

**SCHOOL DISTRICT
OF
GREENWICH TOWNSHIP**

**Greenwich Township School District
Stewartsville, New Jersey**

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

**Comprehensive Annual
Financial Report**

of the

Greenwich Township School District

Stewartsville, New Jersey

For the Fiscal Year Ended June 30, 2013

Prepared by

**Greenwich Township School District
Board of Education**

GREENWICH TOWNSHIP SCHOOL DISTRICT
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INTRODUCTORY SECTION

Greenwich township school district

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Facsimile: 908-859-4522

Cindy Hanics
Assistant to Business Administrator
Ext. 1602
Joanne Tersigni
Assistant to Business Administrator
Ext. 1600

November 8, 2013

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

Dear Board Members:

The Comprehensive Annual Financial Report of the Greenwich Township School District (the "District") for the fiscal year ended June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations 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 Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, 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 Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The School District of Greenwich Township is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The School District of Greenwich Township and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 8. These include services for regular as well as special needs students. The District completed the 2012-2013 fiscal year with an enrollment of 854 students, which is a decrease of 16 students from the previous year's enrollment.

2) ECONOMIC CONDITION AND OUTLOOK: Due to the generosity of the Greenwich taxpayers, the District was happy to have passed a second question as part of the April 2013 school election to keep a significant portion of its staff and programming intact for the 2013-14 school year. Equally as important, this allowed the Board of Education to increase its tax levy base so as to better equip the District to handle future financial responsibilities. Above all, continued increases in high school regular education tuition costs to Phillipsburg High School, which come on the back of a \$2,000 per student increase in the 2012-13 school year, are a major area of concern moving forward.

The Honorable President and Members of
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3) MAJOR INITIATIVES: The District upgraded the middle school wireless network, engaged in a lease for 75 laptops for our middle school students, purchased three laptop carts and purchased 26 desktops for the middle school media center to prepare our District for the PARCC assessments.

In our ongoing quest to reduce expenditures, we renegotiated the photocopy lease and have begun to review solar PPA options.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system 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 awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as fund balance restrictions, commitments and assignments at June 30, 2013.

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

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. 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, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Business Administrator oversees risk management for the District. A schedule of insurance coverage is found on J-20.

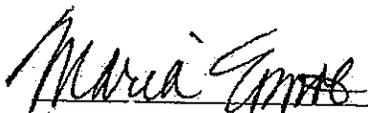
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10) OTHER INFORMATION:

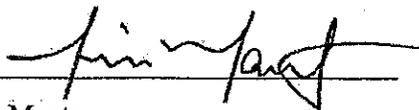
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board of Education at its last organization meeting. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related Federal OMB 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*. The auditor's report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

11) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Greenwich Township School District 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 the financial and accounting staff.

Respectfully submitted,

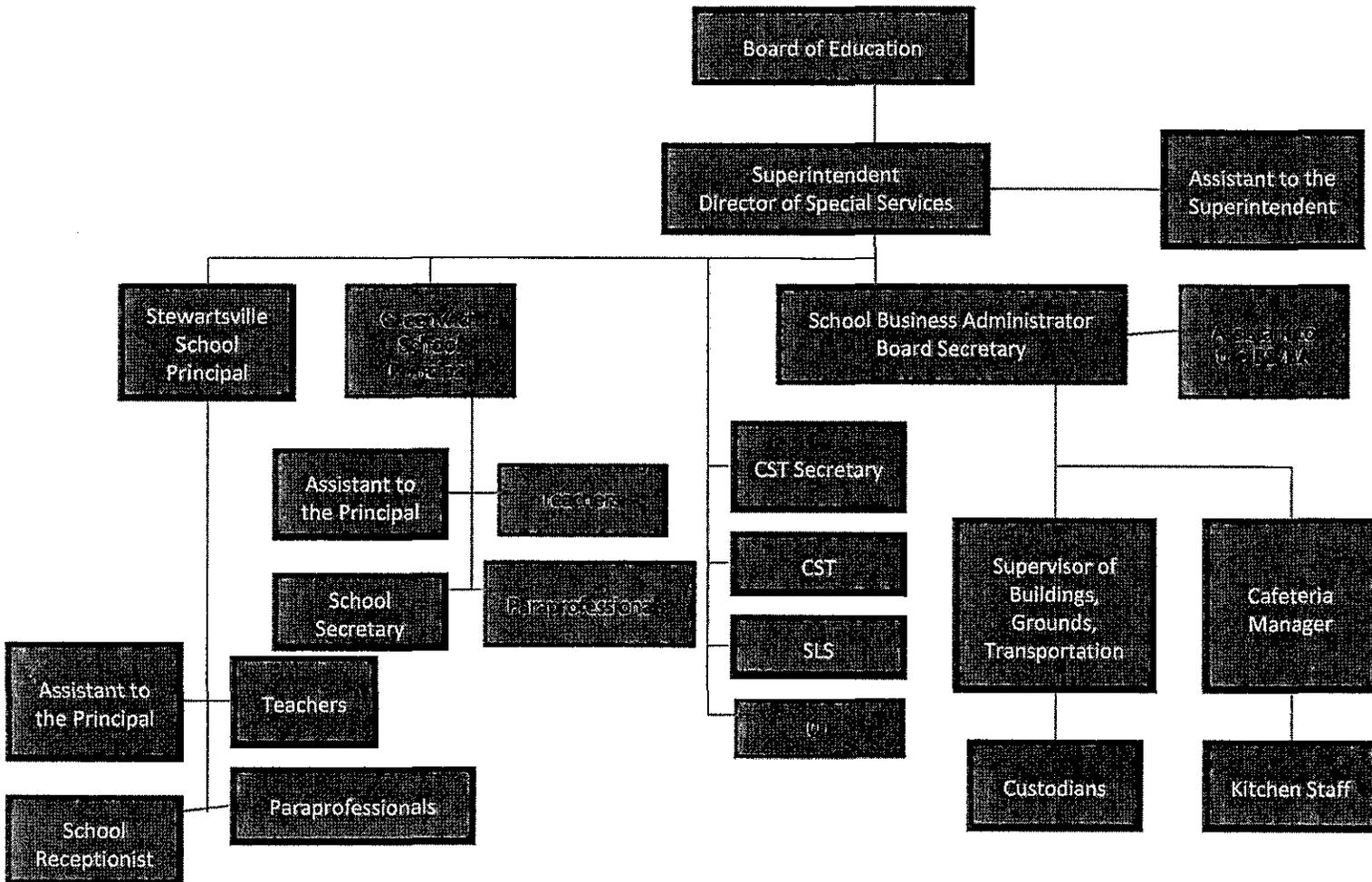


Maria Eppolite
Superintendent



Tim Mantz
Business Administrator/Board Secretary

GREENWICH TOWNSHIP SCHOOL DISTRICT ORGANIZATIONAL CHART



September 2012

**SCHOOL DISTRICT OF GREENWICH TOWNSHIP
ROSTER OF OFFICIALS
JUNE 30, 2013**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Diane Lein, President	2016
Brad Perrone, Vice-President	2014
Kevin Bayne	2014
Michele Faychak	2015
Victoria Little	2016
Scott Nodes	2016
Beth Rooney	2015
Christy Tighe	2015
Denise Valle	2014

Other Officers

- Maria Eppolite, Superintendent
- Janet Weber, Business Administrator/Board Secretary (to 8/23/13)
- Teresa E. Barna, Treasurer of School Monies
- Joanne L. Butler, Esquire Attorney

**SCHOOL DISTRICT OF GREENWICH TOWNSHIP
Consultants and Advisors**

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Official Depository

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FINANCIAL SECTION



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 973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Greenwich Township School District (the "District") in the County of Warren, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. The financial statements of the Greenwich Township School District as of June 30, 2012 were audited by another auditor whose report dated October 19, 2012 expressed an unqualified opinion on those statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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.

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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The Honorable President and Members
of the Board of Education
Greenwich Township School District
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, and the budgetary comparison information in Exhibits C-1 through C-3 and I-3 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 District's basic financial statements. The accompanying supplementary information such as the combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary schedules such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary

The Honorable President and Members
of the Board of Education
Greenwich Township School District
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schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

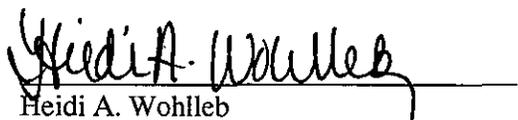
The accompanying other information such as the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2013 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

November 8, 2013
Mount Arlington, New Jersey

NISIVOCCIA LLP


Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management Discussion and Analysis
For Fiscal Year Ended June 30, 2013
(Unaudited)

This section of Greenwich Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2013. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Financial Highlights

- The District's financial status continued to be strong and improved on a district wide basis.
- Overall revenue was \$16.49 million while overall expenses were \$15.89 million.
- The current year's school budget has successfully supported high academic achievement while maintaining a secure and supportive learning environment with attention to fiscal responsibility.

Overview of the Financial Statements

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

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of Greenwich Township School District's Financial Report

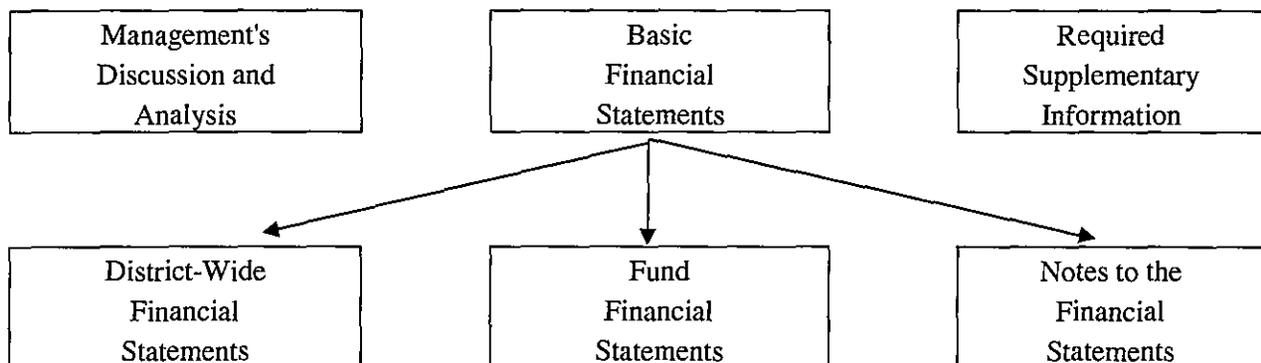


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services, pre-school services and child care	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources 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 are included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue 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 revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-wide Statements

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

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

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

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

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food, day plus and transportation services are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The District's combined net position increased by 8.75%. Net position from governmental activities increased \$632,614. Net position from business-type activities decreased by \$35,370. Net investment in capital assets increased by \$14, restricted net position decreased by \$123,515 and unrestricted net position increased \$720,745.

Figure A-3

	Condensed Statement of Net Position						Percentage Change 2012/2013
	Government Activities		Business-Type Activities		Total School District		
	Restated 2011/2012	2012/2013	Restated 2011/2012	2012/2013	Restated 2011/2012	2012/2013	
Current and							
Other Assets	\$ 2,755,686	\$ 1,515,199	\$ 122,590	\$ 106,742	\$ 2,878,276	\$ 1,621,941	-43.65%
Capital Assets	16,880,106	16,512,593	57,812	40,339	16,937,918	16,552,932	-2.27%
Total Assets	<u>19,635,792</u>	<u>18,027,792</u>	<u>180,402</u>	<u>147,081</u>	<u>19,816,194</u>	<u>18,174,873</u>	-8.28%
Long-Term Debt							
Outstanding	9,710,738	9,371,488			9,710,738	9,371,488	-3.49%
Other Liabilities	3,264,344	1,362,980	12,443	14,492	3,276,787	1,377,472	-57.96%
Total Liabilities	<u>12,975,082</u>	<u>10,734,468</u>	<u>12,443</u>	<u>14,492</u>	<u>12,987,525</u>	<u>10,748,960</u>	-17.24%
Net Position(Deficit):							
Net Investment in							
Capital Assets	7,235,106	7,252,593	57,812	40,339	7,292,918	7,292,932	0.00%
Restricted	655,115	531,600			655,115	531,600	-18.85%
Unrestricted	(1,229,511)	(490,869)	110,147	92,250	(1,119,364)	(398,619)	64.39%
Total Net Position	<u>\$ 6,660,710</u>	<u>\$ 7,293,324</u>	<u>\$ 167,959</u>	<u>\$ 132,589</u>	<u>\$ 6,828,669</u>	<u>\$ 7,425,913</u>	<u>8.75%</u>

Changes in Net Position. The District's combined net position was \$8,188,855 on June 30, 2013, \$597,244 or a 7.87 % increase from the year before. (See Figure A-3). Net investment in capital assets increased \$17,488 as a result of capital additions of \$145,083 and decreases in serial bonds payable of \$1,385,000 offset by depreciation expense of \$521,119 and deletions, net of depreciation, of \$8,950 and a serial bonds issuance of \$1,000,000. Restricted net position decreased by \$123,515 due to budgeted withdrawals of \$50,000 from the Maintenance Reserve and \$132,100 from the tuition reserve offset and \$104 of Debt Service Fund fund balance appropriated in the 2012-13 budget offset by a Board approved deposit of \$44,690 into the Tuition Reserve, interest earnings of \$507 on the capital and emergency reserves and unexpended debt service appropriations of \$9,599 and a premium on a bond anticipation note of \$3,893. The increase in unrestricted net position was due primarily to the issuance of \$1,000,000 of serial bonds and unexpended General Fund budget balances offset by the amount of General Fund fund balance appropriated in the 2012-13 budget.

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2011/2012	2012/2013	2011/2012	2012/2013	2011/2012	2012/2013	Change 2012/2013
Revenue:							
Program Revenue:							
Charges for Services			\$ 308,221	\$ 297,733	\$ 308,221	\$ 297,733	-3.40%
Operating Grants and Contributions	\$ 7,556,109	\$ 2,247,628	45,423	50,066	7,601,532	2,297,694	-69.77%
General Revenue:							
Property Taxes	8,099,081	8,247,804			8,099,081	8,247,804	1.84%
Unrestricted State Aid		5,549,610				5,549,610	100.00%
Other	171,482	96,428	6,712	512	178,194	96,940	-45.60%
Total Revenue	15,826,672	16,141,470	360,356	348,311	16,187,028	16,489,781	1.87%
Expenses:							
Instruction	6,606,282	7,089,463			6,606,282	7,089,463	7.31%
Pupil and Instruction Services	4,400,850	5,580,310			4,400,850	5,580,310	26.80%
Administrative and Business	1,025,744	963,934			1,025,744	963,934	-6.03%
Maintenance and Operations	952,956	720,048			952,956	720,048	-24.44%
Transportation	653,682	681,102			653,682	681,102	4.19%
Other	542,629	473,999	398,165	383,681	940,794	857,680	-8.83%
Total Expenses	14,182,143	15,508,856	398,165	383,681	14,580,308	15,892,537	9.00%
Increase (Decrease) in							
Net Position	\$ 1,644,529	\$ 632,614	\$ (37,809)	\$ (35,370)	\$ 1,606,720	\$ 597,244	-62.83%

Revenue Sources. The District's total revenue for the 2012/2013 school year was \$16,489,781. (See Figure A-4). Property taxes, state formula aid and charges for services accounted for most of the District's revenue, with local taxes accounting for \$8,247,804 of the total, or 50.02 percent. (See Figure A-5). Another 47.59 percent came from state and federal aid for specific programs and contributions, 1.80 percent came from charges for services and the remainder from other miscellaneous sources. It is important to note that of the Categorical Grants amount of \$1,411,310, \$618,441 is included in funds that are not paid to the District, but are included in funding for Pension Contributions and Post Retirement Contributions that the State of New Jersey is paying on behalf of the District. The Greenwich Township School District primarily conducts its operations from the revenue it receives from its local taxpayers and state aid.

Figure A-5**Sources of Revenue for Fiscal Year 2013**

	<u>Amount</u>	<u>Percentage</u>
Sources of Income:		
State Formula Aid	\$ 6,435,994	39.03%
Property Taxes	8,247,804	50.02%
Federal and State Categorical Grants	1,411,310	8.56%
Charges for Services	297,733	1.80%
Other	96,940	0.59%
	<u>\$ 16,489,781</u>	<u>100.00%</u>

The total cost of all programs and services was \$15,892,537. The District's expenses are predominantly related to instructing, caring for (pupil services) and transporting students (84.01 percent). (See Figure A-6). The District's administrative and business activities accounted for 6.06 percent of total costs.

Figure A-6**Expenses for Fiscal Year 2013**

	<u>Amount</u>	<u>Percentage</u>
Expense Category:		
Instruction	\$ 7,089,463	44.61%
Pupil and Instruction Services	5,580,310	35.11%
Administrative and Business	963,934	6.06%
Maintenance and Operations	720,048	4.53%
Transportation	681,102	4.29%
Other	857,680	5.40%
	<u>\$ 15,892,537</u>	<u>100.00%</u>

Governmental Activities

Maintaining existing programs with the current enrollment, the provision of a multitude of special programs/services for disabled pupils, and the double digit increases in District health benefit costs place great demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

It is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly. District resources are at their tightest level in a decade.

Figure A-7 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

Figure A-7

Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2011/2012	2012/2013	2011/2012	2012/2013
Instruction	\$ 6,606,282	\$ 7,089,463	\$ 3,167,468	\$ 5,282,046
Pupil and Instruction Services	4,400,850	5,580,310	2,261,418	5,385,503
Administrative and Business	1,025,744	963,934	528,521	924,966
Maintenance and Operations	952,956	720,048	491,017	720,048
Transportation	653,682	681,102	336,814	474,666
Other	542,629	473,999	(159,204)	473,999
	<u>\$ 14,182,143</u>	<u>\$ 15,508,856</u>	<u>\$ 6,626,034</u>	<u>\$ 13,261,228</u>

- The cost of all governmental activities this year was \$15.51 million.
- The federal and state governments subsidized certain programs with grants and contributions (\$7.80 million).
- Most of the District's Governmental Activity costs (\$8.25 million), however, were financed by District taxpayers.
- The remainder of the funding came from tuition, miscellaneous revenue and investment earnings (\$.96 million).

Business-Type Activities

Net position from the District's business-type activity decreased by \$35,370. (Refer to Figure A-4). The factors contributing to this result were:

- The Food Service Fund had a net loss of \$30,951 for the current fiscal year despite a reduction in expenses and an increase in state and federal aid due to a decline in student participation.
- The Pre-school Services Program had a net income of \$13,628 for the current fiscal year due primarily to an increase in student participation.
- The Child Care Program had a net loss for the current fiscal year of \$18,047 despite a reduction in expenses due to a decline in student participation in the program and a continuing excess of expenses over revenue.

Financial Analysis of the District's Funds

The District's financial position declined in the General Fund due to unexpended budget appropriations being less than prior year fund balance utilized to support the budget for the current year. The District has utilized creative staffing and scheduling to avoid eliminating educational and co-curricular programs.

All of these factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management, including efficiency/cost containment practices, evaluation of services and programs, energy conservation, and seeking additional sources of revenues.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for changes made between budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Debt Administration

Figure A-8

	Capital Assets (Net of Depreciation)						Percentage Change 2012/2013
	Government Activities		Business-Type Activities		Total School District		
	Restated 2011/2012	2012/2013	Restated 2011/2012	2012/2013	Restated 2011/2012	2012/2013	
Site Improvements	\$ 59,055	\$ 51,984			\$ 59,055	\$ 51,984	-11.97%
Buildings and Building Improvements	16,647,568	16,263,630			16,647,568	16,263,630	-2.31%
Machinery and Equipment	173,483	196,979	\$ 57,812	\$ 40,339	231,295	237,318	2.60%
Total Capital Assets, Net	<u>\$ 16,880,106</u>	<u>\$ 16,512,593</u>	<u>\$ 57,812</u>	<u>\$ 40,339</u>	<u>\$ 16,937,918</u>	<u>\$ 16,552,932</u>	<u>-2.27%</u>

The District's overall capital assets decreased \$384,986 from fiscal year 2012 to fiscal year 2013, which is due to depreciation expense of \$521,119 and deletions, net of depreciation, of \$8,950 offset by capital additions of \$145,083 (see Note 9 to the basic financial statements).

Long-term Debt

At year-end, the District had \$9,260,000 in general obligation bonds – a net reduction of \$385,000 from last year – as shown in Figure A-9. The District elected to change the parameters included in the estimation for compensated absences payable during the current fiscal year which increased the number of employees included as vested in the calculation and thus increased the payable despite a decrease in the daily rate payable for unused sick days. (More detailed information about the District's long-term liabilities is presented in Note 10 to the basic financial statements.)

Figure A-9

	Outstanding Long-Term Debt		Percentage Change 2012/2013
	Total School District		
	2011/2012	2012/2013	
General Obligation Bonds (Financed with Property Taxes)	\$ 9,645,000	\$ 9,260,000	-3.99%
Compensated Absences Payable	65,738	111,488	69.59%
	<u>\$ 9,710,738</u>	<u>\$ 9,371,488</u>	<u>-3.49%</u>

Factors Bearing on the District's Future Revenue/Expense Changes

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The District is currently \$2,270,763 UNDER spending adequacy due to several years of \$0 tax increases; therefore, the 2% tax levy increase is minimal and totaled \$142,421 for 2013/14. The 2% tax levy cap significantly limits the District's ability to generate the necessary resources to fund and grow our PK-8 programs.
- Tuition paid to the Phillipsburg School District for our students in grades 9 – 12 continues to increase at a rate that outpaces the District's 2% tax levy increase. Phillipsburg High School tuition has increased 125% over the last 5 years significantly limiting resources for our PK-8 students.
- Special education tuition continues to increase while federal and state funding is flat or reduced. Tuition for students in special schools ranges from \$45,000 to greater than \$100,000 plus additional fees for transportation and extraordinary costs. Again, these fees far outpace the District's 2% tax levy increase.
- Overall operating costs (i.e. energy, facilities upkeep, etc.) continue to accelerate.
- Health insurance premiums continue to escalate with employees now contributing to their health care costs. While the District benefits from these contributions, employees' salaries are negatively impacted. For this reason, the District now offers three plans consisting of the current plan, a middle of the road plan and a high deductible plan designed to reduce out-of-pocket expenses.
- The Greenwich Township School District is considered a high performing school district based upon NJ QSAC, the monitoring system utilized by the NJDOE.

Contacting the District's Financial Management

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Please forward any questions to the Greenwich Township Business Administrator, Greenwich School, 101 Wyndham Farm Boulevard, Stewartsville, NJ 08886.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 520,288	\$ 148,597	\$ 668,885
Receivables:			
State	202,973	62	203,035
Federal	233,758	1,345	235,103
Other	2,024		2,024
Interfund Receivable	990		990
Inventories		6,426	6,426
Internal Balances	49,688	(49,688)	
Restricted Assets:			
Capital Reserve - Cash and Cash Equivalents	50,339		50,339
Tuition Reserve - Cash and Cash Equivalents	429,970		429,970
Emergency Reserve - Cash and Cash Equivalents	25,169		25,169
Capital Assets, Net:			
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	16,512,593	40,339	16,552,932
Total Assets	<u>18,027,792</u>	<u>147,081</u>	<u>18,174,873</u>
LIABILITIES:			
Accrued Interest Payable	181,680		181,680
Accounts Payable - Vendors	316,000		316,000
Temporary Notes Payable	864,800		864,800
Unearned Revenue	500	14,492	14,992
Noncurrent Liabilities:			
Due Within One Year	1,430,513		1,430,513
Due Beyond one Year	7,940,975		7,940,975
Total Liabilities	<u>10,734,468</u>	<u>14,492</u>	<u>10,748,960</u>
NET POSITION/(DEFICIT):			
Net Investment in Capital Assets	7,252,593	40,339	7,292,932
Restricted for:			
Debt Service	26,122		26,122
Capital Projects	50,339		50,339
Other Purposes	455,139		455,139
Unrestricted	(490,869)	92,250	(398,619)
Total Net Position	<u>\$ 7,293,324</u>	<u>\$ 132,589</u>	<u>\$ 7,425,913</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 4,770,961		\$ 591,030		\$ (4,179,931)		\$ (4,179,931)
Special Education	1,855,193		1,152,314		(702,879)		(702,879)
Other Special Instruction	394,362		56,920		(337,442)		(337,442)
Other Instruction	68,947		7,153		(61,794)		(61,794)
Support Services:							
Tuition	4,423,854		159,661		(4,264,193)		(4,264,193)
Student & Instruction Related Services	1,156,456		35,146		(1,121,310)		(1,121,310)
General Administrative Services	311,276		38,968		(272,308)		(272,308)
School Administrative Services	456,518				(456,518)		(456,518)
Central Services	166,148				(166,148)		(166,148)
Administration Information Technology	29,992				(29,992)		(29,992)
Plant Operations and Maintenance	720,048				(720,048)		(720,048)
Pupil Transportation	681,102		206,436		(474,666)		(474,666)
Interest on Long-Term Debt	423,004				(423,004)		(423,004)
Unallocated Depreciation	50,995				(50,995)		(50,995)
Total Governmental Activities	15,508,856	\$ -0-	2,247,628	\$ -0-	(13,261,228)	\$ -0-	(13,261,228)

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Enterprise Funds:							
Food Service	\$ 194,613	\$ 119,847	\$ 50,066		\$ (24,700)	\$ (24,700)	
Pre-School Services	37,288	50,674			13,386	13,386	
Child Care	145,480	127,212			(18,268)	(18,268)	
Total Business-Type Activities	377,381	297,733	50,066		(29,582)	(29,582)	
Total Primary Government	\$ 15,886,237	\$ 297,733	\$ 2,297,694	\$ -0-	\$ (13,261,228)	\$ (29,582)	\$ (13,290,810)
General Revenue and Special Items:							
Taxes:							
Property Taxes, Levied for General Purposes					\$ 7,121,087	\$ 7,121,087	
Taxes Levied for Debt Service					1,126,717	1,126,717	
State Aid not Restricted					5,549,610	5,549,610	
Investment Earnings					507	\$ 512	1,019
Miscellaneous Income					95,921	95,921	
Special Item - Capital Asset Adjustment						(6,300)	(6,300)
Total General Revenue and Special Items					13,893,842	(5,788)	13,888,054
Change in Net Position					632,614	(35,370)	597,244
Net Position - Beginning as Restated					6,660,710	167,959	6,828,669
Net Position - Ending					\$ 7,293,324	\$ 132,589	\$ 7,425,913

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

Exhibit B-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 197,055		\$ 297,111	\$ 26,122	\$ 520,288
Receivables:					
State	202,973				202,973
Federal		\$ 233,758			233,758
Other	2,024				2,024
Interfund	283,936				283,936
Restricted Cash and Cash Equivalents	505,478				505,478
Total Assets	\$ 1,191,466	\$ 233,758	\$ 297,111	\$ 26,122	\$ 1,748,457
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable - Vendors	\$ 316,000				\$ 316,000
Interfund Payable		\$ 233,258			233,258
Temporary Notes Payable			\$ 864,800		864,800
Unearned Revenue		500			500
Total Liabilities	316,000	233,758	864,800		1,414,558
Fund Balances:					
Restricted For:					
Capital Reserve	50,339				50,339
Emergency Reserve	25,169				25,169
Tuition Reserve	429,970				429,970
Debt Service Fund				\$ 26,122	26,122
Assigned:					
For Subsequent Year's Expenditures	365,954				365,954
Year End Encumbrances	4,034				4,034
Unassigned/(Deficit):					
Capital Projects Fund			(567,689)		(567,689)
Total Fund Balance/(Deficit)	875,466		(567,689)	26,122	333,899
Total Liabilities and Fund Balances	\$ 1,191,466	\$ 233,758	\$ 297,111	\$ 26,122	\$ 1,748,457

Amounts Reported for *Governmental Activities* in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances	\$ 333,899
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$23,978,479 and the accumulated depreciation is \$7,465,886.	16,512,593
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.	(9,371,488)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(181,680)
Net Position of Governmental Activities	\$ 7,293,324

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$ 7,121,087			\$ 1,126,717	\$ 8,247,804
Tuition Charges	19,289				19,289
Interest Earned on Emergency Reserve	169				169
Interest Earned on Capital Reserve Funds	338				338
Miscellaneous	66,076	\$ 6,662		3,893	76,631
Total - Local Sources	<u>7,206,959</u>	<u>6,662</u>		<u>1,130,610</u>	<u>8,344,231</u>
State Sources	6,845,624			707,679	7,553,303
Federal Sources		243,936			243,936
Total Revenues	<u>14,052,583</u>	<u>250,598</u>		<u>1,838,289</u>	<u>16,141,470</u>
EXPENDITURES:					
Current:					
Regular Instruction	2,892,949	18,471			2,911,420
Special Education Instruction	1,052,814	232,127			1,284,941
Other Special Instruction	256,409				256,409
Other Instruction	38,537				38,537
Support Services and Undistributed Costs:					
Tuition	4,423,854				4,423,854
Student & Instruction Related Services	894,425				894,425
General Administrative Services	257,273				257,273
School Administrative Services	321,521				321,521
Central Services	130,056				130,056
Administration Information Technology	29,992				29,992
Plant Operations and Maintenance	645,944				645,944

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Pupil Transportation	\$ 681,102				\$ 681,102
Unallocated Benefits	2,666,250				2,666,250
Debt Service:					
Principal				\$ 1,385,000	1,385,000
Interest and Other Charges				439,901	439,901
Capital Outlay	37,685		\$ 93,180		130,865
Total Expenditures	14,328,811	\$ 250,598	93,180	1,824,901	16,497,490
Excess/(Deficiency) of Revenue over/(under) Expenditures	(276,228)		(93,180)	13,388	(356,020)
OTHER FINANCING SOURCES:					
Serial Bond Proceeds			1,000,000		1,000,000
Total Other Financing Sources			1,000,000		1,000,000
Net Change in Fund Balances	(276,228)		906,820	13,388	643,980
Fund Balance/(Deficit) - July 1 as Restated	1,151,694		(1,474,509)	12,734	(310,081)
Fund Balance/(Deficit) - June 30	\$ 875,466	\$ -0-	\$ (567,689)	\$ 26,122	\$ 333,899

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

GREENWICH TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2) \$ 643,980

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 differ from depreciation and disposals in the period.

	Depreciation expense	\$ (509,946)	
	Capital outlays	145,083	
	Disposals, Net of Accumulated Depreciation	<u>(2,650)</u>	
			(367,513)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation. (+) (45,750)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. (+) 1,385,000

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position. (1,000,000)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. 16,897

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 632,614

Exhibit B-4

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013

	Business- Type Activities <hr/> Non-Major Funds <hr/>
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 148,597
Accounts Receivable:	
State	62
Federal	1,345
Inventories	6,426
	<hr/>
Total Current Assets	156,430
	<hr/>
Non-Current Assets:	
Capital Assets	210,000
Less: Accumulated Depreciation	(169,661)
	<hr/>
Total Non-Current Assets	40,339
	<hr/>
Total Assets	196,769
	<hr/>
<u>LIABILITIES:</u>	
Current Liabilities:	
Unearned Revenue	14,492
Interfund Payable - General Fund	49,688
	<hr/>
Total Current Liabilities	64,180
	<hr/>
Total Liabilities	64,180
	<hr/>
<u>NET POSITION:</u>	
Net Investment in Capital Assets	40,339
Unrestricted	92,250
	<hr/>
Total Net Position	\$ 132,589
	<hr/> <hr/>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-5

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Business- Type Activities Non-Major Funds</u>
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 78,590
Daily Sales - Nonreimbursable Programs	40,407
Miscellaneous	850
Pre-School Fees	50,674
Child Care Fees	127,212
	297,733
Total Operating Revenue	297,733
Operating Expenses:	
Cost of Sales	86,196
Salaries	216,265
Purchased Property Services	39,465
Supplies and Materials	23,654
Miscellaneous	628
Depreciation	11,173
	377,381
Total Operating Expenses	377,381
Operating (Loss)	(79,648)
Non-Operating Revenue:	
Federal Sources:	
Nutrition Reimbursements:	
National School Lunch Program	33,102
Food Distribution Program	15,350
State Sources:	
State School Lunch Program	1,614
Local Sources:	
Interest Income	512
	50,578
Total Non-Operating Revenue	50,578
Change in Net Position before Adjustment to Capital Assets	(29,070)
Adjustment to Capital Assets	6,300
Change in Net Position	(35,370)
Net Position - Beginning of Year	167,959
Net Position - End of Year	\$ 132,589

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-6

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business- Type Activities
	<u>Non-Major Funds</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 304,775
Payments to/ for Employees	(205,462)
Settlement of Prior Year Interfund Receivable	(409)
Other Payments	<u>(94,971)</u>
Net Cash Provided by Operating Activities	<u>3,933</u>
Cash Flows from Noncapital Financing Activities:	
Cash Received from Federal and State Reimbursements	<u>34,067</u>
Net Cash Provided by Noncapital Financing Activities	<u>34,067</u>
Cash Flows from Investing Activities:	
Interest on Investments	<u>512</u>
Net Cash Provided by Investing Activities	<u>512</u>
Net Increase in Cash and Cash Equivalents	38,512
Cash and Cash Equivalents, July 1	<u>110,085</u>
Cash and Cash Equivalents, June 30	<u>\$ 148,597</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating (Loss)	\$ (79,648)
Adjustment to Reconcile Operating (Loss) to Cash Provided by Operating Activities:	
Depreciation	11,173
Federal Food Distribution Program	15,350
Changes in Assets and Liabilities:	
Decrease in Inventories	633
Increase in Unearned Revenue	6,567
Decrease in Interfund Receivable	4,688
Increase in Interfund Payable	<u>45,170</u>
Net Cash Provided by Operating Activities	<u>\$ 3,933</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received commodities from the Federal Food Distribution Program valued at \$14,875 and utilized commodities valued at \$15,350 for the fiscal year ended June 30, 2013.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-7

GREENWICH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013

	Agency	Totals
<u>ASSETS:</u>		
Cash and Cash Equivalents	\$ 321,647	\$ 321,647
Total Assets	321,647	321,647
<u>LIABILITIES:</u>		
Payroll Deductions and Withholdings	63,365	63,365
Accrued Salaries and Wages - Summer Savings Plan	212,039	212,039
Interfund Payable - General Fund	990	990
Due to Student Groups	45,253	45,253
Total Liabilities	\$ 321,647	\$ 321,647

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significances) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include an elementary school and a middle school located in the Township of Greenwich. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental, proprietary and fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all governmental funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes 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 and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

The District reports the following governmental funds: (Cont'd)

Debt Service Fund: The Debt Service Fund is used to account for and report the financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

The District reports the following proprietary fund:

Enterprise (Food Service, Pre-School Services and Child Care) Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria, pre-school services and child care operations. The food service, pre-school services and child care funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund and Payroll Agency Fund.

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting (Cont'd)

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2013 was submitted to the County office and was approved by a public vote in April 2012. 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.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the 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 revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grants receivable. These grants are recognized on the budgetary basis in full at the time of the award but are recognized on the GAAP basis as they are expended and requested for reimbursement.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 14,083,150	\$ 248,780
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue whereas the GAAP Basis does not.		
Current Year Encumbrances		(625)
Prior Year Encumbrances		4,433
Cancellation of Prior Year Encumbrances		(1,990)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	529,741	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(560,308)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 14,052,583	\$ 250,598
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 14,328,811	\$ 248,780
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		
Current Year Encumbrances		(625)
Prior Year Encumbrances		4,433
Cancellation of Prior Year Encumbrances		(1,990)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 14,328,811	\$ 250,598

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

	Capital Projects Fund
Fund Balance Per Summary Schedule of Revenue, Expenditures and Changes in Fund Balance (Budgetary Basis)(per Exhibit F-1)	\$ 195,263
SDA Grant Revenue Receivable Recognized for Budgetary Purposes, not Recognized on GAAP Basis	(762,942)
Fund Balance/ (Deficit) Per Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds (GAAP Basis) (per Exhibit B-2)	\$ (567,679)

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. 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. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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 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 of 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 the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Interfund Transactions

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenue. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenue/expenses in the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. 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 restricted, committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year end.

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

I. 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 District and that are due within one year.

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

K. Capital Assets:

The District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to establishment of a formal system, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings	40 years
Site Improvements	20 years
Furniture and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental funds upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

L. Long-Term Liabilities

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as well as bond issuance costs, as expenditures in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Accrued Salaries and Wages:

The District allows employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are accrued salaries and wages as of June 30, 2013 of \$212,039.

N. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. These employee contracts/agreements permit employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the applicable District employee contract/agreement.

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

O. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

P. Fund Balance Appropriated:

General Fund: Of the \$875,466 General Fund fund balance at June 30, 2013, \$369,988 is assigned fund balance of which \$4,034 is for year-end encumbrances and \$365,954 has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2014 (which is \$261,322 less than on a budgetary basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2014); \$50,339 is restricted in the capital reserve; \$25,169 is restricted in the emergency reserve; \$385,280 is restricted in the tuition reserve for the 2013-2014 school year and has been appropriated and included as anticipated revenue for the fiscal year June 30, 2014; and \$44,690 is restricted in the tuition reserve for the tuition adjustment in the 2014-2015 school year; and there is \$-0- in unassigned fund balance which is \$298,986 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2014.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated (Cont'd)

Capital Projects Fund: The \$567,689 deficit in the Capital Projects Fund balance at June 30, 2013 is unassigned. This fund balance is \$762,942 less than a GAAP basis due to the SDA grant revenue/receivable not recognized on a GAAP basis.

Debt Service: The \$26,122 Debt Service Fund balance at June 30, 2013 is restricted.

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 Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had no excess surplus at June 30, 2013.

The District's unassigned fund balance and assigned fund balance designated for subsequent year's expenditures in the General Fund are less on a GAAP basis than the budgetary basis by \$298,986 and \$261,322, respectively, as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, Districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

Q. Net Position

The District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, during the current fiscal year. This statement defines net position as the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities.

The District elected to early implement GASB No. 65, *Items Previously Reported as Assets and Liabilities*, during the current fiscal year. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District did not have any deferred inflows or outflows of resources at June 30, 2013.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Q. Net Position (Cont'd)

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

R. Deficit Net Position/Fund Balance

The District had a \$567,989 deficit in unassigned fund balance in the Capital Projects Fund due primarily to \$762,942 of School Development Authority grants revenue which is not recognized on a GAAP basis. There is a deficit in unrestricted governmental activities net position in the amount of \$490,869. The deficit is due primarily to the assigned fund balances in the General Fund for year-end encumbrances of \$4,034 and 365,954 designated for subsequent year's expenditures offset by the deficit in unassigned Capital Projects Fund fund balance, compensated absences payable of \$111,488 and accrued interest payable of \$181,680 as of June 30, 2013. These deficits do not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

There is also a deficit in unrestricted Food Service Fund net position. The District will implement a plan to resolve this deficit during the fiscal year ended June 30, 2014.

S. Fund Balance Restrictions, Commitments and Assignments

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for capital, tuition, emergency reserves and for the Debt Service Fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has no committed resources at June 30, 2013.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Fund Balance Restrictions, Commitments and Assignments (Cont'd)

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances and for amounts designated for subsequent year's expenditures in the General Fund at June 30, 2013.

T. Revenue - Exchange and Nonexchange Transactions

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest and tuition.

U. Operating Revenue and Expenses

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Funds. For the School District, this revenue is sales for food service, pre-school fees and child care fees. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

V. Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS (Cont'd)

statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40 *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its formal cash management plan, the District ensures that any deposit or investments matures within the period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The District limits its investments to those authorized in its formal cash management plan which are permitted under state statutes as detailed on the following page.

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Depository Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2013, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents			Total
		Capital Reserve	Tuition Reserve	Emergency Reserve	
Savings and Checking Accounts	\$ 990,532	\$ 50,339	\$ 429,970	\$ 25,169	\$ 1,496,010

During the period ended June 30, 2013, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2013, was \$1,496,010 and the bank balance was \$1,813,715.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Greenwich Township School District Board of Education for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years on October 11, 2000. The capital reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amount or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-5.1(d)7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2012	\$	50,001
Interest earnings		338
Unexpended Budget Appropriations		25,000
Withdrawals:		
Budgeted Withdrawal		(25,000)
Ending balance, June 30, 2013	\$	50,339

The June 30, 2013 LRFP balance of local support costs exceeds the balance in the capital reserve account at June 30, 2013.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution in a prior year. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to *N.J.A.C. 6A:26A-4.2* funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District's school facilities. If the account exceeds this maximum amount at June 30, the

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2012	\$ 50,000
Withdrawals:	
Budgeted Withdrawal	<u>(50,000)</u>
Ending balance, June 30, 2013	<u>\$ -0-</u>

NOTE 6. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution in a prior year. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve is restricted to be used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1st and June 30th. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

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

Beginning balance, July 1, 2012	\$ 25,000
Interest earnings	<u>169</u>
Ending balance, June 30, 2013	<u>\$ 25,169</u>

NOTE 7. TUITION RESERVE ACCOUNT

The District has established a tuition reserve for future tuition adjustments, pursuant to N.J.A.C. 6A:23-3.1(f), in an amount not more than 10% of the formal receiving/sending contract with the Town of Phillipsburg School District. \$385,280 was restricted for the 2011-2012 tuition adjustment due in fiscal year 2013-2014 and was included for this purpose in the fiscal year ended June 30, 2014 budget. \$44,690 was restricted for the 2012-2013 tuition adjustment due in fiscal year 2014-2015. This amount will be anticipated as revenue in the 2014-2015 budget year and is expected to partially offset the actual certified tuition adjustment charges.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 7. TUITION RESERVE ACCOUNT (Cont'd)

Beginning balance, July 1, 2012	\$ 517,380
Interest earnings	
Deposits - Board Resolution Dated June 26, 2013	44,690
	562,070
Withdrawals:	
Budgeted Withdrawal	(132,100)
	\$ 429,970

NOTE 8. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2013, the District transferred \$28,752 to the capital outlay accounts. A transfer of \$20,902 was made for equipment and did not require County Superintendent approval. The \$7,850 transfer to the Capital Outlay line item for other professional and technical services did require approval from the County Superintendent.

NOTE 9. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2013 were as follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets Being Depreciated:				
Site Improvements	\$ 141,428			\$ 141,428
Buildings and Building Improvements	23,388,534	\$ 93,180		23,481,714
Machinery and Equipment	315,579	51,903	\$ (12,145)	355,337
Total Capital Assets Being Depreciated	23,845,541	145,083	(12,145)	23,978,479
Governmental Activities Capital Assets	23,845,541	145,083	(12,145)	23,978,479
Less Accumulated Depreciation for:				
Site Improvements	(82,373)	(7,071)		(89,444)
Buildings and Building Improvements	(6,740,966)	(477,118)		(7,218,084)
Machinery and Equipment	(142,096)	(25,757)	9,495	(158,358)
	(6,965,435)	(509,946)	9,495	(7,465,886)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 16,880,106	\$ (364,863)	\$ (2,650)	\$ 16,512,593
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 216,300		\$ (6,300)	\$ 210,000
Less Accumulated Depreciation	(158,488)	\$ (11,173)		(169,661)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 57,812	\$ (11,173)	\$ (6,300)	\$ 40,339

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 9. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 458,951
Unallocated	50,995
	<u>\$ 509,946</u>

NOTE 10. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2013, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance June 30, 2012	Added	Retired	Balance June 30, 2013
Serial Bonds Payable	\$ 9,645,000	\$ 1,000,000	\$ 1,385,000	\$ 9,260,000
Compensated Absences Payable	65,738	45,750		111,488
	<u>\$ 9,710,738</u>	<u>\$ 1,045,750</u>	<u>\$ 1,385,000</u>	<u>\$ 9,371,488</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 and will be liquidated through the Debt Service Fund.

On March 12, 2013, the District issued general obligation bonds of \$1,000,000 with an interest rate of 2.45%. The bonds mature on January 15, 2015 through 2021. The general obligation bonds were issued to fund the upgrade/renovation project including roof and window replacement at the Stewartsville School and site/drainage improvements at the Greenwich School.

Serial Bonds

Date of Issue	Maturity	Interest Rate	Amount
7/15/2010	1/15/2014	3.00%	\$ 350,000
6/15/2005	1/15/2018	3.00-5.00%	4,205,000
7/6/2006	7/1/2022	3.50-4.25%	3,705,000
3/12/2013	1/15/2021	2.45%	1,000,000
			<u>\$ 9,260,000</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 10. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable (Cont'd)

Principal and interest due on serial bonds outstanding are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,410,000	\$ 386,515	\$ 1,796,515
2015	1,242,692	329,888	1,572,580
2016	1,304,379	274,258	1,578,637
2017	1,366,086	215,012	1,581,098
2018	1,432,815	152,799	1,585,614
2019	519,564	87,641	607,205
2020	541,335	68,217	609,552
2021	558,129	48,029	606,158
2022	435,000	26,972	461,972
2023	450,000	9,000	459,000
	<u>\$ 9,260,000</u>	<u>\$ 1,598,331</u>	<u>\$ 10,858,331</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2013, the Board had bonds authorized but not issued of \$101,858.

C. Capital Leases Payable:

There were no capital leases entered into with the District as of June 30, 2013.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities and the current portion of the compensated absences balance of the governmental funds is \$8,100 and is separated from the long-term liability balance of compensated absences of \$103,888.

There is no liability for compensated absences in the proprietary fund types.

The General Fund will be used to liquidate other long-term liabilities which include governmental Capital Leases Payable and Compensated Absences Payable.

NOTE 11. TEMPORARY NOTES PAYABLE

On March 16, 2011, the District issued \$1,864,800 in bond anticipation notes to temporarily finance the Stewartsville School Window/Roof Replacement and Greenwich School Site/Drainage projects which were authorized by voter referendum on January 25, 2011. The referendum authorized the issuance of \$1,101,858 of bonds. The remainder of the funding for the referendum project was to be through a state grant in the amount of \$762,942 through the Schools Development Authority. The Notes were renewed on March 14, 2012. On March 12, 2013, the District issued \$1,000,000 of bonds and renewed \$864,800 of notes payable which are to mature on March 13, 2013 with an interest rate of 1.50%. It is expected that once the funding from the Schools Development Authority is received the District will not renew the bond anticipation notes.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 12. OPERATING LEASES

The District had commitments to lease laptops and copying equipment under operating leases which expire in 2016. Total operating lease payments made during the year ended June 30, 2013 were \$49,975.

Future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 54,665
2015	54,665
2016	<u>4,690</u>
	<u>\$ 114,020</u>

NOTE 13. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) and the Public Employee's Retirement System (PERS) of New Jersey or the Defined Contribution Retirement Program (DCRP). The TPAF and the PERS are sponsored and administered by the State of New Jersey. The TPAF is considered a cost-sharing, multiple employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other non-contribution employers. The PERS is also considered a cost-sharing, multiple-employer plan. Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. As a general rule, all full-time employees are eligible to join the TPAF or the PERS. However, if an employee is ineligible to enroll in the TPAF or the PERS, the employee may be eligible to enroll in the DCRP.

Employees who are members of PERS or TPAF and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. For PERS and TPAF, the contribution rate was 6.5% of base salary from October 1, 2011 thru June 30, 2012 and increased to 6.64% effective July 1, 2012. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Employers are required to contribute at an actuarially determined rate in the PERS and TPAF. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits, and post-retirement medical premiums. Under current statute, the District is a noncontributing

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 13. PENSION PLANS (Cont'd)

employer of the TPAF. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions of 5.5% of employees' annual compensation for DCRP are matched by a 3% employer contribution.

District Contributions to PERS amounted to \$80,378, \$108,677 and \$95,522 for the fiscal years ended June 30, 2013, 2012 and 2011, respectively.

During the fiscal years ended June 30, 2013, 2012 and 2011 the State of New Jersey contributed \$290,246, \$154,964 and \$-0-, respectively, to the TPAF for pension benefits on-behalf of the District.

The employer and employee contributions to DCRP for the fiscal years ended June 30, 2013, 2012 and 2011 were \$711, \$-0- and \$-0-, respectively.

NOTE 14. POST-RETIREMENT BENEFITS

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

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

The State's on behalf Post Retirement Medical Contributions to TPAF for the District amounted to \$328,195, \$311,519 and \$343,508 for 2013, 2012 and 2011, respectively.

NOTE 15. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District obtains their health benefit coverage through Amerihealth Insurance Company.

Property, Liability and Health Benefits

The Board is a member of the School Alliance Insurance Fund ("SAIF"). SAIF provides its members with Workers' Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report. SAIF is a risk-sharing fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF are elected.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 15. RISK MANAGEMENT (Cont'd)

As a member of SAIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of SAIF were to be exhausted, members would become responsible for their respective shares of SAIF's liabilities.

SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The audit for the year ended June 30, 2013 was not available as of the date of this report.

Selected financial information for the SAIF as of June 30, 2012 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	\$ 36,551,011
Net Position	\$ 12,224,220
Total Revenue	\$ 28,022,109
Total Expenses and Adjustments	\$ 28,300,068
Change in Net Position	\$ (277,959)
Members Dividends	\$ -0-

Financial Statements for SAIF are available at SAIF's Executive Director's Office:

Public Entity Group Administrative Services
51 Everett Drive
Suite B-40
West Windsor, NJ 08550

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the District is required to remit employee withholdings to the State on a quarterly basis. All of the District's claims are paid by the State.

NOTE 16. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 17. INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 283,936	
Special Revenue Fund		\$ 233,258
Enterprise Fund - Food Service		9,804
Enterprise Fund - Child Care		39,884
Fiduciary Fund - Student Activities Agency		990
	<u>\$ 283,936</u>	<u>\$ 283,936</u>

The interfund between the General Fund and the Special Revenue Fund represents a timing lag between the request for reimbursements of federal grant expenditures and the actual receipt from the State. The interfund between the General Fund and the Food Service and Child Care Funds and the Fiduciary Fund are for amounts due to the General Fund for expenses paid out of the General Fund.

NOTE 18. DEFERRED COMPENSATION

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

NOTE 19. TAX CALENDAR

Property taxes are levied by the District's constituent municipality as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 20. CONTINGENT LIABILITIES

Grant Programs

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 20. CONTINGENT LIABILITIES (Cont'd)

Litigation

The District is periodically involved in pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the District.

Encumbrances

At June 30, 2013, there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 4,034	\$ 625	\$ 4,659

On the District's Governmental Funds Balance Sheet as of June 30, 2013, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$625 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as a reduction in grants receivables or an increase in deferred revenue in the Special Revenue Fund.

NOTE 21. PRIOR YEAR ADJUSTMENTS

The District adjusted the Debt Service Fund fund balance in their governmental activities as of June 30, 2012 to reclassify the interest earnings and temporary notes premiums received in prior years which had been reflected in the Capital Projects Fund as revenue of the Debt Service Fund.

	Balance 6/30/12 as Previously Reported	Retroactive Adjustments	Balance 6/30/12 as Restated
<u>Governmental Funds:</u>			
Debt Service Fund:			
Fund Balance:			
Assigned	\$ 104	\$ (104)	\$ -0-
Restricted		12,734	12,734

The District also adjusted their Capital Projects Fund fund balance for the School Development Authority Grants revenue/receivable which will not be recognized on a GAAP basis until these grants are submitted for reimbursement as detailed on the following page.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 21. PRIOR YEAR ADJUSTMENTS (Cont'd)

	Balance 6/30/12 as Previously Reported	Retroactive Adjustments	Balance 6/30/12 as Restated
<u>Governmental Funds:</u>			
Capital Projects Fund:			
Fund Balance:			
Year-End Encumbrances	\$ 107,135	\$ (107,135)	\$ -0-
Assigned/(Deficit)	(806,072)	806,072	-0-
Unassigned/(Deficit)		(1,474,509)	(1,474,509)

The District adjusted the capital assets in their governmental activities as of June 30, 2012 to reflect the value of certain assets and the related accumulated depreciation that had not been included in the prior year audit. Additionally, the accumulated depreciation on the Business-Type Activities/Proprietary Funds was adjusted to the value in the District's capital assets records at June 30, 2012. Finally, the General Fund fund balance assigned for subsequent year's expenditures was reclassified from Restricted Net Position to Unrestricted Net Position. The adjustments to Net Position reflected in the Debt Service and Capital Projects Fund governmental funds detailed above and on the previous page were also reflected in the governmental activities.

	Balance 6/30/12 as Previously Reported	Retroactive Adjustments	Balance 6/30/12 as Restated
<u>Statement of Net Position</u>			
Governmental Assets:			
Assets:			
Capital Assets, Net:			
Capital Assets Being Depreciated	\$ 16,780,030	\$ 100,076	\$ 16,880,106
Receivables, Net	1,112,806	(762,943)	349,863
Total Assets	20,298,659	(662,867)	19,635,792
Net Position:			
Net Investment in Capital Assets	7,135,030	100,076	7,235,106
Restricted for Other Purposes	1,326,234	(671,119)	655,115
Unrestricted/(Deficit)	(1,137,687)	(91,824)	(1,229,511)
Total Net Position			
Business-Type Activities:			
Assets:			
Capital Assets, Net	52,161	5,651	57,812
Total Assets	174,751	5,651	180,402
Net Position:			
Net Investment in Capital Assets	52,161	5,651	57,812
Total Net Position	162,308	5,651	167,959

BUDGETARY COMPARISON SCHEDULES

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 7,121,087		\$ 7,121,087	\$ 7,121,087	
Tuition - Other				13,523	\$ 13,523
Tuition From Other LEAs Within the State				5,766	5,766
Unrestricted Miscellaneous Revenues	90,000		90,000	66,076	(23,924)
Interest Earned on Emergency Reserve	25		25	169	144
Interest Earned on Maintenance Reserve	25		25		(25)
Interest Earned on Capital Reserve	50		50	338	288
Total - Local Sources	7,211,187		7,211,187	7,206,959	(4,228)
State Sources:					
Categorical Transportation Aid	202,242		202,242	202,242	
Extraordinary Aid	141,000		141,000	159,661	18,661
Categorical Special Education Aid	695,612		695,612	695,612	
Equalization Aid	4,771,475		4,771,475	4,771,475	
Categorical Security Aid	89,553		89,553	89,553	
Non Public Transportation Aid				12,668	12,668
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				290,246	290,246
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				328,195	328,195
Reimbursed TPAF Social Security Contributions (non-budgeted)				326,539	326,539
Total State Sources	5,899,882		5,899,882	6,876,191	976,309
TOTAL REVENUES	13,111,069		13,111,069	14,083,150	972,081

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 115,837	\$ (6,428)	\$ 109,409	\$ 109,112	\$ 297
Grades 1-5	1,666,846	(77,092)	1,589,754	1,589,127	627
Grades 6-8	806,931	62,793	869,724	869,673	51
Regular Programs - Home Instruction:					
Salaries of Teachers	2,000	1,054	3,054	2,794	260
Purchased Professional-Educational Services	5,000	(3,954)	1,046	962	84
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	2,000		2,000		2,000
Purchased Technical Services	18,909	(6,800)	12,109	12,060	49
Other Purchased Services (400-500 series)	98,000	(17,800)	80,200	80,181	19
General Supplies	232,495	(10,676)	221,819	216,927	4,892
Textbooks	23,333	(13,300)	10,033	9,946	87
Other Objects	4,026		4,026	2,167	1,859
Total Regular Programs	<u>2,975,377</u>	<u>(72,203)</u>	<u>2,903,174</u>	<u>2,892,949</u>	<u>10,225</u>
Special Education:					
Multiple Disabilities:					
Salaries of Teachers		38,552	38,552	38,552	
Other Salaries for Instruction		15,753	15,753	15,359	394
Total Multiple Disabilities		<u>54,305</u>	<u>54,305</u>	<u>53,911</u>	<u>394</u>
Resource Room/Resource Center:					
Salaries of Teachers	954,387	(124,749)	829,638	806,671	22,967
Other Salaries for Instruction	138,691	1,413	140,104	137,863	2,241
General Supplies	2,859	(430)	2,429	1,038	1,391
Total Resource Room/Resource Center	<u>1,095,937</u>	<u>(123,766)</u>	<u>972,171</u>	<u>945,572</u>	<u>26,599</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Special Education - Instruction (Cont'd)					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 52,117	\$ 1,112	\$ 53,229	\$ 53,229	
Other Salaries for Instruction	22,199	11,364	33,563		\$ 33,563
General Supplies	170		170	102	68
Other Objects	150		150		150
Total Preschool Disabilities - Part-Time	<u>74,636</u>	<u>12,476</u>	<u>87,112</u>	<u>53,331</u>	<u>33,781</u>
Home Instruction:					
Salaries of Teachers	5,000		5,000		5,000
Purchased Professional-Educational Services	1,000		1,000		1,000
Total Home School Instruction	<u>6,000</u>		<u>6,000</u>		<u>6,000</u>
Total Special Education	<u>1,176,573</u>	<u>(56,985)</u>	<u>1,119,588</u>	<u>1,052,814</u>	<u>66,774</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	196,369	62,706	259,075	255,563	3,512
Other Salaries for Instruction	13,498	(12,848)	650		650
General Supplies	1,378		1,378	846	532
Total Basic Skills/Remedial - Instruction	<u>211,245</u>	<u>49,858</u>	<u>261,103</u>	<u>256,409</u>	<u>4,694</u>
Summer School - Instruction:					
Salaries of Teachers	37,410		37,410	32,116	5,294
Other Salaries for Instruction	3,700	(3,700)			
Purchased Professional & Technical Services	3,100	6,480	9,580	6,421	3,159
General Supplies	6,890	(6,480)	410		410
Total Summer School - Instruction	<u>51,100</u>	<u>(3,700)</u>	<u>47,400</u>	<u>38,537</u>	<u>8,863</u>
Total Instruction	<u>4,414,295</u>	<u>(83,030)</u>	<u>4,331,265</u>	<u>4,240,709</u>	<u>90,556</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAS Within the State - Regular	\$ 3,258,367	\$ 350,400	\$ 3,608,767	\$ 3,608,767	
Tuition to Other LEAS Within the State - Special	135,981	34,347	170,328	170,328	
Tuition to County Vocational School District - Regular	20,308		20,308	20,308	
Tuition to County Vocational School District - Special	29,835	1	29,836	29,836	
Tuition to CSSD & Reg. Day Schools	147,960	17,150	165,110	165,110	
Tuition to Private Schools for the Disabled - Within State	541,148	(111,643)	429,505	429,505	
Total Instruction	<u>4,133,599</u>	<u>290,255</u>	<u>4,423,854</u>	<u>4,423,854</u>	
Health Services:					
Salaries	117,929	1,367	119,296	119,296	
Purchased Professional and Technical Services	4,800		4,800	4,800	
Other Purchased Services (400-500 series)	230	(136)	94	94	
Supplies and Materials	2,700	(23)	2,677	2,677	
Other Objects	200	(30)	170	170	
Total Health Services	<u>125,859</u>	<u>1,178</u>	<u>127,037</u>	<u>127,037</u>	
Speech, OT, PT and Related Services:					
Salaries	125,519	(30,681)	94,838	86,402	\$ 8,436
Purchased Professional - Educational Services	20,500	(4,400)	16,100	9,840	6,260
Total Speech, OT, PT and Related Services	<u>146,019</u>	<u>(35,081)</u>	<u>110,938</u>	<u>96,242</u>	<u>14,696</u>
Other Support Services - Extraordinary Services:					
Purchased Professional - Educational Services	172,500	(51,141)	121,359	121,359	
Total Other Support Services - Extraordinary Services	<u>172,500</u>	<u>(51,141)</u>	<u>121,359</u>	<u>121,359</u>	
Other Support Services - Students - Guidance:					
Salaries of Other Professional Staff	127,824		127,824	127,045	779
Supplies and Materials	2,450		2,450	1,631	819
Total Other Support Services - Students - Guidance	<u>130,274</u>		<u>130,274</u>	<u>128,676</u>	<u>1,598</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Support Services - Students - Child Study Team:					
Salaries of Other Professional Staff	\$ 177,638		\$ 177,638	\$ 177,638	
Salaries of Secretarial and Clerical Assistants	11,169	\$ (6,169)	5,000	5,000	
Purchased Professional - Educational Services	5,000	1,353	6,353	6,353	
Misc Pur Serv (400-500 series O/than Resid Costs)	700		700		\$ 700
Supplies and Materials	2,000	(563)	1,437	136	1,301
Total Other Support Services - Students - Child Study Team	<u>196,507</u>	<u>(5,379)</u>	<u>191,128</u>	<u>189,127</u>	<u>2,001</u>
Improvement of Instruction Services-					
Instructional Staff:					
Salaries of Supervisor of Instruction	62,220	(47,035)	15,185	15,185	
Salaries of Other Professional Staff	55,377	29,761	85,138	84,148	990
Supplies and Materials	500		500	50	450
Other Objects	1,303		1,303	164	1,139
Total Improvement of Instruction Services-					
Instructional Staff	<u>119,400</u>	<u>(17,274)</u>	<u>102,126</u>	<u>99,547</u>	<u>2,579</u>
Educational Media Services/School Library:					
Salaries	87,698	861	88,559	88,559	
Other Purchased Services (400-500 series)	13,500		13,500	13,500	
Supplies and Materials	39,468	(39)	39,429	22,619	16,810
Total Educational Media Services/School Library	<u>140,666</u>	<u>822</u>	<u>141,488</u>	<u>124,678</u>	<u>16,810</u>
Instructional Staff Training Services:					
Purchased Professional - Educational Services	54,290	(47,921)	6,369	6,369	
Other Purchased Services (400-500 series)	8,655		8,655	1,390	7,265
Total Instructional Staff Training Services	<u>62,945</u>	<u>(47,921)</u>	<u>15,024</u>	<u>7,759</u>	<u>7,265</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support Services - General Administration:					
Salaries	\$ 156,322	\$ 12,514	\$ 168,836	\$ 154,549	\$ 14,287
Legal Services	36,000	(16,307)	19,693	19,693	
Audit Fees	13,000	3,800	16,800	12,188	4,612
Architectural/Engineering Services	4,000		4,000		4,000
Other Purchased Professional Services	12,784	6,976	19,760	16,588	3,172
Communications/Telephone	21,700	1,500	23,200	13,726	9,474
BOE Other Purchased Services	1,133	2,437	3,570	3,570	
Other Purchased Services (400-500 series)	31,394	(7,524)	23,870	23,870	
General Supplies	5,017		5,017	2,630	2,387
BOE In-house Training/Meeting Supplies	163		163	47	116
Miscellaneous Expenditures	5,647	1,499	7,146	5,493	1,653
BOE Membership Dues and Fees	5,017		5,017	4,919	98
Total Support Services - General Administration	<u>292,177</u>	<u>4,895</u>	<u>297,072</u>	<u>257,273</u>	<u>39,799</u>
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	166,100	(8,301)	157,799	157,799	
Salaries of Other Professional Staff	45,214		45,214	45,214	
Salaries of Secretarial and Clerical Assisatnats	103,178	15,534	118,712	111,901	6,811
Purchased Professional and Technical Services	3,075	1,500	4,575	2,803	1,772
Other Purchased Services (400-500 series)	4,200		4,200	1,263	2,937
Supplies and Materials	10,370	(100)	10,270	1,623	8,647
Other Objects	2,115		2,115	918	1,197
Total Support Services - School Administration	<u>334,252</u>	<u>8,633</u>	<u>342,885</u>	<u>321,521</u>	<u>21,364</u>
Central Services:					
Salaries	115,297		115,297	112,134	3,163
Purchased Professional Services	15,522	1,400	16,922	13,100	3,822
Misc. Purchased Services (400-500) [O/T 594]	10,500	(117)	10,383	2,550	
Supplies and Materials	1,600		1,600	1,097	503
Miscellaneous Expenditures	1,600	1,900	3,500	1,175	2,325
Total Central Services	<u>144,519</u>	<u>3,183</u>	<u>147,702</u>	<u>130,056</u>	<u>17,646</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Administration Information Technology:					
Purchased Technical Services	\$ 26,091	\$ 4,181	\$ 30,272	\$ 29,992	\$ 280
Total Administration Information Technology	<u>26,091</u>	<u>4,181</u>	<u>30,272</u>	<u>29,992</u>	<u>280</u>
Required Maintenance for School Facilities:					
Salaries	15,669	(55)	15,614	12,089	3,525
Cleaning, Repair and Maintenance Services	68,560	(24,885)	43,675	33,033	10,642
General Supplies	10,000		10,000	4,355	5,645
Total Required Maintenance for School Facilities	<u>94,229</u>	<u>(24,940)</u>	<u>69,289</u>	<u>49,477</u>	<u>19,812</u>
Custodial Services:					
Salaries	243,130	(8,859)	234,271	221,626	12,645
Purchased Professional and Technical Services	1,920		1,920	1,269	651
Cleaning, Repair and Maintenance Services	18,486	15,598	34,084	32,557	1,527
Other Purchased Property Services	74,000		74,000	68,122	5,878
Insurance	20,000		20,000	19,930	70
Miscellaneous Purchased Services	496		496	246	250
General Supplies	33,700		33,700	31,837	1,863
Energy (Natural Gas)	53,533		53,533	39,646	13,887
Energy (Electricity)	234,000		234,000	169,771	64,229
Total Custodial Services	<u>679,265</u>	<u>6,739</u>	<u>686,004</u>	<u>585,004</u>	<u>101,000</u>
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	24,000		24,000	11,463	12,537
General Supplies	3,000		3,000		3,000
Total Care and Upkeep of Grounds	<u>27,000</u>		<u>27,000</u>	<u>11,463</u>	<u>15,537</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Student Transportation Services:					
Salaries for Pupil Transp. Between Home and School - Regular	\$ 58,730		\$ 58,730	\$ 30,185	\$ 28,545
Management Fee - ESC & CTSA Trans. Program	13,000		13,000	9,570	3,430
Contract. Serv. - Aid in Lieu Pymts - Non Public School	32,708		32,708	28,226	4,482
Contract. Serv. - Aid in Lieu Pymts - Choice School	4,420		4,420		4,420
Contract Services - (Between Home and School) - Vendors	315,350		315,350	310,724	4,626
Contract Services (Other than Between Home & School)-Vendors	2,175	\$ 300	2,475	1,623	852
Contract Services - (Between Home and School) - Joint Agreements	9,800		9,800		9,800
Contract Services - (Sp Ed Students) - Vendors	245,000	(873)	244,127	242,201	1,926
Contract Services - (Sp Ed Students) - Joint Agreements	58,000	573	58,573	58,573	
Total Student Transportation Services	739,183		739,183	681,102	58,081
Unallocated Benefits:					
Social Security Contributions	100,000		100,000	84,520	15,480
Other Retirement Contributions - PERS	88,548		88,548	80,378	8,170
Unemployment Compensation	20,000	4,531	24,531	23,834	697
Workmen's Compensation	45,000		45,000	44,404	596
Health Benefits	1,654,511	(88,403)	1,566,108	1,459,415	106,693
Tuition Reimbursement	40,000		40,000	11,056	28,944
Other Employee Benefits	47,250		47,250	17,663	29,587
Total Unallocated Benefits	1,995,309	(83,872)	1,911,437	1,721,270	190,167
On-Behalf Contributions:					
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				290,246	(290,246)
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				328,195	(328,195)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				326,539	(326,539)
Total On-Behalf Contributions				944,980	(944,980)
Total Personal Services - Employee Benefits	1,995,309	(83,872)	1,911,437	2,666,250	(754,813)

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Undistributed Expenditures	\$ 9,559,794	\$ 54,278	\$ 9,614,072	\$ 10,050,417	\$ (436,345)
Total Expenditures - Current Expense	13,974,089	(28,752)	13,945,337	14,291,126	(345,789)
Capital Outlay:					
Equipment:					
Undistributed Expenditures:					
Support Services - Students - Guidance	8,933	20,902	29,835	8,933	20,902
Total Equipment	8,933	20,902	29,835	8,933	20,902
Facilities Acquisition and Construction Services:					
Other Professional and Technical Services		7,850	7,850	7,850	
Assessment for Debt Service on SDA Funding	20,902		20,902	20,902	
Total Facilities Acquisition and Construction Services	20,902	7,850	28,752	28,752	
Total Capital Outlay	29,835	28,752	58,587	37,685	20,902
TOTAL EXPENDITURES	14,003,924		14,003,924	14,328,811	(324,887)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(892,855)		(892,855)	(245,661)	647,194
Other Financing Uses:					
Transfer to Capital Projects Fund - Capital Reserve	(25,000)		(25,000)		25,000
Total Other Financing Uses	(25,000)		(25,000)		25,000
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Uses	(917,855)		(917,855)	(245,661)	672,194
Fund Balance, July 1	1,681,435		1,681,435	1,681,435	
Fund Balance, June 30	\$ 763,580	\$ -0-	\$ 763,580	\$ 1,435,774	\$ 672,194

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Recapitulation:</u>					
Restricted:					
Capital Reserve				\$ 50,339	
Emergency Reserve				25,169	
Tuition Reserve Restricted for 2013-2014 school year				385,280	
Tuition Reserve Restricted for 2014-2015 school year				44,690	
Assigned:					
Year End Encumbrances				4,034	
Designated for Subsequent Year's Expenditures				627,276	
Unassigned				<u>298,986</u>	
				1,435,774	
Reconciliation to Governmental Funds Statements (GAAP):					
June State Aid Payments not recognized on GAAP Basis				(560,308)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 875,466</u>	

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 7,162	\$ 7,162	\$ 6,662	\$ (500)
Federal Sources	\$ 222,875	52,129	275,004	242,118	(32,886)
Total Revenues	<u>222,875</u>	<u>59,291</u>	<u>282,166</u>	<u>248,780</u>	<u>(33,386)</u>
EXPENDITURES:					
Instruction:					
Tuition	198,924		198,924	198,463	461
Purchased Professional Services		8,287	8,287	8,287	
General Supplies	4,941	59,908	64,849	31,924	32,925
Total Instruction	<u>203,865</u>	<u>68,195</u>	<u>272,060</u>	<u>238,674</u>	<u>33,386</u>
Support Services:					
Salaries of Other Professional Staff	10,800	(10,800)			
Purchased Professional-Educational Services	8,210	(8,210)			
Other Purchased Services		8,539	8,539	8,539	
Supplies and Materials		1,567	1,567	1,567	
Total Support Services	<u>19,010</u>	<u>(8,904)</u>	<u>10,106</u>	<u>10,106</u>	
Total Expenditures	<u>\$ 222,875</u>	<u>\$ 59,291</u>	<u>\$ 282,166</u>	<u>\$ 248,780</u>	<u>\$ 33,386</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

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	\$ 14,083,150	\$ 248,780
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not:		
Current Year Encumbrances		(625)
Prior Year Encumbrances		4,433
Cancellation of Prior Year Encumbrances		(1,990)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	529,741	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(560,308)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 14,052,583	\$ 250,598
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 14,328,811	\$ 248,780
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances		(625)
Prior Year Encumbrances		4,433
Cancellation of Prior Year Encumbrances		(1,990)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 14,328,811	\$ 250,598

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

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 approved by a public vote. 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.2(m)l. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the 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 revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

**SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)**

SPECIAL REVENUE FUND

GREENWICH TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>No Child Left Behind</u>			<u>Race to the Top</u>	<u>Exxon Mobil Grant</u>	<u>Autism Alliance</u>
	<u>Title I 2012-13</u>	<u>Title II 2012-13</u>	<u>Title II 2011-12</u>			
REVENUE:						
Local Sources					\$ 500	\$ 6,162
Federal Sources	\$ 4,650	\$ 7,861	\$ 3,482	\$ 1,567		
Total Revenue	<u>4,650</u>	<u>7,861</u>	<u>3,482</u>	<u>1,567</u>	<u>500</u>	<u>6,162</u>
EXPENDITURES:						
Instruction:						
Tuition						
Purchased Professional Services		5,959	2,328			
General Supplies	4,650	1,902	1,154		500	623
Total Instruction	<u>4,650</u>	<u>7,861</u>	<u>3,482</u>		<u>500</u>	<u>623</u>
Support Services:						
Other Purchased Services						5,539
Supplies and Materials				1,567		
Total Support Services				<u>1,567</u>		<u>5,539</u>
Total Expenditures	<u>\$ 4,650</u>	<u>\$ 7,861</u>	<u>\$ 3,482</u>	<u>\$ 1,567</u>	<u>\$ 500</u>	<u>\$ 6,162</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	IDEA Part B				Totals
	Basic 2012-13	Basic 2011-12	Preschool 2012-13	Preschool 2011-12	
REVENUE:					
Local Sources					\$ 6,662
Federal Sources	\$ 196,728	\$ 16,405	\$ 11,161	\$ 264	242,118
Total Revenue	<u>196,728</u>	<u>16,405</u>	<u>11,161</u>	<u>264</u>	<u>248,780</u>
EXPENDITURES:					
Instruction:					
Tuition	187,763		10,700		198,463
Purchased Professional Services					8,287
General Supplies	8,965	13,405	461	264	31,924
Total Instruction	<u>196,728</u>	<u>13,405</u>	<u>11,161</u>	<u>264</u>	<u>238,674</u>
Support Services:					
Other Purchased Services		3,000			8,539
Supplies and Materials					1,567
Total Support Services		<u>3,000</u>			<u>10,106</u>
Total Expenditures	<u>\$ 196,728</u>	<u>\$ 16,405</u>	<u>\$ 11,161</u>	<u>\$ 264</u>	<u>248,780</u>

CAPITAL PROJECTS FUND

Exhibit F-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Revenue and Other Financing Sources:	
Serial Bond Proceeds	\$ 1,000,000
Total Revenue and Other Financing Sources	<u>1,000,000</u>
Expenditures:	
Purchased Professional and Technical Services	<u>93,180</u>
Total Expenditures	<u>93,180</u>
Excess of Revenue Over Expenditures	906,820
Fund Balance/ (Deficit) - Beginning of Year As Restated	<u>(711,567)</u>
Fund Balance - End of Year	<u>\$ 195,253</u>
Recapitulation:	
Restricted	\$ 195,253
Reconciliation to Governmental Funds Statements (GAAP):	
SDA Grant Revenue/Receivable not Recognized on GAAP Basis	<u>(762,942)</u>
Fund Balance/(Deficit) per Governmental Funds (GAAP)	<u>\$ (567,689)</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS - STEWARTSVILLE SCHOOL WINDOW/ROOF REPLACEMENT
GREENWICH SCHOOL SITE/DRAINAGE PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 762,942		\$ 762,942	\$ 762,942
Serial Bond Proceeds		\$ 1,000,000	1,000,000	1,101,858
Total Revenue and Other Financing Sources	<u>762,942</u>	<u>1,000,000</u>	<u>1,762,942</u>	<u>1,864,800</u>
Expenditures:				
Professional and Technical Services	154,175	93,180	247,355	250,000
Construction Services	<u>1,320,334</u>		<u>1,320,334</u>	<u>1,614,800</u>
Total Expenditures	<u>1,474,509</u>	<u>93,180</u>	<u>1,567,689</u>	<u>1,864,800</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ (711,567)</u>	<u>\$ 906,820</u>	<u>\$ 195,253</u>	<u>\$ -0-</u>
Additional Project Information:				
Project Number	1840-070-10-1001, 1840-040-10-1002, 1840-070-10-1003			
Grant Date	8/30/2010			
Bond Authorization Date	1/25/2011			
Bonds Issue Date	3/12/2013			
Bonds Issued	\$ 1,000,000			
Original Authorized Cost	\$ 1,864,800			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	84%			
Original Target Completion Date	6/30/2012			
Revised Target Completion Date	8/30/2014			

GREENWICH TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF TEMPORARY NOTES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

<u>Purpose</u>	<u>Original Issue</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2012</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance June 30, 2013</u>
Drainage at Greenwich School, Window Replacement and Roof Replacement at Stewartsville School	\$ 1,864,800	3/14/2012	3/13/2013	1.50%	\$ 1,864,800		\$ 1,864,800	
		3/12/2013	3/11/2014	1.50%		\$ 864,800		\$ 864,800
					<u>\$ 1,864,800</u>	<u>\$ 864,800</u>	<u>\$ 1,864,800</u>	<u>\$ 864,800</u>

PROPRIETARY FUNDS

Exhibit G-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013

	Business-Type Activities: Enterprise Funds			
	Food Service	Pre-School Services	Child Care	Total
<u>ASSETS:</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 3,864	\$ 77,186	\$ 67,547	\$ 148,597
Accounts Receivable:				
Federal	1,345			1,345
State	62			62
Inventories	6,426			6,426
Total Current Assets	<u>11,697</u>	<u>77,186</u>	<u>67,547</u>	<u>156,430</u>
Non-Current Assets:				
Capital Assets	210,000			210,000
Less: Accumulated Depreciation	<u>(169,661)</u>			<u>(169,661)</u>
Total Non-Current Assets	<u>40,339</u>			<u>40,339</u>
Total Assets	<u>52,036</u>	<u>77,186</u>	<u>67,547</u>	<u>196,769</u>
<u>LIABILITIES:</u>				
Current Liabilities:				
Unearned Revenue	2,450	9,250	2,792	14,492
Interfund Payable - General Fund	9,804		39,884	49,688
Total Current Liabilities	<u>12,254</u>	<u>9,250</u>	<u>42,676</u>	<u>64,180</u>
Total Liabilities	<u>12,254</u>	<u>9,250</u>	<u>42,676</u>	<u>64,180</u>
<u>NET POSITION:</u>				
Net Investment in Capital Assets	40,339			40,339
Unrestricted/(Deficit)	<u>(557)</u>	<u>67,936</u>	<u>24,871</u>	<u>92,250</u>
Total Net Position	<u>\$ 39,782</u>	<u>\$ 67,936</u>	<u>\$ 24,871</u>	<u>\$ 132,589</u>

Exhibit G-2

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-Type Activities:			Total
	Enterprise Funds			
	Food Service	Pre-School Services	Child Care	
Operating Revenue:				
Local Sources:				
Daily Sales - Reimbursable Programs	\$ 78,590			\$ 78,590
Daily Sales - Nonreimbursable Programs	40,407			40,407
Miscellaneous	850			850
Pre-School Fees		\$ 50,674		50,674
Child Care Fees			\$ 127,212	127,212
Total Operating Revenue	<u>119,847</u>	<u>50,674</u>	<u>127,212</u>	<u>297,733</u>
Operating Expenses:				
Cost of Sales	86,196			86,196
Salaries and Employee Benefits	96,695	37,209	82,361	216,265
Supplies and Materials			23,654	23,654
Purchased Property Services			39,465	39,465
Miscellaneous	549	79		628
Depreciation	11,173			11,173
Total Operating Expenses	<u>194,613</u>	<u>37,288</u>	<u>145,480</u>	<u>377,381</u>
Operating Income/(Loss)	<u>(74,766)</u>	<u>13,386</u>	<u>(18,268)</u>	<u>(79,648)</u>
Non-Operating Revenue:				
Local Sources:				
Interest Income	49	242	221	512
Federal Sources:				
National School Lunch Program	33,102			33,102
Food Distribution Program	15,350			15,350
State Sources:				
State School Lunch Program	1,614			1,614
Total Non-Operating Revenue	<u>50,115</u>	<u>242</u>	<u>221</u>	<u>50,578</u>
Change in Net Position before Adjustment of Capital Assets	(24,651)	13,628	(18,047)	(29,070)
Adjustment of Capital Assets	6,300			6,300
Change in Net Position	(30,951)	13,628	(18,047)	(35,370)
Net Position - Beginning of Year (Restated)	70,733	54,308	42,918	167,959
Net Position - End of Year	<u>\$ 39,782</u>	<u>\$ 67,936</u>	<u>\$ 24,871</u>	<u>\$ 132,589</u>

Exhibit G-3

GREENWICH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-Type Activities: Enterprise Funds			
	Food Service	Pre-School Services	Child Care	Total
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 119,847	\$ 54,924	\$ 130,004	\$ 304,775
Payments to/for Employees	(86,311)	(37,209)	(81,942)	(205,462)
Settlement of Prior Year Interfund Receivable	4,109		(4,518)	(409)
Other Payments	(71,238)	(79)	(23,654)	(94,971)
Net Cash Provided by/(Used for) Operating Activities	(33,593)	17,636	19,890	3,933
Cash Flows by Noncapital Financing Activities:				
Cash Received from Federal and State Reimbursements	34,067			34,067
Net Cash Provided by Noncapital Financing Activities	34,067			34,067
Cash Flows from Investing Activities:				
Interest on Investments	49	242	221	512
Net Cash Provided by Investing Activities	49	242	221	512
Net Increase/(Decrease) in Cash and Cash Equivalents	523	17,878	20,111	38,512
Cash and Cash Equivalents, July 1	3,341	59,308	47,436	110,085
Cash and Cash Equivalents, June 30	\$ 3,864	\$ 77,186	\$ 67,547	\$ 148,597
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/ (Used for) Operating Activities:				
Operating Income/(Loss)	(74,766)	13,386	(18,268)	(79,648)
Adjustment to Reconcile Operating (Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	11,173			11,173
Federal Food Distribution Program	15,350			15,350
Changes in Assets and Liabilities:				
Decrease in Inventories	633			633
Increase/(Decrease) in Unearned Revenue	(475)	4,250	2,792	6,567
Decrease in Interfund Receivable	4,688			4,688
Increase in Interfund Payable	9,804		35,366	45,170
Net Cash Provided by/(Used for) Operating Activities	\$ (33,593)	\$ 17,636	\$ 19,890	\$ 3,933

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received commodities from the Federal Food Distribution Program valued at \$14,875 and utilized commodities valued at \$15,350 for the fiscal year ended June 30, 2013.

FIDUCIARY FUNDS

Exhibit H-1

GREENWICH TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>Agency</u>		<u>Total Agency</u>
	<u>Student Activities</u>	<u>Payroll</u>	
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 46,243	\$ 275,404	\$ 321,647
Total Assets	<u>46,243</u>	<u>275,404</u>	<u>321,647</u>
<u>LIABILITIES:</u>			
Payroll Deductions and Withholdings		63,365	63,365
Accrued Salaries and Wages - Summer Savings Plan		212,039	212,039
Interfund Payable - General Fund	990		990
Payable to Student Groups	<u>45,253</u>		<u>45,253</u>
Total Liabilities	<u>\$ 46,243</u>	<u>\$ 275,404</u>	<u>\$ 321,647</u>

Exhibit H-3

GREENWICH TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 39,289	\$ 165,699	\$ 158,745	\$ 46,243
Total Assets	<u>\$ 39,289</u>	<u>\$ 165,699</u>	<u>\$ 158,745</u>	<u>\$ 46,243</u>
<u>LIABILITIES:</u>				
Interfund Payable - General Fund	\$ 776	\$ 34,471	\$ 34,257	\$ 990
Due to Student Groups	<u>38,513</u>	<u>131,228</u>	<u>124,488</u>	<u>45,253</u>
Total Liabilities	<u>\$ 39,289</u>	<u>\$ 165,699</u>	<u>\$ 158,745</u>	<u>\$ 46,243</u>

Exhibit H-4

GREENWICH TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 254,209	\$ 6,509,282	\$ 6,488,087	\$ 275,404
Total Assets	<u>\$ 254,209</u>	<u>\$ 6,509,282</u>	<u>\$ 6,488,087</u>	<u>\$ 275,404</u>
 <u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	\$ 70,178	\$ 6,297,243	\$ 6,304,056	\$ 63,365
Accrued Salaries and Wages - Summer Savings Plan	183,870	212,039	183,870	212,039
Accrued Salaries and Wages	<u>161</u>	<u></u>	<u>161</u>	<u></u>
Total Liabilities	<u>\$ 254,209</u>	<u>\$ 6,509,282</u>	<u>\$ 6,488,087</u>	<u>\$ 275,404</u>

LONG-TERM DEBT

GREENWICH TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding June 30, 2013		Interest Rate	Balance July, 1 2012	Issued	Matured	Balance June 30, 2013
			Date	Amount					
School Addition Project/ Refunding 1998 Refunded School Bonds	7/15/2010	\$ 1,440,000	1/15/2014	\$ 350,000	3.00%	\$ 715,000		\$ 365,000	\$ 350,000
Refunding 1998 School Bonds	6/15/2005	7,500,000	1/15/2014	760,000	3.00%	4,935,000		730,000	4,205,000
			1/15/2015	795,000					
			1/15/2016	840,000	5.00%				
			1/15/2017	880,000					
			1/15/2018	930,000					
School Addition Project/ Refunding 2001 School Bonds	7/6/2006	4,520,000	7/1/2013	300,000	3.50%	3,995,000		290,000	3,705,000
			7/1/2014	310,000	to				
			7/1/2015	325,000	4.25%				
			7/1/2016	345,000					
			7/1/2017	360,000					
			7/1/2018	375,000					
			7/1/2019	395,000					
			7/1/2020	410,000					
			7/1/2021	435,000					
			7/1/2022	450,000					
			\$1,000,000 School Bonds, Series 2013	3/12/2013					
1/15/2016	139,379								
1/15/2017	141,086								
1/15/2018	142,815								
1/15/2019	144,564								
1/15/2020	146,335								
1/15/2021	148,129								
						\$ 1,000,000		1,000,000	
						<u>\$ 9,645,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,385,000</u>	<u>\$ 9,260,000</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 1,126,717		\$ 1,126,717	\$ 1,126,717	
Bond Anticipation Note Premium				3,893	\$ 3,893
State Sources:					
Debt Service Aid Type II	<u>707,679</u>		<u>707,679</u>	<u>707,679</u>	
Total Revenue	<u>1,834,396</u>		<u>1,834,396</u>	<u>1,838,289</u>	<u>3,893</u>
EXPENDITURES:					
Regular Debt Service:					
Redemption of Principal	1,385,000		1,385,000	1,385,000	
Interest	<u>449,500</u>		<u>449,500</u>	<u>439,901</u>	<u>9,599</u>
Total Regular Debt Service	<u>1,834,500</u>		<u>1,834,500</u>	<u>1,824,901</u>	<u>9,599</u>
Total Expenditures	<u>1,834,500</u>		<u>1,834,500</u>	<u>1,824,901</u>	<u>9,599</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(104)		(104)	13,388	13,492
Fund Balance, July 1 (Restated)	<u>12,734</u>		<u>12,734</u>	<u>12,734</u>	
Fund Balance, June 30	<u>\$ 12,630</u>	<u>\$ -0-</u>	<u>\$ 12,630</u>	<u>\$ 26,122</u>	<u>\$ 13,492</u>

Recapitulation of Fund Balance at June 30, 2013:

Restricted	<u>\$ 26,122</u>
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STATISTICAL SECTION
(UNAUDITED)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

	<u>Exhibit</u>
<p>Financial Trends</p> <p>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</p>	J-1 thru J-5
<p>Revenue Capacity</p> <p>These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.</p>	J-6 thru J-9
<p>Debt Capacity</p> <p>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</p>	J-10 thru J-13
<p>Demographic and Economic Information</p> <p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.</p>	J-14 thru J-15
<p>Operating Information</p> <p>These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.</p>	J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The District implemented Statement 34 in a previous fiscal year. Schedules presenting government-wide information include information beginning in the fiscal year ended June 30, 2004.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	Restated 2012	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 658,666	\$ 779,102	\$ 2,260,927	\$ 2,537,365	\$ 3,080,352	\$ 3,891,031	\$ 4,402,005	\$ 5,637,005	\$ 7,235,106	\$ 7,252,593
Restricted	2,733,303	2,364,760	2,601,348	2,875,923	2,045,733	1,659,424	747,180	574,309	655,115	531,600
Unrestricted/(Deficit)	(368,205)	149,338	(27,703)	(382,603)	(366,449)	(680,748)	(688,793)	(116,142)	(1,229,511)	(490,869)
Total Governmental Activities Net Position	\$ 3,023,764	\$ 3,293,200	\$ 4,834,572	\$ 5,030,685	\$ 4,759,636	\$ 4,869,707	\$ 4,460,392	\$ 6,095,172	\$ 6,660,710	\$ 7,293,324
Business-Type Activities										
Net Investment in Capital Assets	\$ 121,094	\$ 104,503	\$ 87,962	\$ 102,884	\$ 91,790	\$ 85,098	\$ 76,489	\$ 64,325	\$ 57,812	\$ 40,339
Unrestricted/(Deficit)	32,877	36,123	51,876	50,494	51,672	51,751	47,484	135,792	110,147	92,250
Total Business-Type Activities Net Position	\$ 153,971	\$ 140,626	\$ 139,838	\$ 153,378	\$ 143,462	\$ 136,849	\$ 123,973	\$ 200,117	\$ 167,959	\$ 132,589
District-Wide:										
Net Investment in Capital Assets	\$ 779,760	\$ 883,605	\$ 2,348,889	\$ 2,640,249	\$ 3,172,142	\$ 3,976,129	\$ 4,478,494	\$ 5,701,330	\$ 7,292,918	\$ 7,292,932
Restricted	2,733,303	2,364,760	2,601,348	2,875,923	2,045,733	1,659,424	747,180	574,309	655,115	531,600
Unrestricted/(Deficit)	(335,328)	185,461	24,173	(332,109)	(314,777)	(628,997)	(641,309)	19,650	(1,119,364)	(398,619)
Total District Net Position	\$ 3,177,735	\$ 3,433,826	\$ 4,974,410	\$ 5,184,063	\$ 4,903,098	\$ 5,006,556	\$ 4,584,365	\$ 6,295,289	\$ 6,828,669	\$ 7,425,913

Source: School District Financial Reports

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 4,163,280	\$ 4,609,970	\$ 4,229,557	\$ 4,538,871	\$ 5,023,907	\$ 4,963,085	\$ 5,156,261	\$ 4,845,458	\$ 4,794,881	\$ 4,770,961
Special Education	830,052	1,142,800	1,341,947	1,580,345	1,621,193	1,683,557	1,538,025	1,499,990	1,509,108	1,855,193
Other Special Education	113,536	143,336	129,992	257,104	331,154	286,852	243,918	198,661	302,293	394,362
School-Sponsored/ Other Instruction										68,947
Support Services:										
Tuition	2,791,249	2,763,719	2,821,643	2,306,045	2,573,939	2,777,661	2,628,589	3,076,798	3,073,629	4,423,854
Student & Instruction Related Services	942,015	1,080,418	1,038,146	1,230,693	1,304,833	1,358,650	1,685,994	1,335,706	1,327,221	1,156,456
General Administrative Services	647,614	700,653	663,730	768,304	872,204	830,816	859,182	680,084	584,406	311,276
School Administrative Services	230,115	269,774	278,659	306,813	317,029	330,982	332,110	396,381	441,338	456,518
Central Services										166,148
Administrative Information Technology										29,992
Plant Operations And Maintenance	684,003	726,879	837,527	950,832	1,186,874	1,163,493	1,154,066	943,374	952,956	720,048
Pupil Transportation	704,462	660,824	657,533	780,797	795,535	990,879	963,560	658,841	653,682	681,102
Interest on Long-term Debt	912,928	712,061	793,146	702,022	654,190	607,393	562,794	499,144	490,288	423,004
Unallocated Depreciation	69,891	58,737	62,456	47,582	46,835	49,959	46,864	46,864	52,341	50,995
Total Governmental Activities Expenses	12,089,145	12,869,171	12,854,336	13,469,408	14,727,693	15,043,327	15,171,363	14,181,301	14,182,143	15,508,856

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses: (Cont'd)										
Business-Type Activities:										
Food Service	\$ 158,249	\$ 159,799	\$ 178,229	\$ 195,628	\$ 193,643	\$ 199,510	\$ 224,799	\$ 205,138	\$ 208,907	\$ 194,613
Pre-School Services									29,614	37,288
Child Care								45,493	159,644	145,480
Total Business-Type Activities Expense	<u>158,249</u>	<u>159,799</u>	<u>178,229</u>	<u>195,628</u>	<u>193,643</u>	<u>199,510</u>	<u>224,799</u>	<u>250,631</u>	<u>398,165</u>	<u>377,381</u>
Total District Expenses	<u>\$ 12,247,394</u>	<u>\$ 13,028,970</u>	<u>\$ 13,032,565</u>	<u>\$ 13,665,036</u>	<u>\$ 14,921,336</u>	<u>\$ 15,242,837</u>	<u>\$ 15,396,162</u>	<u>\$ 14,431,932</u>	<u>\$ 14,580,308</u>	<u>\$ 15,886,237</u>
Program Revenues:										
Governmental Activities:										
Charges for services:										
Instruction-Regular		\$ 19,359	\$ 37,900	\$ 35,451	\$ 44,000	\$ 47,900	\$ 15,250	\$ 2,500		
Business and Other Support Services										
Operating Grants and Contributions	\$ 5,641,806	6,172,743	6,119,821	6,292,468	6,620,727	7,190,179	7,297,465	7,176,767	7,556,109	2,247,628
Capital Grants and Contributions										
Total Governmental Activities Program Revenues	<u>5,641,806</u>	<u>6,192,102</u>	<u>6,157,721</u>	<u>6,327,919</u>	<u>6,664,727</u>	<u>7,238,079</u>	<u>7,312,715</u>	<u>7,179,267</u>	<u>7,556,109</u>	<u>2,247,628</u>
Business-Type Activities:										
Charges for services:										
Food Service	115,832	122,786	147,637	151,188	152,534	159,884	160,177	132,950	130,925	119,847
Pre-School Services								42,808	41,114	50,674
Child Care								111,873	136,182	127,212
Operating Grants and Contributions	22,883	23,610	29,730	29,077	31,085	34,486	42,109	39,119	45,423	50,066
Capital Grants and Contributions										
Total Business-Type Activities	<u>138,715</u>	<u>146,396</u>	<u>177,367</u>	<u>180,265</u>	<u>183,619</u>	<u>194,370</u>	<u>202,286</u>	<u>326,750</u>	<u>353,644</u>	<u>347,799</u>
Total District Program Revenues	<u>\$ 5,780,521</u>	<u>\$ 6,338,498</u>	<u>\$ 6,335,088</u>	<u>\$ 6,508,184</u>	<u>\$ 6,848,346</u>	<u>\$ 7,432,449</u>	<u>\$ 7,515,001</u>	<u>\$ 7,506,017</u>	<u>\$ 7,909,753</u>	<u>\$ 2,595,427</u>
Change in Net (Expense)/Revenue:										
Governmental Activities	\$ (6,447,339)	\$ (6,677,069)	\$ (6,696,615)	\$ (7,141,489)	\$ (8,062,966)	\$ (7,805,248)	\$ (7,858,648)	\$ (7,002,034)	\$ (6,626,034)	\$ (13,261,228)
Business-Type Activities	(19,534)	(13,403)	(862)	(15,363)	(10,024)	(5,140)	(22,513)	76,119	(44,521)	(29,582)
Total District Net Expense	<u>\$ (6,466,873)</u>	<u>\$ (6,690,472)</u>	<u>\$ (6,697,477)</u>	<u>\$ (7,156,852)</u>	<u>\$ (8,072,990)</u>	<u>\$ (7,810,388)</u>	<u>\$ (7,881,161)</u>	<u>\$ (6,925,915)</u>	<u>\$ (6,670,555)</u>	<u>\$ (13,290,810)</u>

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 5,938,551	\$ 5,816,846	\$ 6,030,549	\$ 6,508,815	\$ 6,678,820	\$ 6,699,025	\$ 6,699,025	\$ 6,699,025	\$ 6,981,458	\$ 7,121,087
Taxes Levied for Debt Services	972,022	987,262	979,067	857,472	918,756	899,772	934,188	1,096,028	1,117,623	1,126,717
Unrestricted State Aid								762,942		5,549,610
Investment Earnings	12,812	72,889	142,633	190,832	131,790	36,393	8,934	4,253	11,971	507
Miscellaneous Income	121,196	69,508	55,149	68,401	62,551	89,384	67,606	74,566	159,511	95,921
Transfers						(4,434)				
Total Governmental Activities	<u>7,044,581</u>	<u>6,946,505</u>	<u>7,207,398</u>	<u>7,625,520</u>	<u>7,791,917</u>	<u>7,720,140</u>	<u>7,709,753</u>	<u>8,636,814</u>	<u>8,270,563</u>	<u>13,893,842</u>
Business-Type Activities:										
Investment Earnings										512
Miscellaneous Income	737	58	74	94	108	93	3,637	25	6,712	
Transfers						4,434				
Special Item - Capital Asset Adjustment										(6,300)
Total Business-Type Activities	<u>737</u>	<u>58</u>	<u>74</u>	<u>94</u>	<u>108</u>	<u>4,527</u>	<u>3,637</u>	<u>25</u>	<u>6,712</u>	<u>(5,788)</u>
Total District-Wide	<u>\$ 7,045,318</u>	<u>\$ 6,946,563</u>	<u>\$ 7,207,472</u>	<u>\$ 7,625,614</u>	<u>\$ 7,792,025</u>	<u>\$ 7,724,667</u>	<u>\$ 7,713,390</u>	<u>\$ 8,636,839</u>	<u>\$ 8,277,275</u>	<u>\$ 13,888,054</u>
Change in Net Position:										
Governmental Activities	\$ 597,242	\$ 269,436	\$ 510,783	\$ 484,031	\$ (271,049)	\$ (85,108)	\$ (148,895)	\$ 1,634,780	\$ 1,644,529	\$ 632,614
Business-Type Activities	(19,534)	(13,403)	(862)	(15,363)	(10,024)	(5,140)	(22,513)	76,119	(44,521)	(35,370)
Total District	<u>\$ 577,708</u>	<u>\$ 256,033</u>	<u>\$ 509,921</u>	<u>\$ 468,668</u>	<u>\$ (281,073)</u>	<u>\$ (90,248)</u>	<u>\$ (171,408)</u>	<u>\$ 1,710,899</u>	<u>\$ 1,600,008</u>	<u>\$ 597,244</u>

Source: School District Financial Reports

GREENWICH TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	Restated 2012	2013
General Fund:										
Reserved/Restricted	\$ 2,001,284	\$ 1,651,792	\$ 2,601,348	\$ 2,875,923	\$ 2,045,733	\$ 1,659,424	\$ 793,101	\$ 637,055	\$ 642,381	\$ 505,478
Unreserved	87,831	472,797	313,785	58,226	60,993	(181,222)	(303,203)	(99,841)		
Assigned									509,313	369,988
Unassigned										
Total General Fund	\$ 2,089,115	\$ 2,124,589	\$ 2,915,133	\$ 2,934,149	\$ 2,106,726	\$ 1,478,202	\$ 489,898	\$ 537,214	\$ 1,151,694	\$ 875,466
All Other Governmental Funds:										
Reserved/Restricted								\$ 1,464,795	\$ 12,734	\$ 26,122
Unreserved, Reported In:		\$ 26,773								
Capital Projects Fund	\$ 732,019	686,195						(850,382)		
Debt Service Fund			167,482	16,447				38,106		
Unassigned/(Deficit)									(1,474,509)	(567,689)
Total All Other Governmental Funds	\$ 732,019	\$ 712,968	\$ 167,482	\$ 16,447	\$ -0-	\$ -0-	\$ -0-	\$ 652,519	\$ (1,461,775)	\$ (541,567)

Source: School District Financial Reports

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Tax Levy	\$ 6,910,573	\$ 6,804,108	\$ 7,009,616	\$ 7,366,287	\$ 7,597,576	\$ 7,598,797	\$ 7,633,213	\$ 7,795,053	\$ 8,099,081	\$ 8,247,804
Tuition Charges			37,900	35,451	44,000	47,900	15,250	2,500	4,920	19,289
Interest Earnings										507
Miscellaneous	134,008	161,756	197,782	259,233	194,341	125,777	76,540	78,819	166,562	76,631
State Sources	5,491,434	5,994,121	5,913,332	6,071,675	6,295,961	6,844,661	6,009,095	7,548,077	7,113,457	7,553,303
Federal Sources	150,372	178,622	206,489	220,793	324,766	345,518	1,288,370	391,632	442,652	243,936
Total Revenue	12,686,387	13,138,607	13,365,119	13,953,439	14,456,644	14,962,653	15,022,468	15,816,081	15,826,672	16,141,470
Expenditures:										
Instruction:										
Regular Instruction	2,721,424	2,914,847	2,775,264	3,113,348	3,384,413	3,313,130	3,479,123	3,147,100	3,044,046	2,911,420
Special Education Instruction	667,991	861,068	1,040,106	1,174,762	1,229,527	1,257,497	1,163,571	1,104,802	1,106,324	1,284,941
Other Special Instruction	91,369	107,999	100,753	191,120	251,150	214,258	184,533	146,322	221,610	256,409
Other Instruction										38,537
Support Services:										
Tuition	2,791,249	2,763,719	2,821,643	2,306,045	2,573,939	2,777,661	2,628,589	3,076,798	3,073,629	4,423,854
Student & Instruction Related Services	758,094	814,065	804,638	914,846	989,597	1,014,815	1,275,515	983,800	972,983	894,425
General Administrative Services	521,172	527,923	514,439	571,125	610,072	620,560	650,002	480,481	428,427	257,273
School Administrative Services	185,187	203,267	215,981	228,072	240,438	247,220	251,253	291,950	323,544	321,521
Central Services										130,056
Administrative Information Technology										29,992
Plant Operations And Maintenance	550,457	547,683	649,144	706,809	900,136	869,046	873,092	694,832	698,610	645,944
Pupil Transportation	704,462	660,824	657,533	780,797	795,535	990,879	963,560	658,841	653,682	681,102
Unallocated Employee Benefits	1,482,577	1,835,867	1,847,148	2,332,209	2,580,383	2,595,768	2,714,870	2,564,104	2,799,639	2,666,250

GREENWICH TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenditures:										
Capital Outlay	\$ 377,815	\$ 45,397	\$ 36,639	\$ 17,597	\$ 17,000	\$ 9,400	\$ 85,030	\$ 198,262	\$ 1,383,592	\$ 130,865
Debt Service:										
Principal	914,000	950,000	980,000	1,010,000	1,050,000	1,050,000	1,155,000	1,250,000	1,360,000	1,385,000
Interest And Other Charges	933,123	889,525	676,773	738,728	678,324	626,509	585,634	519,954	497,458	439,901
Total Expenditures	<u>12,698,920</u>	<u>13,122,184</u>	<u>13,120,061</u>	<u>14,085,458</u>	<u>15,300,514</u>	<u>15,586,743</u>	<u>16,009,772</u>	<u>15,117,246</u>	<u>16,563,544</u>	<u>16,497,490</u>
Excess/(Deficiency) Of Revenues Over/(Under)										
Expenditures	<u>(12,533)</u>	<u>16,423</u>	<u>245,058</u>	<u>(132,019)</u>	<u>(843,870)</u>	<u>(624,090)</u>	<u>(987,304)</u>	<u>698,835</u>	<u>(736,872)</u>	<u>(356,020)</u>
Other Financing Sources/(Uses):										
Bond Proceeds										1,000,000
Transfers Out						(4,434)				
Total Other Financing Sources/(Uses)						<u>(4,434)</u>				<u>1,000,000</u>
Net Change In Fund Balances	<u>\$ (12,533)</u>	<u>\$ 16,423</u>	<u>\$ 245,058</u>	<u>\$ (132,019)</u>	<u>\$ (843,870)</u>	<u>\$ (628,524)</u>	<u>\$ (987,304)</u>	<u>\$ 698,835</u>	<u>\$ (736,872)</u>	<u>\$ 643,980</u>
Debt Service As A Percentage Of Noncapital Expenditures	15.0%	14.1%	12.7%	12.4%	11.3%	10.8%	10.9%	11.9%	12.2%	11.2%

Source: School District Financial Reports

GREENWICH TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Interest on Investments	Prior Year Expenditures	Tuition	Donations	Recreation Club Fees	Summer Program	Miscellaneous	Total
2004	\$ 7,170	\$ 2,458	\$ 16,150	\$ 15,648	\$ 17,985	\$ 33,090	\$ 35,865	\$ 128,366
2005	72,889	2,018	19,359	12,196	22,455		32,839	161,756
2006	123,211	2,305	37,900	14,896	23,148		14,800	216,260
2007	190,832	19,793	35,451	9,260	20,434		18,914	294,684
2008	131,790		1,959	1,000	20,765		38,827	194,341
2009	36,393		47,900	13,646	28,390		47,348	173,677
2010	8,934	3,019	15,250	6,031			56,014	89,248
2011	2,989	38,895	2,500	1,980			33,390	79,754
2012	11,971	2,469	4,920				141,057	160,417
2013	6,322	10,665	19,289				49,596	85,872

Source: District Records

GREENWICH TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2003	\$ 3,615,000	\$ 456,680,690	\$ 9,780,200	\$ 2,420,500	\$ 66,312,000	\$ 14,709,000	\$ 553,517,390	\$ 8,287,260	\$ 2,361,758	\$ 555,879,148	\$ 1.232	\$ 549,187,993
2004	3,875,000	461,184,690	10,865,400	2,412,000	77,021,200	14,709,000	570,067,290	8,777,460	2,287,461	572,354,751	1.245	593,567,140
2005	3,244,500	464,024,890	11,269,300	2,399,700	76,932,100	14,698,000	572,568,490	8,993,660	2,042,711	574,611,201	1.186	656,944,800
2006	3,406,900	468,353,590	11,312,500	2,252,200	77,099,500	14,947,300	577,371,990	10,995,260	1,637,372	579,009,362	1.220	674,587,649
2007	4,047,000	470,971,990	11,579,300	2,201,200	87,616,600	14,947,300	591,363,390	11,359,760	1,624,174	592,987,564	1.273	810,621,323
2008	2,631,200	473,284,390	11,673,600	2,186,100	86,629,100	14,947,300	591,351,690	11,616,960	1,743,049	593,094,739	1.283	828,914,477
2009	1,878,700	474,696,200	11,730,800	2,217,500	88,422,900	14,947,300	593,893,400	11,705,250	1,764,241	595,657,641	1.280	835,757,738
2010	1,539,200	475,227,800	11,741,100	2,134,800	90,179,400	14,947,300	595,769,600	12,688,750	1,746,284	597,515,884	1.283	803,071,826
2011	2,265,100	476,841,900	11,692,900	1,825,400	91,303,500	14,947,300	598,876,100	13,260,050	1,605,686	600,481,786	1.305	763,817,299
2012	1,552,300	475,689,290	12,015,700	2,116,900	91,446,700	14,947,300	597,768,190	13,171,760	1,612,367	599,380,557	1.348	718,538,826

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation.

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

b Tax rates are per \$100

Exhibit J-7

GREENWICH TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

Year Ended December 31,	Greenwich Township School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Greenwich Township	Library	Warren County	
2003	\$ 1.097	\$ 0.135	\$ 1.232	\$ 0.162	\$ 0.053	\$ 0.570	\$ 2.017
2004	1.078	0.167	1.245	0.185	0.053	0.617	2.100
2005	1.016	0.170	1.186	0.257	0.055	0.639	2.137
2006	1.049	0.171	1.220	0.384	0.059	0.677	2.340
2007	1.125	0.148	1.273	0.398	0.068	0.761	2.500
2008	1.128	0.155	1.283	0.398	0.073	0.766	2.520
2009	1.128	0.152	1.280	0.414	0.073	0.778	2.545
2010	1.126	0.157	1.283	0.425	0.073	0.762	2.543
2011	1.122	0.183	1.305	0.455	0.065	0.759	2.584
2012	1.162	0.186	1.348	0.478	0.062	0.749	2.637

Source: Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2013	
Employer	Employees	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

	2004	
Employer	Employees	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

Exhibit J-9

GREENWICH TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	\$ 6,910,573	\$ 6,910,573	100.00%	-0-
2005	6,804,108	6,804,108	100.00%	-0-
2006	7,009,616	7,009,616	100.00%	-0-
2007	7,366,287	7,366,287	100.00%	-0-
2008	7,597,576	7,597,576	100.00%	-0-
2009	7,598,797	7,598,797	100.00%	-0-
2010	7,633,213	7,633,213	100.00%	-0-
2011	7,795,053	7,795,053	100.00%	-0-
2012	8,099,081	8,099,081	100.00%	-0-
2013	8,247,804	8,247,804	100.00%	-0-

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

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

Exhibit J-10

GREENWICH TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

(dollars in thousands, except per capita)

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Bond Anticipation Notes (BANs)			
2004	\$ 18,250,000		\$ 18,250,000	10.24%	\$ 3,538
2005	17,330,000		17,330,000	9.44%	3,360
2006	16,350,000		16,350,000	8.57%	3,166
2007	15,495,000		15,495,000	7.61%	3,006
2008	14,445,000		14,445,000	6.74%	2,820
2009	13,395,000		13,395,000	5.98%	2,620
2010	12,240,000		12,240,000	5.58%	2,405
2011	11,005,000	\$ 1,864,800	12,869,800	5.10%	2,254
2012	9,645,000	1,864,800	11,509,800	4.50%	2,022
2013	9,260,000	864,800	10,124,800	4.01%	1,804

Source: School District Financial Reports

- a See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED
(dollars in thousands, except per capita)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2004	\$ 18,250,000	\$ -0-	\$ 18,250,000	3.28%	\$ 3,538
2005	17,330,000	-0-	17,330,000	3.03%	3,360
2006	16,350,000	-0-	16,350,000	2.85%	3,166
2007	15,495,000	-0-	15,495,000	2.68%	3,006
2008	14,445,000	-0-	14,445,000	2.44%	2,820
2009	13,395,000	-0-	13,395,000	2.26%	2,620
2010	12,240,000	-0-	12,240,000	2.05%	2,405
2011	11,005,000	-0-	11,005,000	1.84%	1,927
2012	9,645,000	-0-	9,645,000	1.61%	1,694
2013	9,260,000	-0-	9,260,000	1.54%	1,650

Source: School District Financial Reports

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

- a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data from the prior year.
- b Population data can be found in Exhibit J-14. This ratio is calculated using population for the prior calendar year.

Exhibit J-12

GREENWICH TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2012
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes:			
Greenwich Township	\$ 1,225,000	100.00%	\$ 1,225,000
Other Debt			
Warren County	7,645,000	5.96%	<u>455,413</u>
Subtotal, Overlapping Debt			1,680,413
Greenwich Township School District Direct Debt			<u>11,219,800</u>
Total Direct And Overlapping Debt			<u><u>\$ 12,900,213</u></u>

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

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

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

GREENWICH TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2013

	Equalized valuation basis
	2012 \$ 695,893,894
	2011 717,904,699
	2010 756,725,010
	\$ 2,170,523,603
Average Equalized Valuation of Taxable Property	\$ 723,507,868
Debt Limit (3% of average equalization value) ^a	\$ 21,705,236
Net Bonded School Debt as of June 30, 2013	10,124,800
Legal Debt Margin	\$ 11,580,436

	Fiscal Year				
	2009	2010	2011	2012	2013
Debt Limit	\$ 24,427,134	\$ 24,515,570	\$ 23,827,014	\$ 22,718,021	\$ 21,705,236
Total Net Debt Applicable to Limit	13,395,000	12,240,000	12,869,800	11,509,800	10,124,800
Legal Debt Margin	\$ 11,032,134	\$ 12,275,570	\$ 10,957,214	\$ 11,208,221	\$ 11,580,436
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	54.84%	49.93%	54.01%	50.66%	46.65%

	Fiscal Year				
	2004	2005	2006	2007	2008
Debt Limit	\$ 16,475,640	\$ 17,299,744	\$ 19,785,436	\$ 21,941,101	\$ 23,690,775
Total Net Debt Applicable to Limit	18,250,000	17,330,000	16,350,000	15,495,000	14,445,000
Legal Debt Margin	\$ (1,774,360)	\$ (30,256)	\$ 3,435,436	\$ 6,446,101	\$ 9,245,775
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	110.77%	100.17%	82.64%	70.62%	60.97%

^a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts.

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

Exhibit J-14

GREENWICH TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2004	5,157	\$ 183,645,927	\$ 35,611	3.9%
2005	5,164	190,773,652	36,943	2.5%
2006	5,154	203,541,768	39,492	2.7%
2007	5,123	214,469,272	41,864	2.5%
2008	5,112	224,043,624	43,827	3.3%
2009	5,090	219,231,390	43,071	6.0%
2010	5,711	252,329,113	44,183	6.1%
2011	5,692	255,787,096	44,938 ***	5.7%
2012	5,613	252,236,994 **	44,938 ***	8.9%
2013	5,613 *	252,236,994 **	44,938 ***	N/A

* - Latest population data available (2012) was used for calculation purposes.

** - Latest Warren County per capita personal income available (2011) was used for calculation purposes.

*** - Latest available population data (2012) and latest available Warren County per capita personal income (2011) was used for calculation purposes.

N/A - Information Unavailable

Source:

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

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

Exhibit J-15

GREENWICH TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF WARREN,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

<u>Employer</u>	<u>2013</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>

INFORMATION IS NOT AVAILABLE

<u>Employer</u>	<u>2004</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>

INFORMATION IS NOT AVAILABLE

GREENWICH TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Instruction:	60	60	58	51	61	65	59	45	47	46
Regular	25	30	35	47	35	29	33	29	33	29
Support Services:										
Student & Instruction Related Services	14	17	16	14	20	18	15	13	14	15
General Administrative Services	4	4	5	4	5	5	5	2	2	2
School Administration	3	4	4	4	4	4	4	5	5	5
Central Services and Administrative Information Technology	3	3	3	3	3	3	2	2	2	2
Plant Operation and Maintenance	10	10	11	10	11	10	11	7	7	7
Total	119	128	132	133	139	134	129	103	110	106

Source: District Personnel Records

GREENWICH TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle				
2004	922	\$ 10,473,982	\$ 11,360	9.96%	82	1:19	1:22	908.1	873.0	2.91%	96.13%
2005	952	11,237,262	11,804	3.91%	90	1:20	1:21	949.3	909.2	4.54%	95.78%
2006	969	11,426,649	11,792	-0.10%	84	*	*	968.7	927.0	2.04%	95.70%
2007	986	12,319,133	12,494	5.95%	84	*	*	991.7	950.0	2.37%	95.80%
2008	999	13,555,190	13,569	8.60%	96	*	*	1,003.9	962.5	1.23%	95.88%
2009	983	13,900,834	14,141	4.22%	94	*	*	986.0	934.0	-1.78%	94.73%
2010	968	14,184,108	14,653	3.62%	90	*	*	974.8	922.4	-1.14%	94.62%
2011	903	13,149,030	14,561	-0.62%	77	*	*	905.8	868.9	-7.08%	95.93%
2012	870	13,322,494	15,313	5.16%	80	*	*	870.7	838.3	-3.88%	96.28%
2013	854	14,541,724	17,028	11.20%	77	*	*	854.2	821.6	-1.90%	96.18%

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d The cost per pupil calculated above is the sum of the operating expenditures divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

* Pupil/Teacher Ratio based on School Report Card data -- Not available

Source: School District records

GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

<u>District Building</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Elementary										
Greenwich (2001)										
Square Feet	91,146	91,146	91,146	91,146	91,146	91,146	91,146	91,146	91,146	91,146
Capacity (students)	720	720	720	720	720	720	720	720	720	720
Enrollment	661	676	690	690	687	669	661	584	557	546
Middle School										
Stewartsville (1969)										
Square Feet	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815	54,815
Capacity (students)	400	400	400	400	400	400	400	400	400	400
Enrollment	262	276	279	279	312	314	307	319	313	308

Number of Schools at June 30, 2013

 Elementary = 1

 Middle School = 1

Note: Year of original construction is shown in parentheses.

 Enrollment is based on the annual October district count.

Source: District records

GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures:
 Required Maintenance for School Facilities
 11-000-261-XXX

<u>School Facilities</u>	<u>Project #</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Stewartsville School	070	\$ 21,120	\$ 26,842	\$ 28,383	\$ 33,833	\$ 39,520	\$ 40,706	\$ 48,729	\$ 48,729	\$ 48,729	\$ 20,076
Greenwich School	999	34,460	43,795	46,308	55,202	64,480	65,394	79,506	2,994	44,297	29,401
Grand Total		\$ 55,580	\$ 70,637	\$ 74,691	\$ 89,035	\$ 104,000	\$ 106,100	\$ 128,235	\$ 51,723	\$ 93,026	\$ 49,477

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

Source: School District Records

Exhibit J-20

GREENWICH TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2013
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - SAIF:		
Property - Blanket Building and Contents (Fund Aggregate)	\$ 250,000,000	\$ 1,000
Comprehensive General Liability	5,000,000	1,000
Comprehensive Automobile Liability	5,000,000	1,000
Workers' Compensation	5,000,000	1,000
Crime - AIG		
Employee Dishonesty	500,000	1,000
Money & Securities	50,000	
Forgery	50,000	
Computer Fraud	50,000	
Surety Bonds - Selective Insurance Co..		
Business Administrator/ Board Secretary	195,000	
Treasurer of School Monies	193,000	

Source: District Records

SINGLE AUDIT SECTION



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Report on Internal Control Over Financial Reporting and
 on Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with Government Auditing Standards

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the 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 Greenwich Township School District, in the County of Warren (the "District") as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 8, 2013.

Internal Control Over Financial Reporting

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

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

Our consideration of the 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.

The Honorable President and Members
of the Board of Education
Greenwich Township School District
Page 2

Compliance and Other Matters

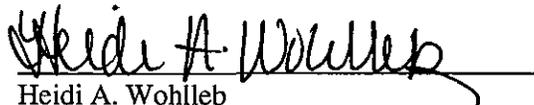
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

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

November 8, 2013
Mount Arlington, New Jersey

NISIVOCIA LLP


Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant



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Report on Compliance For Each Major State Program:
 Report on Internal Control Over Compliance Required by OMB Circular A-133
 and New Jersey OMB's Circular 04-04

Independent Auditors' Report

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

Report on Compliance for Each Major State Program

We have audited the Board of Education of the Greenwich Township School District's (the "District's") compliance with the types of compliance requirements described in the the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2013. The District's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District'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; *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*. 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 the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

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

The Honorable President and Members
of the Board of Education
Greenwich Township School District
Page 2

Report on Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *New Jersey State Aid/ Grant Compliance Supplement*, but not for the purpose of expressing our opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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 that the testing based on the requirements of OMB Circular A-133 or NJOMB 04-04. Accordingly, this report is not suitable for any other purpose.

November 8, 2013
Mount Arlington, New Jersey

NISIVOCIA LLP


Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

SCHOOL DISTRICT OF GREENWICH TOWNSHIP
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/ (Accounts Receivable) June 30, 2012	Carryover Amount	Cash Received	Budgetary Expendi- tures	Prior Year Encumbrances Cancelled	Budgetary Basis		
										Unearned Revenue June 30, 2013	(Accounts Receivable) June 30, 2013	Due to Grantor June 30, 2013
U.S. Department of Agriculture												
Passed-through State Department of Agriculture:												
Child Nutrition Cluster:												
Food Distribution Program	10.555	N/A	7/1/12-6/30/13	\$ 14,875			\$ 14,875	\$ (12,425)		\$ 2,450		
Food Distribution Program	10.555	N/A	7/1/11-6/30/12	14,169	\$ 2,925			(2,925)				
National School Lunch Program	10.555	N/A	7/1/12-6/30/13	33,102			31,757	(33,102)			\$ (1,345)	
National School Lunch Program	10.555	N/A	7/1/11-6/30/12	29,588	(717)		717					
Total Child Nutrition Cluster					2,208		47,349	(48,452)		2,450	(1,345)	
Total U.S. Department of Agriculture					2,208		47,349	(48,452)		2,450	(1,345)	
U.S. Department of Education												
Passed-through State Department of Education:												
General Fund:												
Educational Jobs Fund	84.410A	N/A	8/1/10-9/30/12	200,034	(5,238)		5,238					
Total General Fund					(5,238)		5,238					
Special Revenue Fund:												
NCLB Consolidated:												
Title I	84.010	NCLB-1840-13	9/1/12-8/31/13	19,160			158	(4,650)			(4,492)	
Title I Carryover	84.010	NCLB-1840-12	9/1/11-8/31/12	19,676	(17,474)		17,474					
Title II, Part A	84.367A	NCLB-1840-13	9/1/12-8/31/13	9,599			4,064	(7,861)			(3,797)	
Title II, Part A Carryover	84.367A	NCLB-1840-12	9/1/11-8/31/12	10,263	(7,627)		9,150	(3,482)	\$ 1,959			
Special Education Cluster:												
I.D.E.A. Part B, Basic	84.027	IDEA-1840-13	9/1/12-8/31/13	213,102				(196,728)			(196,728)	
I.D.E.A. Part B, Basic Carryover	84.027	IDEA-1840-12	9/1/11-8/31/12	196,882	(117,900)		117,900	(16,405)	31		(16,374)	
I.D.E.A. Part B, Preschool	84.173	IDEA-1840-13	9/1/12-8/31/13	11,161				(11,161)			(11,161)	
I.D.E.A. Part B, Preschool Carryover	84.173	IDEA-1840-12	9/1/11-8/31/12	11,167	(236)		236	(264)			(264)	
Total Special Education Cluster					(118,136)		118,136	(224,558)	31		(224,527)	
ARRA - Race-to-the-Top	84.395	N/A	9/1/10-11/30/15	1,567				(1,567)			(1,567)	
Total Special Revenue Fund					(143,237)		148,982	(242,118)	1,990		(234,383)	
Total U.S. Department of Education					(148,475)		154,220	(242,118)	1,990		(234,383)	
Total Federal Awards					\$ (146,267)	\$ -0-	\$ 201,569	\$ (290,570)	\$ 1,990	\$ 2,450	\$ (235,728)	\$ -0-

N/A - Not Applicable/Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SCHOOL DISTRICT OF GREENWICH TOWNSHIP
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance (Accounts Receivable) June 30, 2012	Carryover Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2013		MEMO	
								GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary Receivable June 30, 2013	Cumulative Total Expenditures
State Department of Education:											
<u>General Fund:</u>											
Equalization Aid	13-495-034-5120-078	7/1/12-6/30/13	\$ 4,771,475			\$ 4,307,236	\$ (4,771,475)			\$ 464,239	\$ 4,771,475
Equalization Aid	12-495-034-5120-078	7/1/11-6/30/12	4,572,039	\$ (444,987)		444,987					4,572,039
Transportation Aid	13-495-034-5120-014	7/1/12-6/30/13	202,242			182,565	(202,242)			19,677	202,242
Transportation Aid	12-495-034-5120-014	7/1/11-6/30/12	115,111	(11,204)		11,204					115,111
Special Education Categorical Aid	13-495-034-5120-089	7/1/12-6/30/13	695,612			627,933	(695,612)			67,679	695,612
Special Education Categorical Aid	12-495-034-5120-089	7/1/11-6/30/12	664,582	(64,682)		64,682					664,582
Security Aid	13-495-034-5120-084	7/1/12-6/30/13	89,553			80,840	(89,553)			8,713	89,553
Security Aid	12-495-034-5120-084	7/1/11-6/30/12	91,112	(8,868)		8,868					91,112
District Reimbursement for Extraordinary Costs	13-100-034-5120-473	7/1/12-6/30/13	159,661				(159,661)	\$ (159,661)		159,661	159,661
District Reimbursement for Extraordinary Costs	12-100-034-5120-473	7/1/11-6/30/12	137,716	(137,716)		137,716					137,716
Nonpublic Transportation Costs	13-495-034-5120-014	7/1/12-6/30/13	12,668				(12,668)	(12,668)		12,668	12,668
Nonpublic Transportation Costs	12-495-034-5120-014	7/1/11-6/30/12	13,986	(13,986)		13,986					13,986
Reimbursed TPAF Social Security Contributions	13-495-034-5095-002	7/1/12-6/30/13	326,539			309,417	(326,539)	(17,122)		17,122	326,539
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	7/1/11-6/30/12	354,178	(1,476)		1,476					354,178
Total General Fund				(682,919)		6,190,910	(6,257,750)	(189,451)		749,759	12,206,474
Schools Development Authority:											
<u>Capital Projects Fund:</u>											
SDA Grant - Drainage	1840-040-10-1001	N/A	57,237	(57,237)						57,237	57,237
SDA Grant - Window Replacement	1840-040-10-1002	N/A	110,628	(110,628)						110,628	110,628
SDA Grant - Roof Replacement	1840-040-10-1003	N/A	595,077	(595,077)						595,077	595,077
Total Capital Projects Fund				(762,942)						762,942	762,942
<u>Debt Service Fund:</u>											
Debt Service Aid Type II	13-495-034-5120-125	7/1/12-6/30/13	707,679			707,679	(707,679)				707,679
Total Debt Service Fund						707,679	(707,679)				707,679
<u>Enterprise Fund:</u>											
State School Lunch Program	13-100-010-3350-023	7/1/12-6/30/13	1,614			1,552	(1,614)	(62)		62	1,614
State School Lunch Program	12-100-010-3350-023	7/1/11-6/30/12	1,666	(39)		39					1,666
Total Enterprise Fund				(39)		1,591	(1,614)	(62)		62	3,280
Total State Awards				\$ (1,445,900)	\$ -0-	\$ 6,900,180	\$ (6,967,043)	\$ (189,513)	\$ -0-	\$ 1,512,763	\$ 13,680,375

N/A - Not Applicable/Available

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Greenwich Township School District under programs of the federal and state governments for the fiscal year ended June 30, 2013. The information in these schedules is presented in accordance with the Federal Office of Management and Budget (OMB), *Audits of States and 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*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net assets or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in federal OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

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 June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A.-18A:22-44.2. For GAAP purposes, these payments are not recognized until the subsequent budget year due to the state deferral and recording of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. The capital projects fund is presented in the accompanying schedules on the budgetary basis with the exception of the revenue recognition of the Educational Facilities Construction and Financing Act grants which are realized as revenue upon their award, whereas the GAAP basis recognizes the revenue to the extent of actual expenditures and when funds are submitted for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$30,567) for the general fund and \$1,818 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Additionally, the schedule of expenditures of state awards does not include the on-behalf TPAF Pension Contributions and Post Retirement Contributions revenue of \$290,246 and \$328,195 respectively. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented on the following page.

GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 6,845,624	\$ 6,845,624
Special Revenue Fund	\$ 243,936		243,936
Debt Service Fund		707,679	707,679
Food Service Fund	48,452	1,614	50,066
Total Awards	\$ 292,388	\$ 7,554,917	\$ 7,847,305

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2013. Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

NOTE 6. NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANT

The District received grants in the amount of \$762,942 in connection with capital projects for window and roof replacement projects at Stewartsville School and a site/drainage project at Greenwich School. Eligible grant expenditures are reported as funds are drawn down. At June 30, 2013, the District has a \$762,942 receivable on the budgetary basis. In the Capital Projects Fund, the District realizes the full amount of the grant revenue on the budgetary basis in the year the grant is awarded and realizes the grant revenue on a GAAP basis as it is expended and submitting for reimbursement.

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance Required by OMB Circular A-133 and New Jersey OMB's Circular 04-04*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on all major state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey OMB's Circular 04-04 or Section 510(a) of Federal OMB Circular A-133.
- The District was not subject to the single audit provisions of Federal OMB Circular A-133 for fiscal year end June 30, 2013 as federal grant expenditures were less than the single audit threshold of \$500,000 identified in the Circular.
- The District's programs tested as major state programs for the current fiscal year consisted of the following state aid:

<u>State:</u>	<u>State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
Equalization Aid	13-495-034-5120-078	7/1/12-6/30/13	\$4,771,475	\$ 4,771,475
Special Education				
Categorical Aid	13-495-034-5120-089	7/1/12-6/30/13	695,612	695,612
Security Aid	13-495-034-5120-084	7/1/12-6/30/13	89,553	89,553

- The threshold used for distinguishing between Type A and Type B state programs was \$300,000.
- The District was determined to be a "low-risk" auditee for state programs.

GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Summary of Auditors' Results (Cont'd):

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not Applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any finding or questioned costs for state awards as defined in section 510(a) of the federal circular and NJOMB 04-04.

GREENWICH TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

Status of Prior Year Findings:

The District had no prior year audit findings.