,754	3,754	5,956
Total Other Financing Sources	3,754	3,754	5,956
Change in Net Position	2,908	2,908	725
Total Net Assets - Beginning, as previously stated	35,196	35,196	34,471
Prior Period Adjustment	(34,401)	(34,401)	
Total Net Position - Beginning Restated	795	795	
Total Net Position - Ending	\$3,703	3,703	35,196

**GIBBSBORO BOROUGH BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

	FOOD SERVICE	2013	2012
Cash Flows From Operating Activities:			
Receipts from Customers	\$33,301	33,301	39,045
Payments to Employees & Benefits	(9,735)	(9,735)	(10,206)
Payments to Suppliers	(42,376)	(42,376)	(49,823)
Net Cash Provided/(Used) by Operating Activities	(18,810)	(18,810)	(20,984)
Cash Flows From Noncapital Financing Activities:			
Cash Received From Board Contribution	3,754	3,754	5,956
Cash Received From State & Federal Reimbursements	15,009	15,009	14,988
Net Cash Provided by Noncapital Financing Activities	18,763	18,763	20,944
Cash Flows From Investing Activities:			
Interest & Dividends	9	9	9
Net Cash Provided/(Used) by Investing Activities	9	9	9
Net Increase/(Decrease) in Cash & Cash Equivalents	(38)	(38)	(31)
Balances - Beginning of Year	39	39	70
Balances - Ending of Year	\$1	1	39

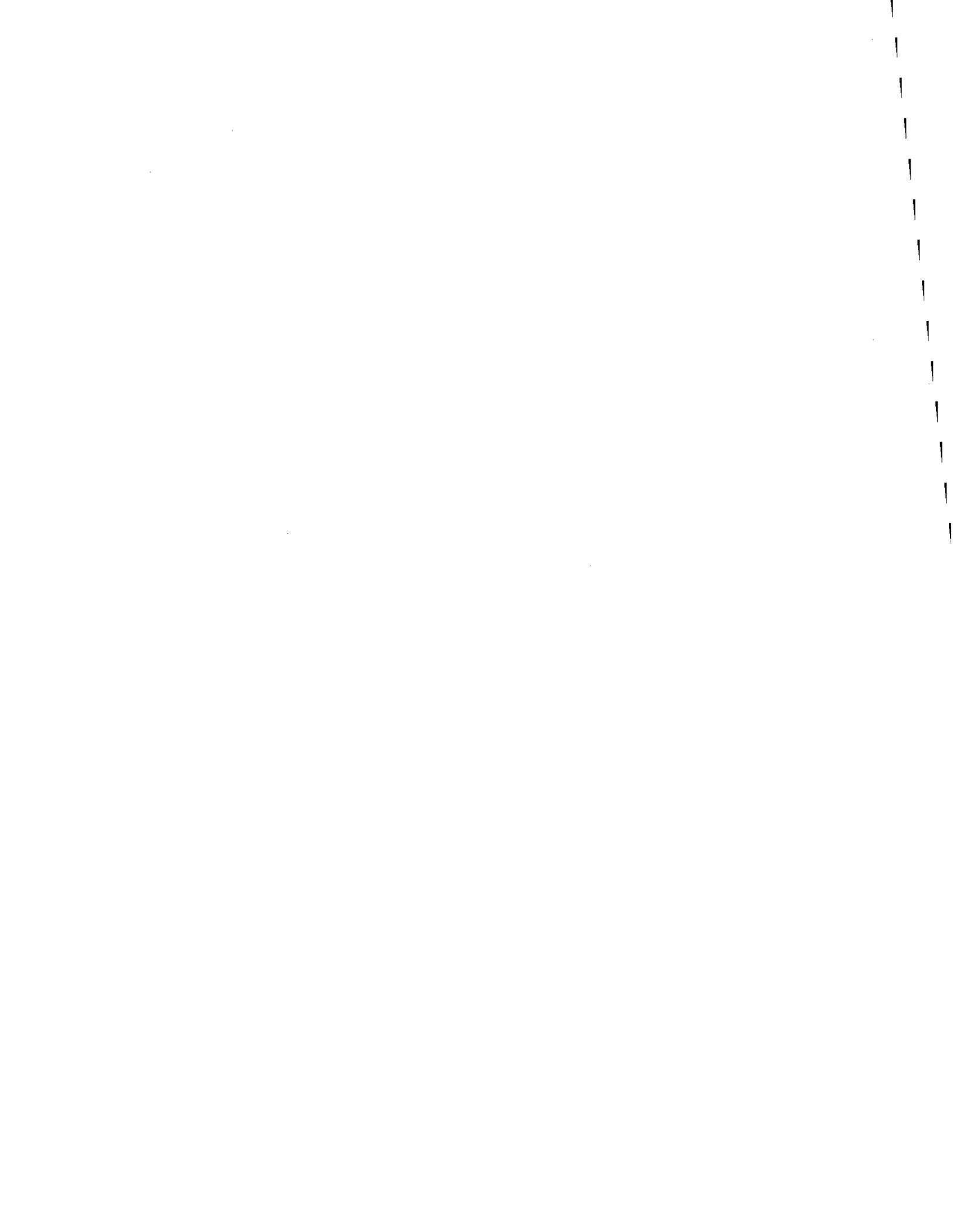
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	(\$18,810)	(18,810)	(20,984)
Net Cash Provided/(Used) by Operating Activities	(18,810)	(18,810)	(20,984)



Internal Service Fund

Not Applicable



H. Fiduciary Fund

**GIBBSBORO BOROUGH BOARD OF EDUCATION
TRUST AND AGENCY FUND
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

ASSETS	AGENCY		2013	2012
	STUDENT ACTIVITY	PAYROLL		
Cash & Cash Equivalents	\$20,312	20,075	40,387	32,396
Total Assets	20,312	20,075	40,387	32,396
LIABILITIES				
Interfund Payable		3,970	3,970	3,804
Payroll Deductions & Withholdings		16,105	16,105	15,392
Due to Student Groups	\$20,312		20,312	13,200
Total Liabilities	20,312	20,075	40,387	32,396
Total Net Position	-	-	-	-

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

	BALANCE JULY 1, 2012	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2013
ASSETS				
Cash & Cash Equivalents	\$13,200	37,847	30,735	20,312
Total Assets	<u>\$13,200</u>	<u>37,847</u>	<u>30,735</u>	<u>20,312</u>
LIABILITIES				
Due to Student Groups	\$13,200	37,847	30,735	20,312
Total Liabilities	<u>\$13,200</u>	<u>37,847</u>	<u>30,735</u>	<u>20,312</u>

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

	BALANCE JULY 1, 2012	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2013
ASSETS				
Cash & Cash Equivalents	\$19,196	2,643,456	2,642,577	20,075
Total Assets	<u>\$19,196</u>	<u>2,643,456</u>	<u>2,642,577</u>	<u>20,075</u>
LIABILITIES				
Payroll Deductions & Withholdings	\$15,392	2,643,290	2,642,577	16,105
Interfunds Payable	3,804	166		3,970
Total Liabilities	<u>\$19,196</u>	<u>2,643,456</u>	<u>2,642,577</u>	<u>20,075</u>

I. Long-Term Debt



**GIBBSBORO BOROUGH BOARD OF EDUCATION
LONG-TERM DEBT ACCOUNT GROUP
SCHEDULE OF SERIAL BONDS
JUNE 30, 2013**

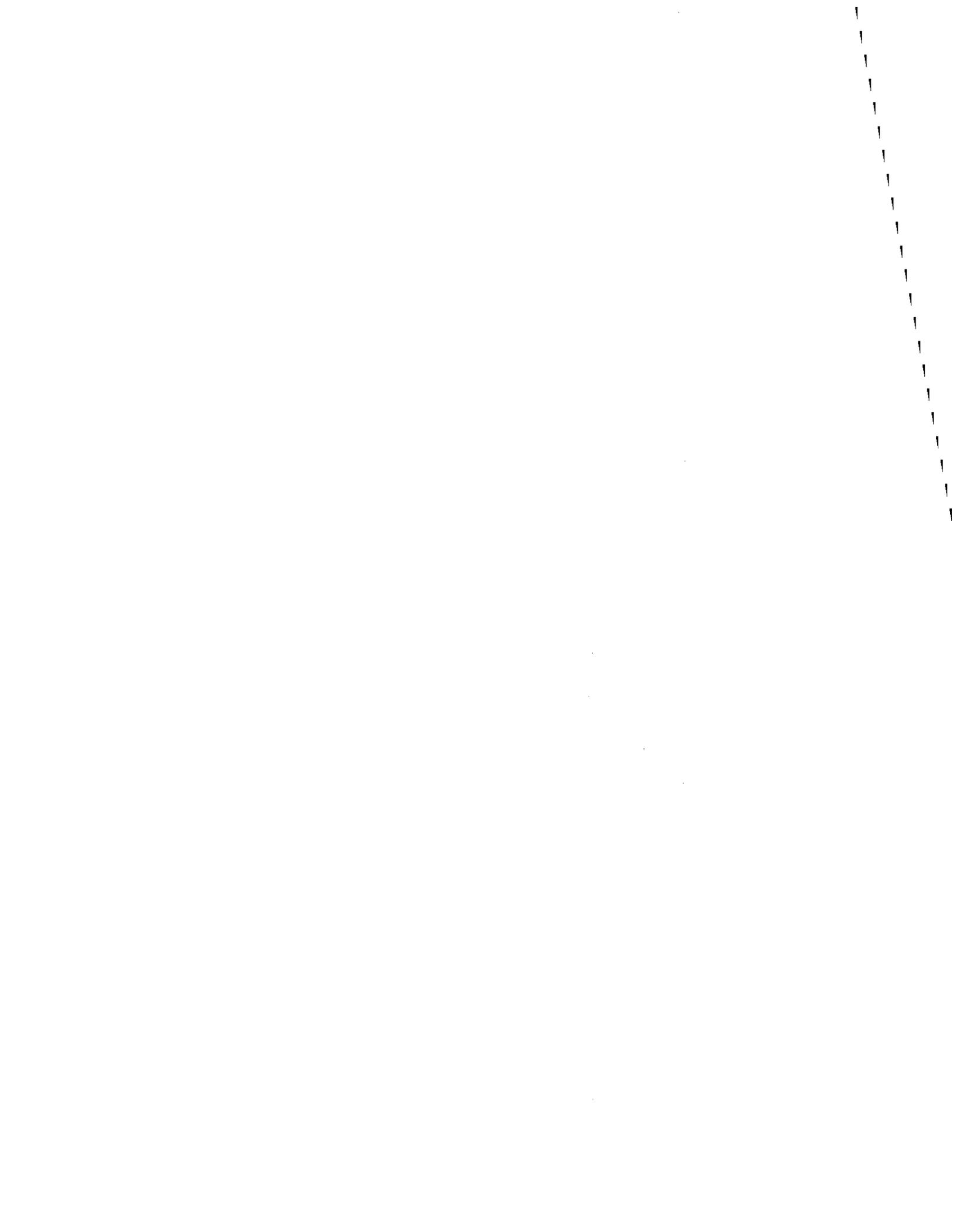
ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE	ISSUED	PAID	REFUNDED	BALANCE
			DATE	AMOUNT		JULY 1, 2012				JUNE 30, 2013
Improvement & Renovations to Elementary School	6/1/02	\$3,299,000				\$105,000		105,000		
Refunding Bonds, Series 2011	8/25/11	2,755,000	9/1/13	\$135,000	2.000%	2,755,000		25,000		2,730,000
			9/1/14	140,000	2.000%					
			9/1/15	145,000	2.000%					
			9/1/16	145,000	2.000%					
			9/1/17	150,000	2.250%					
			9/1/18	155,000	3.000%					
			9/1/19	160,000	3.000%					
			9/1/20	160,000	3.125%					
			9/1/21	170,000	4.000%					
			9/1/22	175,000	4.000%					
			9/1/23	180,000	4.000%					
			9/1/24	190,000	4.000%					
			9/1/25	195,000	4.000%					
			9/1/26	205,000	4.000%					
			9/1/27	210,000	4.000%					
			9/1/28	215,000	4.000%					
Total						\$2,860,000	-	130,000	-	2,730,000

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

	JUNE 30, 2013				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:										
Local Sources:										
Local Tax Levy	\$195,540		195,540	195,540		234,791		234,791	234,791	
Total Revenues	195,540		195,540	195,540		234,791		234,791	234,791	
Expenditures:										
Regular Debt Service:										
Interest	93,442		93,442	93,442		134,791		134,791	106,889	27,902
Redemption of Principal	130,000		130,000	130,000		100,000		100,000	100,000	
Total Regular Debt Service	223,442		223,442	223,442		234,791		234,791	206,889	27,902
Excess/(Deficiency) of Revenues										
Over (Under) Expenditures	(27,902)		(27,902)	(27,902)					27,902	(27,902)
Fund Balance, July 1	27,903		27,903	27,903		1		1	1	
Fund Balance, June 30	\$1	-	1	1	-	1	-	1	27,903	(27,902)

**GIBBSBORO BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF COMPENSATED ABSENCES
JUNE 30, 2013**

	OUTSTANDING BALANCE JUNE 30, 2012	DECREASED	OUTSTANDING BALANCE JUNE 30, 2013
Compensated Absences	\$118,844	(35,142)	83,702



STATISTICAL SECTION (Unaudited)



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

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:										
Invested in Capital Assets, Net of Related Debt	\$2,015,731	2,053,644	2,235,281	2,289,489	2,354,068	2,428,357	2,538,736	2,623,913	2,651,396	2,389,010
Restricted	295,944	803,798	318,690	404,637	492,351	400,182	328,488	386,370	70,394	4,916
Unrestricted	147,054	(295,416)	25,500	(32,830)	28,401	77,254	72,784	(209,014)	(51,470)	(113,692)
Total Governmental Activities Net Position	\$2,458,729	2,562,026	2,579,471	2,661,296	2,874,820	2,905,793	2,940,008	2,801,269	2,670,320	2,280,234
Business-Type Activities:										
Unrestricted	\$3,703	35,196	34,471	35,632	35,637	37,585	40,011	37,764	21,886	11,661
Total Business-Type Activities Net Position	\$3,703	35,196	34,471	35,632	35,637	37,585	40,011	37,764	21,886	11,661
District-Wide:										
Invested in Capital Assets, Net of Related Debt	\$2,015,731	2,053,644	2,235,281	2,289,489	2,354,068	2,428,357	2,538,736	2,623,913	2,651,396	2,389,010
Restricted	295,944	803,798	318,690	404,637	492,351	400,182	328,488	386,370	70,394	4,916
Unrestricted	150,757	(260,220)	59,971	2,802	64,038	114,839	112,795	(171,250)	(29,584)	(102,031)
Total District Net Position	\$2,462,432	2,597,222	2,613,942	2,696,928	2,910,457	2,943,378	2,980,019	2,839,033	2,692,206	2,291,895

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

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$1,489,039	1,582,455	1,428,015	1,635,384	1,603,946	1,656,605	1,440,443	1,415,089	1,344,689	1,407,732
Special Education	349,707	335,939	372,793	461,860	410,513	411,735	412,289	356,019	381,549	432,660
Other Instruction	83,563	82,117	75,009	96,889	92,730	75,061	85,247	60,597	51,901	52,686
Support Services:										
Tuition								2,166	6,160	31,612
Attendance/Social Work	7,212	7,036	6,763	6,506	6,202	5,912	10,008	4,701		
Health Services	71,917	68,901	67,029	67,902	61,960	58,499	56,233	57,173	50,182	51,872
Student & Instruction Related Services	378,830	357,287	358,105	321,810	306,012	302,175	302,608	323,342	258,961	253,530
Educational Media/Library	36,572	42,019	42,280	40,378	41,711	52,969	31,948	30,458	45,307	21,984
Instructional Staff Training	5,107	4,330	7,240	5,215	3,049	4,300	3,484	5,642	3,889	3,481
General & Administrative Services	133,874	145,386	159,820	140,354	126,133	133,190	149,727	176,365	169,854	142,127
School Administrative Services	59,906	58,270	54,912	32,844	40,867	63,505	59,675	78,231	74,603	76,605
Central Services	80,694	79,656	77,088	62,772	59,764	63,457	57,223	60,967	60,002	
Administrative Information Technology	1,453	1,410	2,280	2,568	6,450	3,218		8,746		
Plant Operations & Maintenance	314,006	298,107	416,842	334,881	452,919	388,438	339,379	316,331	263,138	173,438
Pupil Transportation	78,900	70,373	72,022	86,553	68,926	67,416	52,669	80,343	58,426	66,644
Business & Other Support Services										48,578
Unallocated Benefits	1,289,024	1,158,627	1,080,363	1,049,724	988,168	1,085,650	1,026,722	818,741	790,731	748,586
Interest on Long-Term Debt	119,484	96,656	138,241	130,612	146,751	150,546	152,747	156,591	160,201	163,583
Amortized Bond Issuance Costs	7,084	5,902								
Unallocated Debt Absences	(35,142)	17,496	(34,912)	8,933	25,791	(8,030)	4,627	4,803	(17,858)	13,883
Unallocated Depreciation	167,913	167,326	166,619	169,485	167,189	167,124	167,965	134,768	20,576	19,750
Total Governmental Activities Expenses	4,639,143	4,579,293	4,490,509	4,654,670	4,609,081	4,681,770	4,352,994	4,091,073	3,722,311	3,708,751
Business-Type Activities:										
Food Service	52,111	60,029	75,138	86,957	89,903	94,507	83,254	99,943	82,046	72,708
Internal Service Fund			15,050	100,782	80,040					

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

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Business-Type Activities Expense	52,111	60,029	90,188	187,739	169,943	94,507	83,254	99,943	82,046	72,708
Total District Expenses	<u>\$4,691,254</u>	<u>4,639,322</u>	<u>4,580,697</u>	<u>4,842,409</u>	<u>4,779,024</u>	<u>4,776,277</u>	<u>4,436,248</u>	<u>4,191,016</u>	<u>3,804,357</u>	<u>3,781,459</u>
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Operating Grants & Contributions	\$91,440	109,200	109,279	140,987	102,089	129,586	154,096	126,825	130,398	135,770
Total Governmental Activities Program Revenues	<u>91,440</u>	<u>109,200</u>	<u>109,279</u>	<u>140,987</u>	<u>102,089</u>	<u>129,586</u>	<u>154,096</u>	<u>126,825</u>	<u>130,398</u>	<u>135,770</u>
Business-Type Activities:										
Charges for Services:										
Food Service	51,256	54,789	60,799	55,290	56,572	51,435	59,526	61,193	53,371	52,499
Internal Service Fund			15,050	100,782	80,040					
Total Business Type Activities Program Revenues	<u>51,256</u>	<u>54,789</u>	<u>75,849</u>	<u>156,072</u>	<u>136,612</u>	<u>51,435</u>	<u>59,526</u>	<u>61,193</u>	<u>53,371</u>	<u>52,499</u>
Total District Program Revenues	<u>\$142,696</u>	<u>163,989</u>	<u>185,128</u>	<u>297,059</u>	<u>238,701</u>	<u>181,021</u>	<u>213,622</u>	<u>188,018</u>	<u>183,769</u>	<u>188,269</u>
Net (Expense)/Revenue:										
Governmental Activities	(\$4,547,703)	(4,470,093)	(4,381,230)	(\$4,513,683)	(4,506,992)	(4,552,184)	(4,198,898)	(3,964,248)	(3,591,913)	(3,572,981)
Business-Type Activities	(855)	(5,240)	(14,339)	(31,667)	(33,331)	(43,072)	(23,728)	(38,750)	(28,675)	(20,209)
Total District-Wide Net Expense	<u>(\$4,548,558)</u>	<u>(4,475,333)</u>	<u>(4,395,569)</u>	<u>(4,545,350)</u>	<u>(4,540,323)</u>	<u>(4,595,256)</u>	<u>(4,222,626)</u>	<u>(4,002,998)</u>	<u>(3,620,588)</u>	<u>(3,593,190)</u>

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

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Revenues & Other Changes in Net Assets:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$2,529,761	2,480,161	2,480,161	2,480,161	2,480,161	2,384,770	2,255,735	2,206,141	2,061,917	1,697,316
Taxes Levied for Debt Service	195,540	234,791	239,391	238,876	238,131	196,236	216,910	214,815	212,490	328,622
Unrestricted Grants & Contributions	1,686,735	1,723,547	1,582,248	1,529,464	1,690,016	1,871,366	1,806,269	1,613,923	1,689,034	1,585,079
Miscellaneous Income	1,723	20,105	10,768	83,284	99,041	106,083	84,698	114,946	57,458	93,264
Cancellation of Grants							(223)			
Transfers	(3,754)	(5,956)	(13,163)	(31,626)	(31,330)	(40,486)	(25,752)	(54,628)	(38,900)	(30,080)
Total Governmental Activities	<u>\$4,410,005</u>	<u>4,452,648</u>	<u>4,299,405</u>	<u>4,300,159</u>	<u>4,476,019</u>	<u>4,517,969</u>	<u>4,337,637</u>	<u>4,095,197</u>	<u>3,981,999</u>	<u>3,674,201</u>
Business-Type Activities:										
Investment Earnings	\$9	9	15	36	53	160	223			
Transfers	3,754	5,956	13,163	31,626	31,330	40,486	25,752	54,628	38,900	30,080
Total Business-Type Activities	<u>3,763</u>	<u>5,965</u>	<u>13,178</u>	<u>31,662</u>	<u>31,383</u>	<u>40,646</u>	<u>25,975</u>	<u>54,628</u>	<u>38,900</u>	<u>30,080</u>
Total District-Wide	<u>\$4,413,768</u>	<u>4,458,613</u>	<u>4,312,583</u>	<u>4,331,821</u>	<u>4,507,402</u>	<u>4,558,615</u>	<u>4,363,612</u>	<u>4,149,825</u>	<u>4,020,899</u>	<u>3,704,281</u>
Change in Net Position:										
Governmental Activities	(\$137,698)	(17,445)	(81,825)	(213,524)	(30,973)	(34,215)	138,739	130,949	390,086	101,220
Business-Type Activities	2,908	725	(1,161)	(5)	(1,948)	(2,426)	2,247	15,878	10,225	9,871
Total District	<u>(\$134,790)</u>	<u>(16,720)</u>	<u>(82,986)</u>	<u>(213,529)</u>	<u>(32,921)</u>	<u>(36,641)</u>	<u>140,986</u>	<u>146,827</u>	<u>400,311</u>	<u>111,091</u>

**GIBBSBORO BOROUGH BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TENNINE FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund										
Restricted	\$324,619	389,516	352,962	440,059	591,037	450,248	379,244	225,304	139,136	733
Assigned	1,566	1,740								
Unrestricted	122,742	117,009	126,848	103,430	105,728	178,790	182,350	109,211	33,530	63,402
Total General Fund	\$448,927	508,265	479,810	543,489	696,765	629,038	561,594	334,515	172,666	64,135
All Other Governmental Funds										
Restricted								51,619	51,619	2,014,578
Assigned	\$1	27,903	1							
Unrestricted, Reported in:										
Capital Projects Fund							8,992	56,220	223,602	19,028
Debt Service Fund				1	1	1	1	1	1	
Total All Other Governmental Funds	\$1	27,903	1	1	1	1	8,993	107,840	275,222	2,033,606

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

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:										
Tax Levy	\$2,725,301	2,714,952	2,719,552	2,719,037	2,718,292	2,581,006	2,472,645	2,420,956	2,274,407	2,025,938
Tuition Charges				23,346	39,580	46,980	28,895	57,550	37,750	48,138
Miscellaneous	1,723	20,105	10,768	59,938	59,461	59,103	55,803	57,396	19,708	29,147
State Sources	1,686,735	1,686,859	1,577,619	1,361,921	1,690,016	1,879,162	1,838,945	1,643,373	1,719,337	1,622,741
Federal Sources	91,440	145,888	113,908	308,530	102,089	121,790	121,420	97,375	100,095	98,108
Total Revenue	4,505,199	4,567,804	4,421,847	4,472,772	4,609,438	4,688,041	4,517,708	4,276,650	4,151,297	3,824,072
Expenditures:										
Instruction:										
Regular Instruction	1,489,039	1,582,455	1,428,015	1,635,384	1,603,946	1,656,605	1,440,443	1,415,089	1,344,689	1,407,732
Special Education Instruction	349,707	335,939	372,793	461,860	410,513	411,735	412,289	356,019	381,549	432,660
Other Instruction	83,563	82,117	75,009	96,889	92,730	75,061	85,247	60,597	51,901	52,686
Support Services:										
Tuition								2,166	6,160	31,612
Attendance/Social Work	7,212	7,036	6,763	6,506	6,202	5,912	10,008	4,701		
Health Services	71,917	68,901	67,029	67,902	61,960	58,499	56,233	57,173	50,182	51,872
Student & Instruction Related Services	378,830	357,287	358,105	321,810	306,012	302,175	302,608	323,342	258,961	253,530
Educational Media/Library	36,572	42,019	42,280	40,378	41,711	52,969	31,948	30,458	45,307	21,984
Instructional Staff Training	5,107	4,330	7,240	5,215	3,049	4,300	3,484	5,642	3,889	3,481
General & Administration Services	133,874	130,929	132,210	140,354	126,133	133,190	149,727	176,365	169,854	142,127
School Administrative Services	59,906	58,270	54,912	32,844	40,867	63,505	59,675	78,231	74,603	76,605
Central Services	80,694	79,656	77,088	62,772	59,764	63,457	57,223	60,967	60,002	
Administrative Information Technology	1,453	1,410	2,280	2,568	6,450	3,218		8,746		
Plant Operations & Maintenance	314,006	298,107	416,842	334,881	452,919	388,438	339,379	316,331	263,138	173,438
Pupil Transportation	78,900	70,373	72,022	86,553	68,926	67,416	52,669	80,343	58,426	66,644
Other Support Services										48,578
Unallocated Benefits	1,289,024	1,158,627	1,080,363	1,049,724	988,168	1,085,650	1,026,722	818,741	790,731	748,586
Capital Outlay	19,840	21,146	40,021	9,906	2,900	20,737	3,011	199,667	1,971,347	3,078,424
Debt Service:										
Principal	130,000	100,000	100,000	95,000	90,000	45,000	80,000	75,000	70,000	65,000
Interest & Other Charges	93,442	106,889	139,391	143,876	148,131	151,236	154,211	157,977	161,511	283,505
Total Expenditures	4,623,086	4,505,491	4,472,363	4,594,422	4,510,381	4,589,103	4,264,877	4,227,555	5,762,250	6,938,464
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(117,887)	62,313	(50,516)	(121,650)	99,057	98,938	252,831	49,095	(1,610,953)	(3,114,392)
Other Financing Sources/(Uses):										
Transfers Out	(3,754)	(5,956)	(13,163)	(31,626)	(31,330)	(40,486)	(25,752)	(54,628)	(38,900)	(30,080)
Cancellation of EDA Grant							(223)			
Total Other Financing Sources/(Uses)	(3,754)	(5,956)	(13,163)	(31,626)	(31,330)	(40,486)	(25,975)	(54,628)	(38,900)	(30,080)
Net Change in Fund Balances	(\$121,641)	56,357	(63,679)	(153,276)	67,727	58,452	226,856	(5,533)	(1,649,853)	(3,144,472)
Debt Service as a Percentage of Noncapital Expenditures	5.1%	4.8%	5.7%	5.5%	5.6%	4.5%	5.8%	6.1%	6.5%	9.9%

Source: District records

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	MISCELLANEOUS	TOTAL
2013	\$1,723		1,723
2012	2,588	3,308	5,896
2011	3,501	7,267	10,768
2010	12,431	47,507	59,938
2009	16,612	42,849	59,461
2008	35,396	23,707	59,103
2007	41,803	14,000	55,803
2006	16,492	40,904	57,396
2005	14,405	5,303	19,708
2004	24,326	4,821	29,147

Source: District records

**GIBBSBORO BOROUGH BOARD OF EDUCATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2013	\$5,658,700	126,312,000		16,600	27,171,200	9,172,000	192,700	168,523,200	414,838	168,938,038	2.311	N/A
2012	5,627,800	128,261,300	187,000	21,600	26,635,900	9,172,000	192,700	170,098,300	465,822	170,564,122	2.328	240,468,239
2011	5,703,800	130,345,800	169,400	22,700	27,451,000	11,193,700	192,700	175,079,100	530,041	175,609,141	2.330	272,399,384
2010	5,809,600	129,622,000	169,400	24,700	28,742,300	11,193,700	225,000	175,786,700	530,041	176,316,741	2.274	272,933,036
2009	7,201,100	129,842,200	169,400	24,700	29,680,200	12,251,300	225,000	179,393,900	530,140	179,924,040	2.274	N/A
2008	8,599,900	129,686,100	169,400	24,700	28,951,900	12,284,600	225,000	179,941,600	493,640	180,435,240	2.289	280,645,283
2007	8,384,100	128,116,700	169,400	24,700	30,713,900	12,284,600	225,000	179,918,400	495,054	180,413,454	2.177	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.051	N/A
2005	8,746,700	127,466,900	169,400	24,700	29,526,200	17,052,900	225,000	183,211,800	649,393	183,861,193	2.051	208,641,304
2004	9,304,100	126,992,000	169,400	24,700	27,794,700	17,052,900	225,000	181,562,800	753,841	182,316,641	1.720	181,562,800

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF GIBBSBORO	ALL CAMDEN COUNTY	
2013	1.646	0.665	2.311	1.074	1.110	4.495
2012	1.583	0.745	2.328	1.027	1.094	4.449
2011	1.547	0.783	2.330	0.973	1.097	4.400
2010	1.543	0.762	2.305	0.928	1.016	4.249
2009	1.511	0.763	2.274	0.809	0.966	4.049
2008	1.481	0.808	2.289	0.796	1.014	4.099
2007	1.395	0.782	2.177	0.666	1.057	3.900
2006	1.324	0.727	2.051	0.567	1.047	3.665
2005	1.250	0.654		0.499	0.942	3.345
2004	1.177	0.543	1.720	0.460	0.893	3.073

Source: Municipal Tax Collector

**GIBBSBORO BOROUGH BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2013		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Brandywine/Operat Part L. Minnici	\$10,569,000	1	6.26%
CIT Lending Serv. Corp	2,100,000	2	1.24%
Taxpayer #1	1,700,000	3	1.01%
North Lakeview Drive LLC	1,551,000	4	0.92%
Eureka Stone Quarry Inc	1,426,800	5	0.84%
Brandywine 55 US Ave, LLC	1,362,000	6	0.81%
DG Gibbs, LLC	1,250,000	7	0.74%
Square Circle Sportsmen	1,185,700	8	0.70%
Parisi Enterprises LLC	1,140,000	9	0.67%
Clementon LLC	875,000	10	0.52%
Total	<u>\$23,159,500</u>		<u>13.71%</u>

TAXPAYER	2004		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Brandywine	\$14,495,000	1	7.950%
J & W Paint Works	7,852,500	2	4.307%
Tri-Borough	3,262,700	3	1.790%
High Ridge Ice Arena	2,100,000	4	1.152%
Taxpayer #1	1,700,000	5	0.932%
J & J Parisi	1,375,000	6	0.754%
Taxpayer #2	1,357,600	7	0.745%
Sherwin Williams	1,225,200	8	0.672%
Square Circle	1,213,700	9	0.666%
Taxpayer #3	1,192,500	10	0.654%
Total	<u>\$35,774,200</u>		<u>19.622%</u>

Source: Municipal Tax Assessor

**GIBBSBORO BOROUGH BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2012	\$7,591,224	7,525,046	99.12%	66,178
2011	7,734,222	7,681,601	99.32%	52,621
2010	7,517,085	7,474,401	99.43%	42,684
2009	7,290,910	7,213,009	98.93%	77,901
2008	7,485,580	7,414,888	99.05%	67,452
2007	7,047,442	6,990,691	99.19%	51,152
2006	6,780,846	6,666,325	98.31%	N/A
2005	6,174,833	6,154,186	99.67%	20,647
2004	5,637,822	5,552,695	98.49%	85,127
2003	5,131,672	5,110,216	99.58%	21,456

Source: Municipal audit report

**GIBBSBORO BOROUGH BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	BOND ANTICIPATION NOTES (BANs)			
2013	\$2,730,000		2,730,000	N/A	1,202
2012	2,860,000		2,860,000	N/A	1,258
2011	2,839,000		2,839,000	1.52%	1,248
2010	2,939,000		2,939,000	1.45%	1,208
2009	3,034,000		3,034,000	1.36%	1,247
2008	3,124,000		3,124,000	1.34%	1,287
2007	3,169,000		3,169,000	1.27%	1,284
2006	3,249,000		3,249,000	3.45%	1,316
2005	3,324,000	600,000	3,924,000	4.39%	1,590
2004	3,394,000		3,394,000	3.96%	1,374

**GIBBSBORO BOROUGH BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2013	\$2,730,000		2,730,000	1.62%	1,202
2012	2,860,000		2,860,000	1.68%	1,258
2011	2,839,000		2,839,000	1.62%	1,248
2010	2,939,000		2,939,000	1.63%	1,208
2009	3,034,000		3,034,000	1.69%	1,247
2008	3,124,000		3,124,000	1.73%	1,287
2007	3,169,000		3,169,000	1.76%	1,284
2006	3,249,000		3,249,000	N/A	1,316
2005	3,324,000		3,324,000	1.81%	1,590
2004	3,394,000		3,394,000	1.86%	1,574

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Gibbsboro Borough	\$4,340,631	100.00%	\$4,340,631
Eastern Regional School District	5,215,000	5.22%	272,174
Local School District	2,730,000	100.00%	2,730,000
Camden County	197,386,394	0.75%	1,480,398
Total Overlapping Debt			<u>\$8,823,203</u>

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

GIBBSBORO BOROUGH BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Debt Limit	\$7,418,523	\$7,941,387	8,270,055	8,473,754	8,413,162	7,955,579	7,142,057	6,202,428	5,384,065	4,826,763
Total Net Debt Applicable to Limit	<u>2,730,000</u>	<u>2,860,000</u>	<u>2,839,000</u>	<u>2,939,000</u>	<u>3,034,000</u>	<u>3,124,000</u>	<u>3,169,000</u>	<u>3,249,000</u>	<u>3,924,000</u>	<u>3,394,000</u>
Legal Debt Margin	<u>\$4,688,523</u>	<u>5,081,387</u>	<u>5,431,055</u>	<u>5,534,754</u>	<u>5,379,162</u>	<u>4,831,579</u>	<u>3,973,057</u>	<u>2,953,428</u>	<u>1,460,065</u>	<u>1,432,763</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	36.80%	36.01%	34.33%	34.68%	36.06%	39.27%	44.37%	52.38%	72.88%	70.32%

Legal Debt Margin Calculation for Fiscal Year 2012

	Equalized Valuation Basis
	2012 \$225,864,161
	2011 246,833,780
	2010 <u>269,154,341</u>
	<u>\$741,852,282</u>
Average Equalized Valuation of Taxable Property	\$247,284,094
Debt Limit (3 % of Average Equalization Value)	7,418,523
Net Bonded School Debt	<u>2,730,000</u>
Legal Debt Margin	<u>\$4,688,523</u>

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

**GIBBSBORO BOROUGH BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME(b)	PER CAPITA	
			PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2012	2261	N/A	N/A	8.1%
2011	2272	97,920,928	43,099	8.0%
2010	2274	97,145,280	42,720	10.0%
2009	2432	100,699,392	41,406	8.2%
2008	2438	102,376,496	41,992	4.9%
2007	2445	98,435,700	40,260	3.7%
2006	2450	94,743,950	38,671	4.0%
2005	2457	89,186,643	36,299	3.7%
2004	2461	86,024,255	34,955	4.6%
2003	2469	83,383,068	33,772	5.1%

Source:

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

^b Personal income is estimated - population times estimated per capita personal income.

^c Per Capita Per County from US Bureau of Economic Analysis

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

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

NOT AVAILABLE

**GIBBSBORO BOROUGH BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction:										
Regular	20.0	20.0	19.0	22.0	22.0	20.0	22.0	26.0	26.0	24.5
Special Education	5.0	5.0	5.0	7.0	7.0	7.0	7.0	6.0	6.0	6.5
Other Special Education	6.0	6.0	6.0	6.0	6.0	2.0	1.5			6.0
Vocational										
Support Services:										
Student & Instruction Related Services	2.0	2.0	2.0	2.0	2.0	1.0	0.5			
School Administrative Services	1.5	1.5	1.5	1.0	1.0	1.0	1.0			1.6
General & Business Administrative Services	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	
Plant Operations & Maintenance	3.0	3.0	3.0	3.0	3.0	3.0	2.5			3.5
Pupil Transportation										3.0
Total	40.0	40.0	39.0	43.5	36.5	37.0	34.5	34.5	45.1	50.1

Source: District Personnel Records

**GIBBSBORO BOROUGH BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO ELEMENTARY	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2013	273	\$4,379,804	16,043	-2.37%	32	8.531	267.0	255.0	7.66%	95.51%
2012	248	4,075,506	16,433	-2.80%	28	8.857	248.0	241.0	-0.88%	97.18%
2011	248	4,192,951	16,907	1.56%	30	8.267	250.2	237.3	-0.24%	94.84%
2010	253	4,211,820	16,648	2.16%	34	7.441	250.8	240.2	-2.49%	95.77%
2009	262	4,269,350	16,295	-0.49%	38	7.280	257.2	246.4	-2.58%	95.80%
2008	267	4,372,130	16,375	8.18%	37	7.320	264.0	253.0	-8.65%	95.83%
2007	288	4,359,428	15,137	10.09%	37	7.730	289.0	278.0	4.90%	96.19%
2006	276	3,794,911	13,750	5.65%	37	7.459	275.5	265.5	1.32%	96.37%
2005	277	3,604,845	13,014	1.27%	32	8.631	271.9	253.8	-1.49%	93.34%
2004	276	3,546,803	12,851	12.38%	12	8.625	276.0	267.0	5.51%	96.74%

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).

**GIBBSBORO BOROUGH BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Elementary Schools:										
Elementary School:										
Square Feet	52,777	52,777	52,777	52,777	52,777	52,777	52,777	52,777	52,777	52,777
Capacity (Students)	301	301	301	301	301	301	301	301	301	301
Enrollment	273	248	253	253	260	267	289	278	266	254

Number of Schools at June 30, 2012:
Elementary = 1

Source: District Facilities Office

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

**GIBBSBORO BOROUGH BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

ELEMENTARY
SCHOOL

2013	\$24,999
2012	29,606
2011	72,152
2010	60,580
2009	101,710
2008	97,349
2007	51,248
2006	43,435
2005	14,539
2004	10,409

Source: District records

**INSURANCE SCHEDULE
JUNE 30, 2013**

	COVERAGE	DEDUCTIBLE
School Package Policy - School Boards:		
Property - Blank Building & Contents	\$3,260,401	1,000
Comprehensive General Liability	2,000,000	1,000
Comprehensive Automobile Liability	1,000,000	
Umbrella Liability - School Boards:		
Umbrella Policy	10,000,000	
School Board Legal Liability:		
Directors and Officers Policy	1,000,000	1,000
NJ School Board:		
Worker's Compensation - Professional	2,264,649	
- Nonprofessional	84,874	

Source: District records.

SINGLE AUDIT SECTION



HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Gibbsboro Borough School District
County of Camden
Gibbsboro, New Jersey 08026

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities and the aggregate remaining fund information of Gibbsboro Board of Education, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Gibbsboro Board of Education's basic financial statements, and have issued our report thereon dated August 2, 2013 .

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Gibbsboro Board of Education'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 Gibbsboro Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of Gibbsboro Board of Education's internal control.

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the Gibbsboro Borough Board of Education, in a separate letter dated August 2, 2013.

Purpose of this Report

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Kevin P. Frenia
Public School Accountant
Certified Public Accountant
No. 1011

Medford, New Jersey
August 2, 2013



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Gibbsboro Borough School District
County of Camden
Gibbsboro, New Jersey 08026

Report on Compliance for Each Major State Program

We have audited Gibbsboro Board of Education's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2013. Gibbsboro Board of Education's major 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 state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Gibbsboro Board of Education's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations the New Jersey State Aid/Grant Compliance Supplement; the Schedule of Expenditures of State Financial Assistance; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Gibbsboro Board of Education'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 state program. However, our audit does not provide a legal determination of Gibbsboro Board of Education's compliance with those requirements.

Opinion on Each Major State Program

In our opinion, Gibbsboro Board of Education 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 state programs for the year ended June 30, 2013.

Other Matters

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

Report on Internal Control Over Compliance

Management of Gibbsboro Board of Education 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 Gibbsboro Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 or New Jersey OMB's Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Gibbsboro Board of Education'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 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

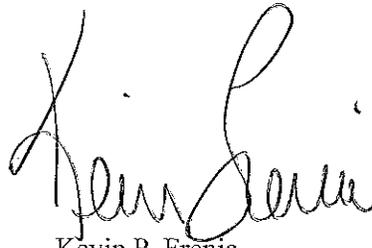
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB's Circular 04-04. Accordingly, this report is not suitable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

This report is intended for the information of the management of the Board of Education of the Gibbsboro Borough School District, the New Jersey State Department of Education, other state and

federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read "Kevin P. Frenia". The signature is written in a cursive style with a large initial "K" and "F".

Kevin P. Frenia
Public School Accountant
Certified Public Accountant
No. 1011

Medford, New Jersey
August 2, 2013



GIBBSBORO BOROUGH BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE		CASH RECEIVED	BUDGETARY EXPENDITURES	DEFERRED REVENUE AT JUNE 30, 2013	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2013	DUE TO GRANTOR AT JUNE 30, 2013	MEMO	
				AT JUNE 30, 2012	CARRY-OVER/ (WALKOVER) AMOUNT						BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:												
Equalization Aid	13-495-034-5120-078	\$760,307	7/1/12-6/30/13			760,307	(760,307)				74,878	760,307
Transportation Aid	13-495-034-5120-014	19,276	7/1/12-6/30/13			19,276	(19,276)				1,898	19,276
Special Education Categorical Aid	13-495-034-5120-089	128,648	7/1/12-6/30/13			128,648	(128,648)				12,670	128,648
Security Aid	13-495-034-5120-084	18,806	7/1/12-6/30/13			18,806	(18,806)				1,852	18,806
Adjustment Aid	13-495-034-5120-085	377,509	7/1/12-6/30/13			377,509	(377,509)				37,178	377,509
Other State Aid - Transportation	13-495-034-5120-014	1,218	7/1/12-6/30/13				(1,218)		(1,218)			1,218
Other State Aid - Transportation	12-495-034-5120-014	1,566	7/1/11-6/30/12	(\$1,566)		1,566						
Reimbursed TPAF Social Security Contributions	13-495-034-5095-002	133,481	7/1/12-6/30/13			127,023	(133,481)		(6,458)			133,481
On-Behalf TPAF Pension Contributions	13-495-034-5095-001	113,298	7/1/12-6/30/13			113,298	(113,298)					113,298
On-Behalf TPAF Post-Retirement Medical Contributions	13-495-034-5095-001	128,111	7/1/12-6/30/13			128,111	(128,111)					128,111
National School Lunch Program (State Share)	13-100-010-3360-067	671	7/1/12-6/30/13			534	(671)		(137)			671
National School Lunch Program (State Share)	12-100-010-3360-067	708	7/1/11-6/30/12	(33)		33						
Total State Financial Assistance				(\$1,599)		1,675,111	(1,681,325)		(7,813)		128,476	1,681,325
Total State Financial Assistance Included on Single Audit Summary not including On-Behalf Pension/Medical							<u>(1,439,916)</u>					

The Accompanying Notes to Schedule of Expenditures of Awards and Financial Assistance are an Integral Part of this schedule



**GIBBSBORO BOROUGH BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2013**

Note 1. General

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

Note 2. Basis of Accounting

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

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.18A:22-4.2*. For GAAP purposes, the payments are not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last two state aid payments in the current budget year, consistent with *N.J.S.A.18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$6,081 for the general fund and \$-0- for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**GIBBSBORO BOROUGH BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2013**

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

	State
General Fund	\$1,686,735
Food Service Fund	<u>671</u>
Total Financial Assistance	<u>\$1,687,406</u>

Note 4. Relationship to State Financial Reports

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

Note 5. Other

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2013. TPAF social security contributions represent the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2013.

Note 6. Federal and State Loans Outstanding

Gibbsboro Borough Board of Education had no loan balances outstanding at June 30, 2013.

**GIBBSBORO BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2013**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to basic financial Statements noted?	No

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	No

Identification of major programs:

GMIS Number(s)	Name of State Program
13-495-034-5120-078	Equalization Aid
13-495-034-5120-089	Special Education Categorical Aid
13-495-034-5120-085	Adjustment Aid
13-495-034-5095-084	Security Aid
13-495-034-5095-002	Reimbursed TPAF SS Contributions

**GIBBSBORO BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2013**

Section II – Financial Statement Findings

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

None Noted

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

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

None Noted

**GIBBSBORO BOROUGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2013**

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

No Prior Year Findings

