

**National Park Board of Education  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2013**

**SCHOOL DISTRICT  
OF  
NATIONAL PARK, NEW JERSEY**

**National Park Board of Education  
National Park, New Jersey**

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

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

of the

National Park Board of Education  
National Park, New Jersey

For the Fiscal Year Ended June 30, 2013

Prepared by:

National Park Board of Education Administration

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## INTRODUCTORY SECTION

NATIONAL PARK BOARD OF EDUCATION  
516 LAKEHURST AVENUE  
NATIONAL PARK, NJ 08063

856-845-6876  
FAX 856-848-6710

October 18, 2013

Honorable President and  
Members of the Board of Education  
National Park School District  
Gloucester County, New Jersey

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, 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 State OMB's Circular Letter 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

**1) REPORTING ENTITY AND ITS SERVICES:** National Park School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The National Park Board of Education and its school constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels pre-kindergarten through six. These include regular, as well as special education for handicapped students.

The District finished the 2012-2013 fiscal school year with a resident enrollment of 266 students, which is a decrease of 9 students enrolled from the previous year. The following information is based upon enrollments as of October 15<sup>th</sup> of each year as reported on the Application for State School Aid.

	2008-09	2009-10	2010-11	2011-12	2012-13
On Roll	305	313	288	261	256
Total Classified Students	47	38	43	43	44
Local Programs Classified	42	35	37	35	38
Tuition					
a) Public	7	6	7	7	8
b) Private	0	0	0	1	1
Total Resident Students	286	284	271	240	239
% Classified Students	15.4%	12.1%	14.9%	16.5%	17.2%
Low Income	93	88	95	121	127
% Low Income	30.5%	28.1%	32.9%	46.4%	49.6%

The following indicates the changes of student population within the school (does not include tuition students):

Fiscal Year	<u>Average Daily Enrollment</u>	
	Student Enrollment	Percentage Change
2012-2013	255.2	-3.00%
2011-2012	263.1	-7.98%
2010-2011	285.9	-8.13%
2009-2010	311.2	4.53%
2008-2009	297.7	-2.84%
2007-2008	306.4	1.35%
2006-2007	302.3	-.95%
2005-2006	317.1	2.58%
2004-2005	309.1	.98%

**2) ECONOMIC CONDITION AND OUTLOOK:** National Park is not experiencing any development or expansion. The economic recession continues to create an undue burden on the residents. The “at-risk” population of the district has steadily increased over the past several years and now exceeds 50%. To help provide relief to the taxpayers of New Jersey, the State imposed a 2% cap on the increase to the district tax levy. Legislation passed last year allows a district to forgo a vote by the taxpayers if the district stays within that 2% cap. The 2013-14 budget approved by the Board was within this limit. Election of Board members is held in November and the Board reorganizes in January. The District is trying to maintain programs, expand technology, provide a safe and secure learning environment and sustain a fiscally responsible fund balance. The Board has been able to set aside funds into a capital reserve account over the last few years for future capital projects. The District passed a bond referendum in December 2010 for a roof replacement. The District received a grant from the State providing 62% of the cost of the project.

**3) MAJOR INITIATIVES:** At National Park School we continue to focus on providing a meaningful, ongoing, relevant and engaging education for each student. During the 2012-13 school year considerable attention was placed on understanding and applying the Common Core State Standards to ensure appropriate educational goals. This was achieved through faculty meetings, grade level meetings and as reflected in lesson plans. Various data was analyzed from MAP, Learnia and DIBELS assessments to increase differentiated instruction. Using No Child Left Behind (NCLB) funding, teachers met with a Data Consultant on a regular basis to review data in order to inform instructional goals. As we focused on developing 21<sup>st</sup> century learning experiences, additional iPads were purchased along with a wide variety of web-based learning tools such as BrainPOP and Learning A-Z.

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

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

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

**5) BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the 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 reservations of fund balance at June 30, 2013.

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

**7) DEBT ADMINISTRATION:** At June 30, 2013 the District's outstanding debt issues included \$2,651,450 of general obligation bonds.

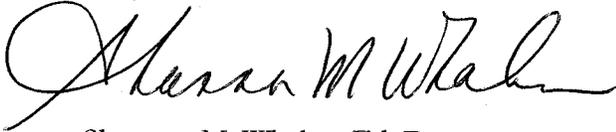
**8) CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**9) RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds through the Gloucester, Salem and Cumberland County Joint Insurance Fund. Now in its fourteenth year of operations, the JIF is performing well, meeting and/or exceeding expectations.

**10) OTHER INFORMATION: Independent Audit** – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Petroni & Associates LLC was selected by the National Park Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

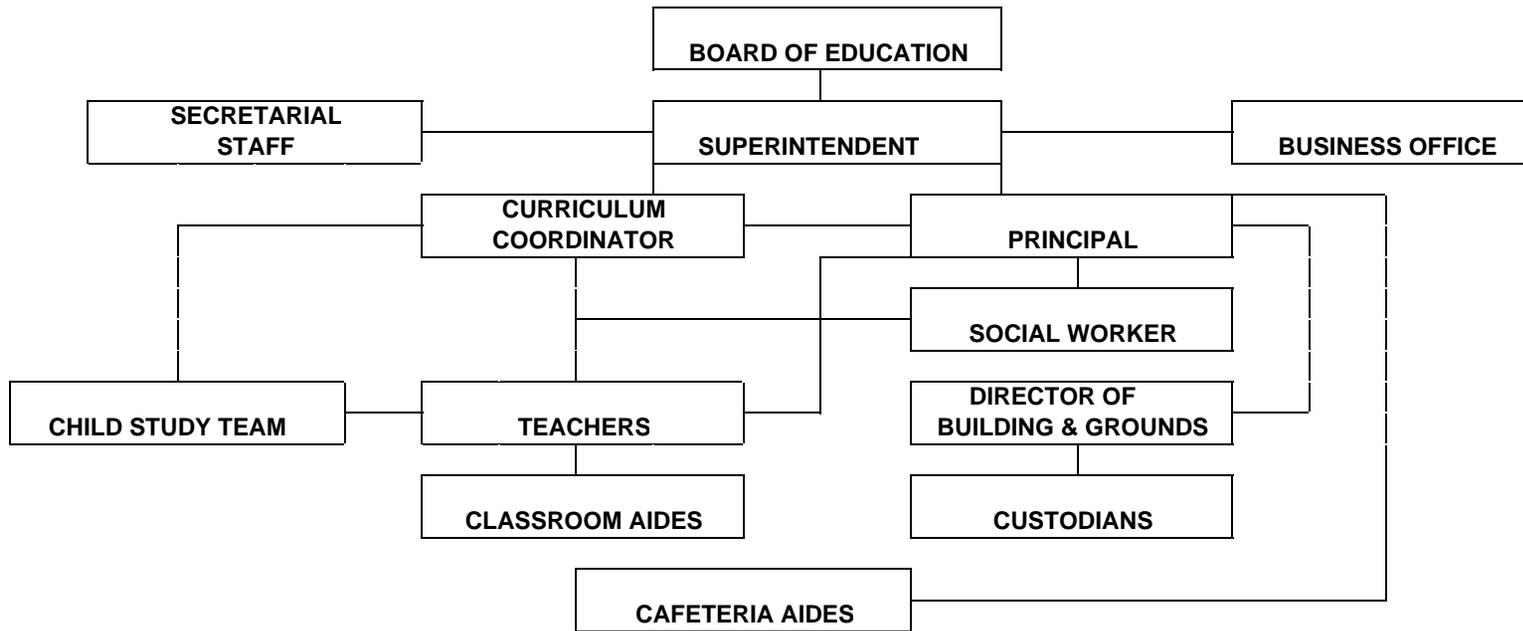


Shannon M. Whalen, Ed. D.  
Superintendent



Donna J. Conrevo  
School Business Administrator/  
Board Secretary

NATIONAL PARK SCHOOL ORGANIZATIONAL STRUCTURE



**NATIONAL PARK BOARD OF EDUCATION  
National Park, NJ 08063**

**ROSTER OF OFFICIALS  
June 30, 2013**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>	<b>Term Expires</b>
Richard F. Maska, President	2013
Gene Grant, Vice President	2015
Aimee Hart	2013
Louis L. Jarrell	2013
Michelle Edmund	2014
Maryanne C. Hibbs	2014
Dawn Sholders	2014
Frank Alloway	2015
Kevin Reed	2015

**OTHER OFFICIALS**

Dr. Shannon M. Whalen, Superintendent  
Donna J. Contrevo, School Business Administrator/Board Secretary  
Charles Owens, Treasurer  
Joseph F. Betley, Esq., Solicitor

**NATIONAL PARK BOARD OF EDUCATION  
National Park, NJ 08063**

**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

Petroni & Associates LLC  
102 West High St., Suite 100  
Glassboro, NJ 08028

**ATTORNEY**

Capehart & Scatchard  
Laurel Corporate Center, Suite 300  
8000 Midlantic Drive  
Mount Laurel, NJ 08054

**ARCHITECT**

Garrison Architects  
130 Presidential Blvd.  
Bala Cynwyd, PA 19004

**OFFICIAL DEPOSITORY**

Fulton Bank of New Jersey  
Grove Avenue  
National Park, NJ 08063

## FINANCIAL SECTION

# PETRONI & ASSOCIATES LLC

**Certified Public Accountants • Registered Municipal Accountants**  
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028  
(856) 881-1600 • Fax (856) 881-6860

MEMBER: AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

*Nick L. Petroni, CPA, RMA*

**Bunni S. Bouchard, CPA**  
**Mary A. Carey, RMA**  
**Wendy G. Fama, CPA**  
**Denise R. Nevico, CPA**  
**Deanna L. Roller, CPA, RMA**

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and  
Members of the Board of Education  
National Park School District  
516 Lakehurst Avenue  
National Park, New Jersey 08063

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of the National Park School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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, each major fund, and the aggregate remaining fund information of the National Park Board of Education as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the National Park Board of Education's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, is the responsibility of management and was derived from and

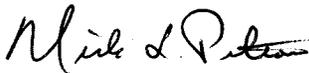
relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject 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 October 18, 2013, on our consideration of the National Park Board of Education's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* in considering National Park Board of Education's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

October 18, 2013

**REQUIRED SUPPLEMENTARY INFORMATION – PART 1**

National Park School District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013  
Unaudited

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

**Financial Highlights**

Key financial highlights for 2013 are as follows:

- In total, net position increased \$270,821 in 2013.
- General revenues accounted for \$4,563,171 in revenue or 95 percent of all revenues. Program specific revenues in the form of operating grants accounted for \$270,919 or 5 percent of total revenues of \$4,834,090.
- Total assets of governmental activities increased by \$103,096 as cash and cash equivalents increased by \$247,680, receivables decreased by \$84,204 and capital assets decreased by \$60,380.
- The School District had \$4,563,269 in expenses; only \$270,919 of these expenses were offset by program specific charges for grants.
- Among major funds, the General Fund had \$4,236,652 in revenues and \$3,944,373 in expenditures. The General Fund's balance increased \$195,515 over 2012.

**Using this Generally Accepted Accounting Principles Report (GAAP)**

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of National Park School District, the General Fund is by far the most significant fund.

**Reporting the School District as a Whole**

**Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received or paid.

National Park School District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013  
Unaudited

**Reporting the School District as a Whole (Continued)**

**Statement of Net Position and the Statement of Activities (Continued)**

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

In the Statement of Net Position and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. The School District does not have any business like activities.

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

**Governmental Funds**

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

National Park School District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013  
Unaudited

**The School District as a Whole**

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

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

**Table 1 - Net Position**

	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
Current & Other Assets	1,212,339	1,048,863
Capital Assets	<u>4,287,103</u>	<u>4,347,483</u>
Total Assets	<u><u>5,499,442</u></u>	<u><u>5,396,346</u></u>
<b>LIABILITIES</b>		
Long-Term Liabilities	2,730,640	2,929,083
Other Liabilities	<u>81,498</u>	<u>50,780</u>
Total Liabilities	<u><u>2,812,138</u></u>	<u><u>2,979,863</u></u>
<b>NET POSITION</b>		
Invested in Capital Assets, Net of Debt	1,635,653	1,476,033
Restricted	1,086,419	956,068
Unrestricted	<u>(34,768)</u>	<u>(15,618)</u>
Total Net Position	<u><u>2,687,304</u></u>	<u><u>2,416,483</u></u>

Total assets increased by \$103,096. Cash and cash equivalents increased by \$247,680, receivables decreased by \$84,204 and capital assets decreased by \$60,380. Unrestricted net position; the part of net position that can be used to finance day to day activities without constraints established by grants or legal requirements of the School District; decreased by \$19,150.

National Park School District  
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**The School District as a Whole (Continued)**

Table 2 shows the changes in net position for fiscal year 2013 with comparative data from 2012.

**Table 2 - Changes in Net Position**

	<u>2013</u>	<u>2012</u>
<b>Revenues:</b>		
Program Revenues:		
Operating Grants & Contributions	270,919	284,826
General Revenues:		
Property Taxes	1,975,179	1,920,953
Grants & Entitlements	2,540,506	2,497,194
Other	47,486	113,186
Total Revenues	<u>4,834,090</u>	<u>4,816,159</u>
<b>Program Expenses:</b>		
Instruction	1,909,094	1,807,674
Support Services:		
Pupil & Instructional Staff	743,739	621,760
General Administration & School Administration	317,276	326,082
Operations & Maintenance of Facilities	291,098	313,755
Pupil Transportation	94,701	98,698
Employee Benefits	937,144	887,850
Interest on Long-Term Debt	106,921	111,438
Capital Outlay	677	10,876
Depreciation	162,619	157,148
Total Expenses	<u>4,563,269</u>	<u>4,335,281</u>
 Increase (Decrease) in Net Position	 <u>270,821</u>	 <u>480,878</u>

**Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 41 percent of revenues for governmental activities for the National Park School District for fiscal year 2013.

Instruction comprises 42 percent of the District expenses. Support services expenses make up 53 percent of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for the fiscal year 2013 with comparative data from 2012.

That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

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**The School District as a Whole (Continued)**

**Table 3 - Statement of Activities**

	2013		2012	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	1,909,094	1,726,104	1,807,674	1,617,693
Support Services				
Pupils and Instructional Staff	743,739	655,810	621,760	526,915
General Administration & School Administration	317,276	317,276	326,082	326,082
Operations & Maintenance	291,098	291,098	313,755	313,755
Pupil Transportation	94,701	94,701	98,698	98,698
Employee Benefits	937,144	937,144	887,850	887,850
Interest on Long-Term Debt	106,921	106,921	111,438	111,438
Capital Outlay	677	677	10,876	10,876
Depreciation	162,619	162,619	157,148	157,148
Total Expenses	<u>4,563,269</u>	<u>4,292,350</u>	<u>4,335,281</u>	<u>4,050,455</u>

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

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students.

General administration & school administration include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Employee benefits include the Board share of health benefits and the state on-behalf payments for TPAF pension and social security.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

**The School District's Funds**

The School District's major funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$4,834,492 and expenditures of \$4,701,332.

National Park School District  
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**General Fund Budgeting Highlights**

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

During the course of the fiscal 2013 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, the final budget basis revenue and other financing sources, not including non-budgeted state contributions, was \$3,870,404 which was \$44,100 more than original budgeted estimates of \$3,826,304.

The General Fund expenditures did not exceed the revenues and other financing sources of the School District for the year.

**Capital Assets**

At the end of the fiscal year 2013, the School District had \$4,287,103 invested in buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2013 balances compared to 2012.

**Table 4 – Capital Assets (Net of Depreciation) at June 30<sup>th</sup>**

	2013	2012
Site & Site Improvements	52,983	53,956
Buildings & Building Improvements	4,222,299	4,275,615
Machinery & Equipment	11,821	17,912
	<u>4,287,103</u>	<u>4,347,483</u>

Net capital assets decreased by \$60,380 from fiscal year 2012 to fiscal year 2013.

**Debt Administration**

At June 30, 2013, the School District had \$2,730,640 as outstanding debt. Of this amount, \$79,190 is for compensated absences. The remaining \$2,651,450 is made up of the District's outstanding serial bonds.

**For the Future**

National Park School District is primarily a residential community, with very few industrial ratables; thus the financial burden is focused on homeowners.

State law limits the schools budget increase to a 2% cap on the previous years' district tax levy amount. With the increased pressures of salary, benefits and direct operating costs rising well beyond that benchmark, the Board of Education and Administration are challenged to find ways to meet the educational needs of the students. With the down turn in the economy, budgets are built by keeping the taxpayer in mind while providing the best quality education in a safe learning environment.

National Park School District  
Management's Discussion and Analysis  
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**For the Future (Continued)**

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

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Donna J. Contrevo, School Business Administrator/Board Secretary at Gateway Business Services, 775 Tanyard Road, Woodbury Heights, NJ 08097 or e-mail at [dcontrevo@gatewayhs.com](mailto:dcontrevo@gatewayhs.com).

## **BASIC FINANCIAL STATEMENTS**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

NATIONAL PARK SCHOOL DISTRICT  
Statement of Net Position  
June 30, 2013

	Governmental Activities	Total
<b>ASSETS</b>		
Cash and cash equivalents	763,222	763,222
Receivables, net	823,290	823,290
Restricted assets:		
Cash and cash equivalents	2	2
Capital reserve account - cash	338,422	338,422
Capital assets, net	4,287,103	4,287,103
Total assets	6,212,039	6,212,039
<b>LIABILITIES</b>		
Cash overdraft	712,597	712,597
Accounts payable	79,460	79,460
Deferred revenue	2,038	2,038
Noncurrent liabilities:		
Due within one year	225,000	225,000
Due beyond one year	2,505,640	2,505,640
Total liabilities	3,524,735	3,524,735
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	1,635,653	1,635,653
Restricted for:		
Debt service	2	2
Capital projects	399,732	399,732
Other purposes	686,685	686,685
Unrestricted	(34,768)	(34,768)
Total net position	2,687,304	2,687,304

See accompanying notes to the basic financial statements.

NATIONAL PARK SCHOOL DISTRICT  
Statement of Activities  
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
Instruction:							
Regular	1,266,166				(1,266,166)		(1,266,166)
Special education	565,202		182,990		(382,212)		(382,212)
Other special instruction	69,692				(69,692)		(69,692)
School sponsored activities	5,065				(5,065)		(5,065)
Community service programs	2,969				(2,969)		(2,969)
Support services:							
Tuition	117,424				(117,424)		(117,424)
Student & instructional related services	626,315		87,929		(538,386)		(538,386)
General administration	78,649				(78,649)		(78,649)
School administrative services	162,666				(162,666)		(162,666)
Central services	75,961				(75,961)		(75,961)
Plant operations & maintenance	291,098				(291,098)		(291,098)
Pupil transportation	94,701				(94,701)		(94,701)
Employee benefits	937,144				(937,144)		(937,144)
Interest on long-term debt	106,921				(106,921)		(106,921)
Capital outlay	677				(677)		(677)
Unallocated depreciation	162,619				(162,619)		(162,619)
Total governmental activities	<u>4,563,269</u>		<u>270,919</u>		<u>(4,292,350)</u>		<u>(4,292,350)</u>
Total primary government	<u>4,563,269</u>		<u>270,919</u>		<u>(4,292,350)</u>		<u>(4,292,350)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					1,772,913		1,772,913
Taxes levied for debt service					202,266		202,266
Federal and state aid not restricted					2,540,506		2,540,506
Investment earnings					1,238		1,238
Miscellaneous income					46,650		46,650
Prior year receivable canceled					(402)		(402)
Total general revenues, special items, extraordinary items and transfers					<u>4,563,171</u>		<u>4,563,171</u>
Change in net position					270,821		270,821
Net position - beginning					2,416,483		2,416,483
Net position - end					<u>2,687,304</u>		<u>2,687,304</u>

See accompanying notes to the basic financial statements.

## **FUND FINANCIAL STATEMENTS**

NATIONAL PARK SCHOOL DISTRICT  
Balance Sheet  
Governmental Funds  
June 30, 2013

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
<b>ASSETS</b>					
Cash and cash equivalents	763,222			2	763,224
Receivables from other governments	19,245	181,052	599,550		799,847
Other receivables	23,443				23,443
Restricted cash and cash equivalents	338,422				338,422
<b>Total assets</b>	<b>1,144,332</b>	<b>181,052</b>	<b>599,550</b>	<b>2</b>	<b>1,924,936</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Cash deficit		174,957	537,640		712,597
Accounts payable	66,584	12,876			79,460
Deferred revenue		2,038			2,038
<b>Total liabilities</b>	<b>66,584</b>	<b>189,871</b>	<b>537,640</b>		<b>794,095</b>
Fund balances:					
Restricted for:					
Excess surplus - designated for subsequent year's expenditures	274,739				274,739
Excess surplus - current year	291,421				291,421
Capital reserve account	297,822				297,822
Capital reserve account - designated for subsequent year's expenditures	40,000				40,000
Capital projects			61,910		61,910
Assigned to:					
Debt service fund				2	2
Designated for subsequent year's expenditures	33,139				33,139
Year-end encumbrances	87,386				87,386
Unassigned:					
General fund	53,241				53,241
Special revenue fund		(8,819)			(8,819)
<b>Total fund balances</b>	<b>1,077,748</b>	<b>(8,819)</b>	<b>61,910</b>	<b>2</b>	<b>1,130,841</b>
<b>Total liabilities and fund balances</b>	<b>1,144,332</b>	<b>181,052</b>	<b>599,550</b>	<b>2</b>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of assets is \$6,269,075, and the accumulated depreciation is \$1,981,972 (See Note 6).

4,287,103

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Note 7).

(2,730,640)

Net assets of governmental activities

2,687,304

See accompanying notes to the basic financial statements.

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

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
<b>REVENUES:</b>					
Local sources:					
Local tax levy	1,772,913			202,266	1,975,179
Interest earned	1,238				1,238
Miscellaneous	46,650				46,650
Total local sources	1,820,801			202,266	2,023,067
State sources	2,415,851	89,868		124,655	2,630,374
Federal sources		181,051			181,051
Total revenues	4,236,652	270,919		326,921	4,834,492
<b>EXPENDITURES:</b>					
Current:					
Instruction:					
Regular instruction	1,266,166				1,266,166
Special education instruction	321,309	243,893			565,202
Other special instruction	69,692				69,692
School sponsored activities	5,065				5,065
Community service programs	2,969				2,969
Support services:					
Tuition	117,424				117,424
Student & instruction related services	516,829	87,929			604,758
General administration	78,649				78,649
School administrative services	162,666				162,666
Central services	75,961				75,961
Plant operations and maintenance	291,098				291,098
Pupil transportation	94,701				94,701
Employee benefits	937,144				937,144
Debt service:					
Principal				220,000	220,000
Interest and other charges				106,921	106,921
Capital outlay	4,700		98,216		102,916
Total expenditures	3,944,373	331,822	98,216	326,921	4,701,332
Excess (deficiency) of revenues over expenditures	292,279	(60,903)	(98,216)		133,160
Other financing sources (uses):					
Transfers to special revenue fund	(62,470)	62,470			
Transfers for capital projects	(33,892)		33,892		
Transfers out	(402)				(402)
Total other financing sources (uses)	(96,764)	62,470	33,892		(402)
Net change in fund balances	195,515	1,567	(64,324)		132,758
Fund balance - July 1	882,233	(10,386)	126,234	2	998,083
Fund balance - June 30	1,077,748	(8,819)	61,910	2	1,130,841

See accompanying notes to the basic financial statements.

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

Total net change in fund balances - governmental funds (from B-2)		132,758
<p>Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation expense	(162,619)	
Capital outlays	<u>102,239</u>	(60,380)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the statement of activities.</p>		
		220,000
<p>In the Statement of Activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount the difference is an addition to the reconciliation.</p>		
		<u>(21,557)</u>
Change in net position of governmental activities		<u><u>270,821</u></u>

See accompanying notes to the basic financial statements.

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

	Expendable Trust	Agency Fund
<b>ASSETS</b>		
Cash and cash equivalents	917	39,780
Interfund receivable	1,238	
	<u>2,155</u>	<u>39,780</u>
<b>LIABILITIES</b>		
Payroll deductions and withholdings		24,030
Payable to student groups		14,512
Interfund payable		1,238
		<u>39,780</u>
<b>NET POSITION</b>		
Held in trust for unemployment claims	1,650	
Expendable scholarship fund	505	
	<u>2,155</u>	

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

	Unemployment Compensation Trust	Scholarship Fund
<b>ADDITIONS:</b>		
Contributions	3,705	
Interest earned		1
	<u>3,705</u>	<u>1</u>
<b>DEDUCTIONS:</b>		
Unemployment claims	3,238	
Scholarships awarded		170
	<u>3,238</u>	<u>170</u>
Change in net position	467	(169)
Net position - beginning of year	1,183	674
	<u>1,650</u>	<u>505</u>

See accompanying notes to the basic financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**Introduction**

The National Park School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials who are 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.

The financial statements of the Board of Education of National Park School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the GASB and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict the GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

**A. Reporting Entity**

The National Park School District is a Type II District located in the County of Gloucester, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades Pre K-6.

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

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

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

**B. Basic Financial Statements - District-Wide Financial Statements**

The District's basic financial statements include both District-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds.) Both the district-wide and fund financial statements categorize primary activities as governmental. The District's general, special revenue, capital projects and debt service are classified as governmental activities.

In the District-wide Statement of Net Position, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts: invested in capital assets,

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**B. Basic Financial Statements - District-Wide Financial Statements (Continued)**

net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The District-wide Statement of Activities reports both the gross and net costs of each of the District's functions. The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, special education, student and instruction related services, etc.). Operating grants include operating specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

The District does not allocate indirect costs such as depreciation expense, on-behalf TPAF Pension contributions and TPAF Social Security Contributions.

The district-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

**C. Basic Financial Statements - Fund Financial Statements**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in the governmental activities categories. Non-major funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental combined) for the determination of major funds.

The non-major funds are combined in a column in the fund financial statements. The New Jersey Department of Education (NJDOE) has elected to require New Jersey District's to treat each governmental fund as a major fund in accordance with the option in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among District's financial reporting models.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the District-wide statements.

The following fund types are used by the District:

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**C. Basic Financial Statements - Fund Financial Statements (Continued)  
GOVERNMENTAL FUNDS**

The focus of the governmental fund's measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

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

As required by the New Jersey State Department of Education, the District included budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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 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 to expenditures for specified purposes.

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

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

**FIDUCIARY FUNDS**

The fiduciary fund category is comprised of trust and agency funds. Trust Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and therefore are not available to support District's programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**C. Basic Financial Statements - Fund Financial Statements (Continued)  
FIDUCIARY FUNDS (CONTINUED)**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Both governmental activities in the District-wide financial statements and the Fiduciary Fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**D. Basis of Accounting**

The Governmental Funds financial statements are reported on the modified accrual basis of accounting. Under this method, revenues are recorded when susceptible to accrual; i.e. both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenue from federal, state, or other grants designated for payment of specific School District expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, claims and judgments, and compensated absences, are recorded when due.

**E. Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. 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 NJAC 6:23-2(g). All budget amendments/transfers of appropriations must be made by School Board resolution. All budget 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 legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the Special Revenue Fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**E. Budgets/Budgetary Control (Continued)**

related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

**F. Encumbrances**

Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in Governmental Funds, other than the Special Revenue Fund, are reported as reservations of fund balances at fiscal yearend 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 deferred revenues at fiscal year end.

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

**G. Cash and Cash Equivalents**

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

For purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

New Jersey School District's are limited to the types of investments and types of financial institutions they may invest in. New Jersey statute NJSA 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey School District's.

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 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.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository, unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least 5% of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**H. Inventories**

Inventories are recorded as expenditures during the year of purchase.

**I. Interfund Transactions**

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. 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 Assets, except for amounts due between governmental and agency funds, which are presented as internal balances.

**J. Capital Assets**

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The capitalization threshold used by School District's in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Site improvements	20
Buildings & improvements	20-50
Machinery & equipment	7-20

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and underground pipes. Such items are considered to be part of the cost of buildings or other improvable property.

**K. 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 District and its employees, is accrued as the employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and negotiated agreement with the various employee unions.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**K. Compensated Absences (Continued)**

eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the School District's past experience of making termination payments. Salary-related payments for the employer's share of social security and medicare taxes are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**L. Deferred Revenue**

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

**M. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

**N. Net Position**

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

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**O. Fund Balance**

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

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

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**O. Fund Balance (Continued)**

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

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

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**P. Revenues**

Substantially all governmental fund revenue is accrued. Property taxes are susceptible to accrual and under New Jersey State statute a municipality is required to remit to its School District the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue based on GASB No. 33. In applying GASB 33 to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including requirements are met are reported as advances by the provider and deferred revenue by the recipient.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**Q. Expenditures**

Expenses are recognized when the related fund liability is incurred. Inventory costs reported in the period when inventory items are used, rather than in the period purchased.

**R. Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence

**T. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

**U. Accounting Changes**

The District has implemented GASB No. 63, which modified the terminology of net assets to net position. This change did not result in any monetary restatement, but the district has restated prior years to reflect net position instead of net assets.

**V. Recent Accounting Pronouncements Not Yet Effective**

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65 "Items Previously Reported as Assets and Liabilities." This statement, which clarifies the reporting requirements related to deferred assets and liabilities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 66 "Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62." This statement, which resolves conflicts between Statements No. 10 and No. 54 provides more flexibility in fund classifications for risk based activities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**V. Recent Accounting Pronouncements Not Yet Effective (Continued)**

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27." This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the District's financial reporting.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations." This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the District's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Nonexchange Financial Guarantees." This statement is effective for fiscal periods beginning after June 15, 2013, will not have any effect on the District's financial reporting.

**NOTE 2: CASH AND CASH EQUIVALENTS**

Custodial Credit Risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is based on New Jersey statutes requiring cash be deposited only in New Jersey banking institutions that participate in the Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes NJSA 18A:20-37 that are treated as cash equivalents. The carrying amount of the District's cash and cash equivalents at June 30, 2013 and 2012, was \$429,746 and \$180,574. As of June 30, 2013 and 2012, \$0 of the District's bank balance of \$636,570 and \$397,182, respectively, was exposed to Custodial Credit Risk.

**NOTE 3: INVESTMENTS**

As of June 30, 2013, the District had no investments.

**Interest Rate Risk** - The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, NJSA 18A:20-37 limits the length of time for most investments to 397 days.

**Credit Risk** - NJSA 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools or repurchase of fully collateralized securities.

**Concentration of Credit Risk** - The District places no limit on the amount the District may invest in any one issuer.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 4: RECEIVABLES**

Receivables at June 30, 2013, consisted of intergovernmental and other receivables. All receivables are considered collectible in full. A summary of the principal items of the receivables are as follows:

	<u>Governmental Activities</u>
State aid	618,795
Federal aid	181,052
Other	<u>23,443</u>
	<u><u>823,290</u></u>

**NOTE 5: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remain on the balance sheet as of June 30, 2013:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Expendable trust	1,238	
Agency fund		<u>1,238</u>
	<u><u>1,238</u></u>	<u><u>1,238</u></u>

**NOTE 6: CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2013, was as follows:  
Depreciation was charged as an unallocated expense since it could not be specifically identified to one program/function for governmental activities.

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2013</u>
Governmental activities:				
Sites & site improvements	113,443	4,700		118,143
Building & building improvements	5,793,936	97,539		5,891,475
Machinery & equipment	259,457			<u>259,457</u>
Totals at historical costs	<u>6,166,836</u>	<u>102,239</u>		<u>6,269,075</u>
Less accumulated depreciation for:				
Site improvements	59,487	5,672		65,159
Building & building improvements	1,518,321	150,856		1,669,177
Machinery & equipment	241,545	6,091		<u>247,636</u>
Total accumulated depreciation	<u>1,819,353</u>	<u>162,619</u>		<u>1,981,972</u>
Total capital assets, net of depreciation	<u><u>4,347,483</u></u>	<u><u>(60,380)</u></u>		<u><u>4,287,103</u></u>

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 7: GENERAL LONG-TERM DEBT**

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

Permanently funded debt as of June 30, 2013, consisted of the following:

\$2,950,000 General Obligation Refunding Bonds dated December 10, 2009, payable in annual installments through February 1, 2025. Interest is paid semi-annually at the rates of 2% to 4.5% per annum. The balance remaining at June 30, 2013, was \$2,345,000.

\$361,450 Private Placement Bonds dated March 8, 2011, payable in annual installments through September 1, 2020. Interest is paid semi-annually at the rate of 4% per annum. The balance remaining at June 30, 2013, was \$306,450.

**A. Long-term Obligation Activity**

Changes in long-term obligations for the fiscal year ended June 30, 2013, are as follows:

	Balance <u>June 30, 2012</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2013</u>	Due Within <u>One Year</u>
Bonds payable	2,871,450		220,000	2,651,450	225,000
Compensated absences	57,633	21,557		79,190	
	<u>2,929,083</u>	<u>21,557</u>	<u>220,000</u>	<u>2,730,640</u>	<u>225,000</u>

**B. Bonds Payable**

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

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	225,000	101,921	326,921
2015	225,000	96,721	321,721
2016	220,000	87,721	307,721
2017	225,000	78,695	303,695
2018	230,000	69,821	299,821
2019-2023	1,116,450	213,320	1,329,770
2024-2025	410,000	24,800	434,800
	<u>2,651,450</u>	<u>672,997</u>	<u>3,324,447</u>

**C. Bonds Authorized but Not Issued**

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

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 7: GENERAL LONG-TERM DEBT (CONTINUED)**

D. Other

Interest paid on debt issued by the District is exempt from federal income tax. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District's debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal yearend) on the District-wide financial statements.

For the year ended June 30, 2013, it is not necessary for the Board to establish a liability for arbitrage rebate.

**NOTE 8: PENSION PLANS**

**Description of Plans** - All required employees of the District are covered by either the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF), a cost-sharing, multiple-employer defined benefit pension plans which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees' Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625 or can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/actuarial-rpts.shtml>.

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of NJSA 18A:66, to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing, multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the System's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** - The Public Employees' Retirement System was established as of January 1, 1955, under the provisions of NJSA 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 8: PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (PERS) (Continued)** - Employees' Retirement System is a cost-sharing, multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, School District, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Funding Policy** - The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective with the first payroll to be paid on or after October 1, 2011, the employee contributions for TPAF and PERS increased from 5.5% of employees' annual compensation, as defined, to 6.5%. Subsequent increases will be phased in over 7 years (each July 1) to bring the total pension contribution rate to 7.5% as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The District's contributions to PERS for the years ending June 30, 2013, 2012 and 2011, were \$37,765, \$38,361 and \$36,710, respectively, equal to the required contributions for each year.

During the fiscal year ended June 30, 2013, the State of New Jersey contributed \$237,098 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the District \$127,962 during the year ended June 30, 2013, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

The District's total payroll for the years ended June 30, 2013, 2012 and 2011, were \$2,235,078, \$2,138,194 and \$2,149,125, respectively. Covered payroll was \$324,360, \$355,330 and \$345,286 for PERS and \$1,739,867, \$1,701,662 and \$1,676,286 for TPAF for the same years.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program (DCRP) is a cost-sharing, multiple-employer defined contribution pension fund which was established on July 1, 2007, under provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (NJAC 43:15C-1 et. seq.). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provision are established by NJSA 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contributes amounts for each pay period to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District contributed \$2,617 for the fiscal year 2013.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 9: POST-RETIREMENT BENEFITS**

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

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

**NOTE 10: DEFERRED COMPENSATION**

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, which is administered by the entity listed below, 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. The plan administrators are as follows:

Lincoln Investment Planning, Inc.

**NOTE 11: 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 personnel policy and negotiated agreements with the various employee unions.

The liability for vested compensated absences is recorded in the district-wide *Statement of Net Position*. The current portion of the compensated absence balance is not considered material to the governmental funds total liabilities and, is therefore not shown separately from the amount due in more than one year.

**NOTE 12: LABOR CONTRACTS**

As of June 30, 2013, the District has a total of approximately 79 employees. Of this total, 28 employees are represented by the National Park Education Association whose union agreement expires on June 30, 2014.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 13: RISK MANAGEMENT**

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

**Property and Liability Insurance:**

The District maintains commercial insurance coverage for property, liability, student accidents and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. Any potential liability of the District with respect to loss claims would be equal to the deductibles associated with policies and events which may exceed coverage limits. There have been no significant reductions in insurance coverage amounts.

**New Jersey Unemployment Compensation Insurance:**

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. This District is billed quarterly for amounts due to the State. The following is a summary of District Contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

Fiscal Year	District Contribution	Employee Contribution	Amount Reimbursed	Ending Balance
2012-2013	None	3,705	3,238	1,650
2011-2012	None	3,570	4,289	1,183
2010-2011	None	3,636	11,658	1,875

**NOTE 14: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the National Park Board of Education by inclusion of \$63,663 in the original 2000-2001 annual capital outlay budget, for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a District may increase the balance in the capital reserve fund 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 amounts, 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 NJSA 19:60-2. Pursuant to NJAC 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 14: CAPITAL RESERVE ACCOUNT (CONTINUED)**

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

Beginning balance July 1, 2012	252,312
Interest earnings	2
Deposits approved by resolution	119,400
Withdrawals:	
Amount budgeted	(75,000)
Unexpended funds returned	41,108
Ending balance June 30, 2013	<u>337,822</u>

The June 30, 2013, LRF balance of local support costs of uncompleted capital projects at June 30, 2013, is \$297,858. Of the \$337,822 balance at year end, \$40,000 was designated for use in the 2013-2014 budget. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the District's Long Range Facilities Plan.

**NOTE 15: FUND BALANCE APPROPRIATED**

During the year ending June 30, 2013, the District transferred \$75,000 to the capital outlay account. The transfer was made from the capital reserve account to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to NJAC 6A:23A-8.4.

Restrictions of fund balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

The District follows the State of New Jersey's minimum fund balance policy for New Jersey Regular Public School District's (NJSA 18A:7F-7). Pursuant to that policy, an undesignated fund balance of 2% of the general fund budget or \$250,000, whichever is greater may be maintained.

Specific classifications of fund balance are summarized below:

**RESTRICTED**

General Fund - In accordance with NJSA 18A:7F-7, \$566,160 is restricted as excess surplus (\$274,739 of the total restricted amount has been appropriated and included as anticipated revenue for the year ending June 30, 2014).

**ASSIGNED**

General Fund - The District has appropriated and included as an anticipated revenue for the year ending June 30, 2014, \$33,139 of general fund balance as of June 30, 2013. As of June 30, 2013, the District had \$87,386 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year.

Debt Service - The debt service fund balance as of June 30, 2013, was \$2.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 15: FUND BALANCE APPROPRIATED (CONTINUED)**

**UNASSIGNED**

General Fund - As of June 30, 2013, a balance of \$53,241 of fund balance was unassigned.

Special Revenue Fund - As of June 30, 2013, the fund balance was a deficit of \$8,819, thus resulting in the fund balance classification of unassigned.

**NOTE 16: CALCULATION OF EXCESS SURPLUS**

The designation of Reserved Fund Balance - Excess surplus is a required calculation pursuant NJSA 18A:7F-7, as amended. New Jersey School District's are required to reserve General Fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013, is \$566,160.

**NOTE 17: DEFICIT FUND BALANCES**

The District has a deficit fund balance of \$8,819 in the Special Revenue Fund as of June 30, 2013, as reported in the fund statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, District's must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for School District's 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 payment(s) in the subsequent fiscal year, the District cannot recognize the June state aid payment(s) on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to NJSA 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District did not have a deficit in the GAAP statements in the general fund.

**NOTE 18: CONTINGENT LIABILITIES**

The District participates in federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The 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.

It is the opinion of the administration and legal counsel, that there exists no litigation or contingent liability that may be pending against the National Park School District that would have a material or adverse effect on the Board or the financial position of the District.

**NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 19: SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2013 and October 18, 2013, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

**NOTE 20: ECONOMIC DEPENDENCY**

The District is heavily reliant on state aid and local tax levy to fund the District's operations. State sources accounted for approximately 57% of the District's 2012-2013 general fund revenue, while local tax levy accounted for approximately 42%.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

## **BUDGETARY COMPARISON SCHEDULES**

NATIONAL PARK SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	1,772,913		1,772,913	1,772,913	
Interest Earned on Capital Reserve Funds	10		10	1	(9)
Interest of Investments	1,000		1,000	1,237	237
Other Restricted Miscellaneous Revenue	3,300		3,300	3,100	(200)
Miscellaneous				43,550	43,550
Total - Local Sources	<u>1,777,223</u>		<u>1,777,223</u>	<u>1,820,801</u>	<u>43,578</u>
State Sources:					
Categorical Transportation Aid	6,510		6,510	6,510	
Categorical Special Education Aid	147,000		147,000	147,000	
Equalization Aid	1,883,930		1,883,930	1,883,930	
Categorical Security Aid	11,641		11,641	11,641	
Nonpublic School Transportation Reimbursement				522	522
TPAF Post Retirement Medical (On-behalf - Non-budgeted)				125,823	125,823
TPAF Pensions Contributions (On-behalf - Non-budgeted)				111,275	111,275
Reimbursed TPAF Social Security Contributions (Non-budgeted)				127,962	127,962
Total - State Sources	<u>2,049,081</u>		<u>2,049,081</u>	<u>2,414,663</u>	<u>365,582</u>
Total Revenues	<u>3,826,304</u>		<u>3,826,304</u>	<u>4,235,464</u>	<u>409,160</u>

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	133,718	(4,626)	129,092	126,550	2,542
Grades 1-5 - Salaries of Teachers	847,162	(14,523)	832,639	828,663	3,976
Grades 6-8 - Salaries of Teachers	181,337	10,071	191,408	187,867	3,541
Regular Programs - Home Instruction:					
Salaries of Teachers	3,000		3,000		3,000
Purchased Professional Educational Services	3,000		3,000	2,670	330
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	11,800	3,758	15,558	15,558	
Purchased Professional Educational Services	1,500	(181)	1,319		1,319
Purchased Technical Services	4,000	(2,820)	1,180	304	876
Other Purchased Services	6,550	344	6,894	6,892	2
General Supplies	103,807	51,456	155,263	97,226	58,037
Other Objects	975		975	436	539
Total Regular Programs - Instruction	<u>1,296,849</u>	<u>43,479</u>	<u>1,340,328</u>	<u>1,266,166</u>	<u>74,162</u>
Special Education Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	278,886	485	279,371	279,371	
Other Salaries for Instruction	50,666	(4,850)	45,816	37,727	8,089
General Supplies	5,585		5,585	4,211	1,374
Total Resource Room/Resource Center	<u>335,137</u>	<u>(4,365)</u>	<u>330,772</u>	<u>321,309</u>	<u>9,463</u>
Total Special Education - Instruction	<u>335,137</u>	<u>(4,365)</u>	<u>330,772</u>	<u>321,309</u>	<u>9,463</u>

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic Skills/Remedial Instruction:					
Salaries of Teachers	94,518	(17,234)	77,284	68,431	8,853
General Supplies	1,020	557	1,577	1,261	316
Total Basic Skills/Remedial Instruction	95,538	(16,677)	78,861	69,692	9,169
School-Spon. Cocurricular Actvts. - Inst.:					
Salaries	6,050		6,050	4,600	1,450
Purchased Services	500		500	350	150
General Supplies	150		150		150
Other Objects	150		150	115	35
Total School-Spon. Cocurricular Actvts. - Inst.	6,850		6,850	5,065	1,785
Community Services Programs/Operations:					
Salaries	4,900		4,900	2,969	1,931
Total Community Services Programs/Operations	4,900		4,900	2,969	1,931
Total Instructions	1,739,274	22,437	1,761,711	1,665,201	96,510
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within the State - Regular		9,595	9,595	9,595	
Tuition to Other LEA's Within the State - Special	63,043	(14,169)	48,874	46,224	2,650
Tuition to CSSD & Regional Day Schools	37,755	23,175	60,930	60,930	
Tuition to Private School for the Disabled Within the State	17,566	(17,566)			
Tuition Other		675	675	675	
Total Undistributed Expenditures - Instruction	118,364	1,710	120,074	117,424	2,650

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Attendance & Social Work:					
Salaries	3,000		3,000	2,700	300
Purchased Technical Services	3,500	(472)	3,028	956	2,072
Total Undistributed Expenditures - Attendance & Social Work	6,500	(472)	6,028	3,656	2,372
Undistributed Expenditures - Health Services:					
Salaries	60,909		60,909	60,659	250
Purchased Professional - Educational Services	575		575	194	381
Supplies and Materials	2,225	472	2,697	1,187	1,510
Other Objects	250		250	144	106
Total Undistributed Expenditures - Health Services	63,959	472	64,431	62,184	2,247
Undist. Expend. - Speech, OT, PT & Related Services:					
Salaries	3,000		3,000	750	2,250
Purchased Professional - Educational Services	144,821	(1,710)	143,111	136,423	6,688
Supplies and Materials	2,230	(9)	2,221	2,129	92
Total Undist. Expend. - Speech, OT, PT & Related Services	150,051	(1,719)	148,332	139,302	9,030
Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.:					
Salaries	46,058	10,354	56,412	52,697	3,715
Supplies and Materials	100	9	109		109
Total Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.	46,158	10,363	56,521	52,697	3,824

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Guidance:					
Salaries of Other Professional Staff	42,226	207	42,433	42,433	
Purchased Professional - Educational Services	1,500		1,500	67	1,433
Other Purchased Professional and Technical Services	6,480	(207)	6,273	3,935	2,338
Supplies and Materials	4,510		4,510	1,162	3,348
Total Undist. Expend. - Guidance	54,716		54,716	47,597	7,119
Undist. Expend. - Child Study Team:					
Salaries of Other Professional Staff	2,000		2,000	473	1,527
Purchased Professional - Educational Services	78,780		78,780	78,779	1
Other Purchased Professional and Technical Services	23,250		23,250	17,059	6,191
Total Undist. Expend. - Child Study Team	104,030		104,030	96,311	7,719
Undistributed Expenditures - Improvement of Inst. Services:					
Salaries of Other Professional Staff	2,000	500	2,500	2,500	
Other Salaries	5,000	(500)	4,500	1,944	2,556
Purchased Professional - Educational Services	30,087		30,087	24,411	5,676
Other Purchased Professional and Technical Services	5,000		5,000		5,000
Supplies and Materials	2,000	(262)	1,738		1,738
Other Objects	685	262	947	947	
Total Undistributed Expenditures - Improvement of Inst. Services	44,772		44,772	29,802	14,970

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Edu. Media Serv./Sch. Library:					
Salaries	24,530		24,530	24,220	310
Salaries of Technology Coordinators	56,100	275	56,375	56,375	
Purchased Professional - Educational Services	2,500		2,500	475	2,025
Supplies and Materials	3,375	(275)	3,100	1,018	2,082
Total Undist. Expend. - Edu. Media Serv./Sch. Library	<u>86,505</u>		<u>86,505</u>	<u>82,088</u>	<u>4,417</u>
Undist. Expend. - Instructional Staff Training					
Other Purchased Services	5,000		5,000	3,192	1,808
Total Undist. Expend. - Instructional Staff Training	<u>5,000</u>		<u>5,000</u>	<u>3,192</u>	<u>1,808</u>
Undist. Expend. - Supp. Serv. - General Administration:					
Salaries	2,300		2,300	2,300	
Legal Services	2,000		2,000	1,707	293
Audit Fees	12,500	(1,550)	10,950	10,900	50
Architectural/Engineering Services	2,500	1,550	4,050	4,050	
Other Purchased Professional Services	35,500		35,500	33,500	2,000
Purchased Technical Services	12,750		12,750	1,250	11,500
Communications/Telephone	8,620		8,620	8,259	361
BOE Other Purchased Services	250		250		250
Miscellaneous Purchased Services	19,350		19,350	13,156	6,194
General Supplies	2,750		2,750	6	2,744
Miscellaneous Expenditures	1,708		1,708	793	915
BOE Membership Dues and Fees	3,300		3,300	2,728	572
Total Undist. Expend. - Supp. Serv. - General Administration	<u>103,528</u>		<u>103,528</u>	<u>78,649</u>	<u>24,879</u>

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. - School Administration:					
Salaries of Principals/Assistant Principals	98,757	525	99,282	99,282	
Salaries of Secretarial and Clerical Assistants	54,965	889	55,854	55,852	2
Purchased Professional and Technical Services	4,700	(315)	4,385	4,300	85
Other Purchased Services	1,600	(574)	1,026	1,000	26
Supplies and Materials	3,031	(525)	2,506	1,407	1,099
Other Objects	1,000		1,000	825	175
Total Undist. Expend. - Supp. Serv. - School Administration	<u>164,053</u>		<u>164,053</u>	<u>162,666</u>	<u>1,387</u>
Undist. Expend. - Central Services:					
Purchased Professional Services	64,955		64,955	64,955	
Purchased Technical Services	15,265		15,265	9,954	5,311
Supplies and Materials	1,420		1,420	820	600
Miscellaneous Expenditures	550		550	232	318
Total Undist. Expend. - Central Services	<u>82,190</u>		<u>82,190</u>	<u>75,961</u>	<u>6,229</u>
Undist. Expend. - Required Maintenance for School Facilities:					
Salaries	61,277		61,277	61,121	156
Cleaning, Repair and Maintenance Services	27,500	(3,554)	23,946	20,992	2,954
General Supplies	4,500	5,659	10,159	8,764	1,395
Total Undist Expend-Required Maintenance for School Facilities	<u>93,277</u>	<u>2,105</u>	<u>95,382</u>	<u>90,877</u>	<u>4,505</u>

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Custodial Services:					
Salaries	59,222	(4,713)	54,509	46,641	7,868
Salaries of Non-Instructional Aides	23,611	500	24,111	23,840	271
Purchased Professional and Technical Services	10,500	(3,150)	7,350	2,985	4,365
Cleaning, Repair and Maintenance Services	10,000	(3,072)	6,928	3,828	3,100
Other Purchased Property Services	8,250	6,222	14,472	14,026	446
Insurance	8,000		8,000	7,564	436
Miscellaneous Purchased Services	500		500	106	394
General Supplies	43,910	(4,593)	39,317	26,579	12,738
Energy (Heat and Electricity)	133,000	(4,210)	128,790	74,026	54,764
Other Objects	975		975	626	349
Total Undist. Expend. - Custodial Services	297,968	(13,016)	284,952	200,221	84,731
Total Undist. Expend. - Oper & Maint of Plant Services	391,245	(10,911)	380,334	291,098	89,236
Undist. Expend. - Student Transportation Services:					
Management Fee - ESC Transportation Program	20		20	9	11
Contract Services - Aid in Lieu of Payments	7,072	(428)	6,644	3,536	3,108
Contract Transportation - Other Vendors	6,500		6,500	4,555	1,945
Contract Transportation - Joint Agreement	96,600	(21,652)	74,948	62,022	12,926
Contract Services - Spec. ESC/CTSA	2,500	22,080	24,580	24,579	1
Total Undist. Expend. - Student Transportation Services:	112,692		112,692	94,701	17,991

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated Benefits - Employee Benefits:					
Group Insurance	975		975	953	22
Social Security Contributions	46,000		46,000	39,132	6,868
Other Retirement Contributions - PERS	48,000		48,000	40,561	7,439
Unemployment Compensation	20,000	(10,286)	9,714	6,126	3,588
Workmen's Compensation	17,000		17,000	15,860	1,140
Health Benefits	519,366	(14,082)	505,284	465,947	39,337
Tuition Reimbursement	4,000		4,000	2,000	2,000
Other Employee Benefits	4,500		4,500	1,505	2,995
Total Unallocated Benefits - Employee Benefits	<u>659,841</u>	<u>(24,368)</u>	<u>635,473</u>	<u>572,084</u>	<u>63,389</u>
On-Behalf Contributions:					
On-behalf TPAF Pensions Contributions (Non-budgeted)				111,275	(111,275)
On-behalf TPAF OPEB (Post Retire. Medical) Contrib. (Non-budgeted)				125,823	(125,823)
Reimbursed TPAF Social Security Contributions (Non-budgeted)				127,962	(127,962)
Total On-Behalf Contributions				<u>365,060</u>	<u>(365,060)</u>
Total Personal Services - Employee Benefits	<u>659,841</u>	<u>(24,368)</u>	<u>635,473</u>	<u>937,144</u>	<u>(301,671)</u>
Total Undistributed Expenditures	<u>2,193,604</u>	<u>(24,925)</u>	<u>2,168,679</u>	<u>2,274,472</u>	<u>(105,793)</u>
Total General Current Expense	<u>3,932,878</u>	<u>(2,488)</u>	<u>3,930,390</u>	<u>3,939,673</u>	<u>(9,283)</u>

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Capital Outlay:					
Interest Deposit to Capital Reserve	10		10		10
Equipment:					
Undist. Expend. - Support Serv. - Students - Reg,		2,488	2,488		2,488
Facilities Acquisitions and Construction Services:					
Construction Services	5,500		5,500	4,700	800
Total Capital Outlay	5,510	2,488	7,998	4,700	3,298
Total Expenditures	3,938,388		3,938,388	3,944,373	(5,985)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(112,084)		(112,084)	291,091	415,145
Other Financing Sources:					
Operating Transfer Out:					
Transfer to Special Revenue Fund	(64,893)		(64,893)	(62,470)	(2,423)
Capital Reserve - Transfer for Capital Projects	(75,000)		(75,000)	(33,892)	(41,108)
Prior Year Receivables Canceled				(402)	402

NATIONAL PARK SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(251,977)		(251,977)	194,327	372,016
Fund Balance, July 1	1,080,702		1,080,702	1,080,702	
Fund Balance, June 30	<u>828,725</u>		<u>828,725</u>	<u>1,275,029</u>	<u>372,016</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Excess Surplus Designated for Subsequent Year's Expenditures				274,739	
Excess Surplus Current Year				291,421	
Capital Reserve Fund				297,822	
Capital Reserve Fund Designated for Subsequent Year's Expenditure				40,000	
<b>Assigned Fund Balance:</b>					
Designated for Subsequent Year's Expenditures				33,139	
Year-End Encumbrances				87,386	
<b>Unassigned Fund Balance</b>				<u>250,522</u>	
				1,275,029	
Reconciliation to Governmental Fund Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				(197,281)	
Fund Balance per Governmental Funds (GAAP)				<u>1,077,748</u>	

NATIONAL PARK SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State Sources	89,155		89,155	88,301	(854)
Federal Sources	202,390		202,390	181,051	(21,339)
Total Revenues	<u>291,545</u>		<u>291,545</u>	<u>269,352</u>	<u>(22,193)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	131,824	(888)	130,936	127,411	(3,525)
Other Salaries for Instruction	24,929	(175)	24,754	24,745	(9)
Tuition	92,358	(2,129)	90,229	78,206	(12,023)
General Supplies	11,664	2,053	13,717	12,817	(900)
Other Objects	650	64	714	714	
Total Instruction	<u>261,425</u>	<u>(1,075)</u>	<u>260,350</u>	<u>243,893</u>	<u>(16,457)</u>
Support Services:					
Salaries	150		150	150	
Personal Services - Employee Benefits	60,265	706	60,971	58,464	(2,507)
Purchased Professional - Technical Services	12,148		12,148	10,948	(1,200)
Purchased Professional - Educational Services	16,830	1,129	17,959	16,830	(1,129)
Other Purchased Services	2,738		2,738	872	(1,866)
Supplies and Materials	1,936	(760)	1,176	554	(622)
Other Objects	1,036		1,036	111	(925)
Total Support Services	<u>95,103</u>	<u>1,075</u>	<u>96,178</u>	<u>87,929</u>	<u>(8,249)</u>
Total Expenditures	<u>356,528</u>		<u>356,528</u>	<u>331,822</u>	<u>(24,706)</u>
Other Financing Sources:					
Transfer in from General Fund	(64,983)		(64,983)	(62,470)	2,513
Total Outflows	<u>291,545</u>		<u>291,545</u>	<u>269,352</u>	<u>(22,193)</u>

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

NATIONAL PARK SCHOOL DISTRICT  
 Required Supplementary Information  
 Budget-to-GAAP Reconciliation  
 Note to RSI  
 For the Fiscal Year Ended June 30, 2013

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

	General Fund	Special Revenue Fund
Sources/inflows of resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	4,235,464	269,352
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment recognized for GAAP purposes in the current year, previously recognized for budgetary purposes.	198,469	10,386
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(197,281)	(8,819)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	4,236,652	270,919
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	3,944,373	331,822
Difference - 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.		
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	3,944,373	331,822

**OTHER SUPPLEMENTARY INFORMATION**

## **SPECIAL REVENUE FUND**

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

	Total Brought Forward (Exhibit E-1a)	Title I	Title II Part A	Title II Part A Carryover	Total 2013
<b>REVENUES:</b>					
Federal sources	92,692	76,833	10,414	1,112	181,051
State sources	88,301				88,301
Total Revenues	<u>180,993</u>	<u>76,833</u>	<u>10,414</u>	<u>1,112</u>	<u>269,352</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	71,959	54,012	407	1,033	127,411
Other salaries of instruction	24,745				24,745
Tuition	78,206				78,206
General supplies	2,034	10,783			12,817
Other objects	714				714
Total instruction	<u>177,658</u>	<u>64,795</u>	<u>407</u>	<u>1,033</u>	<u>243,893</u>
Support services:					
Salaries		150			150
Personal services-employees benefits	46,541	11,813	31	79	58,464
Purchased professional-technical services	972		9,976		10,948
Purchased professional-educational services	16,830				16,830
Other purchased services	797	75			872
Supplies and materials	554				554
Other objects	111				111
Total support services	<u>65,805</u>	<u>12,038</u>	<u>10,007</u>	<u>79</u>	<u>87,929</u>
Total expenditures	<u>243,463</u>	<u>76,833</u>	<u>10,414</u>	<u>1,112</u>	<u>331,822</u>
Other financing sources:					
Transfer in from general fund	(62,470)				(62,470)
Total outflows	<u>180,993</u>	<u>76,833</u>	<u>10,414</u>	<u>1,112</u>	<u>269,352</u>

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

	Total Brought Forward (Exhibit E-1b)	IDEA Basic	IDEA Basic Carryover	IDEA Preschool	Total Carried Forward
<b>REVENUES:</b>					
Federal sources	2,323	68,285	19,044	3,040	92,692
State sources	88,301				88,301
Total revenues	<u>90,624</u>	<u>68,285</u>	<u>19,044</u>	<u>3,040</u>	<u>180,993</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	71,959				71,959
Other salaries of instruction	24,745				24,745
Tuition		56,122	19,044	3,040	78,206
General supplies	1,701	333			2,034
Other objects	714				714
Total Instruction	<u>99,119</u>	<u>56,455</u>	<u>19,044</u>	<u>3,040</u>	<u>177,658</u>
Support Services:					
Personal services-employees benefits	46,541				46,541
Purchased professional-technical services	972				972
Other purchased professional-educational services	5,000	11,830			16,830
Other purchased services	797				797
Supplies and materials	554				554
Other objects	111				111
Total support services	<u>53,975</u>	<u>11,830</u>			<u>65,805</u>
Total expenditures	<u>153,094</u>	<u>68,285</u>	<u>19,044</u>	<u>3,040</u>	<u>243,463</u>
Other financing sources:					
Transfer in from general fund	(62,470)				(62,470)
Total outflows	<u>90,624</u>	<u>68,285</u>	<u>19,044</u>	<u>3,040</u>	<u>180,993</u>

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

	Preschool Education (Exhibit E-2)	Municipal Alliance	Race to the Top	Total Carried Forward
<b>REVENUES:</b>				
Federal sources			2,323	2,323
State sources	88,190	111		88,301
Total revenues	88,190	111	2,323	90,624
<b>EXPENDITURES:</b>				
Instruction:				
Salaries of teachers	71,959			71,959
Other salaries of instruction	24,745			24,745
General supplies	1,701			1,701
Other objects	714			714
Total instruction	99,119			99,119
Support services:				
Personal services-employees benefits	46,541			46,541
Purchased professional-technical services			972	972
Other purchased professional-educational services	5,000			5,000
Other purchased services			797	797
Supplies and materials			554	554
Other objects		111		111
Total support services	51,541	111	2,323	53,975
Total expenditures	150,660	111	2,323	153,094
Other financing sources:				
Transfer in from general fund	(62,470)			(62,470)
Total outflows	88,190	111	2,323	90,624

NATIONAL PARK SCHOOL DISTRICT  
Special Revenue Fund  
Preschool Education and Schedule(s) of Expenditures  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2013

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of teachers	71,959	71,959	
Other salaries of instruction	24,754	24,745	9
General supplies	1,715	1,701	14
Other objects	714	714	
Total instruction	<u>99,142</u>	<u>99,119</u>	<u>23</u>
Support services:			
Personal services - employee benefits	48,941	46,541	2,400
Other purchased professional - educational services	5,000	5,000	
Total support services	<u>53,941</u>	<u>51,541</u>	<u>2,400</u>
Total expenditures	<u><u>153,083</u></u>	<u><u>150,660</u></u>	<u><u>2,423</u></u>

CALCULATION OF BUDGET AND CARRYOVER

Total revised 2012-13 Preschool Education Aid Allocation	88,190
Add: Budgeted Transfer from the General Fund 2012-13	62,470
	<u>150,660</u>
Total Preschool Education Aid Funds Available for 2012-13 Budget	150,660
Less: 2012-13 Budgeted Preschool Education Aid	(153,083)
Add: June 30, 2013 Unexpended Preschool Education Aid	2,423
	<u>None</u>
2012-13 Carryover - Preschool Education Aid	<u>None</u>

## **CAPITAL PROJECTS FUND**

NATIONAL PARK SCHOOL DISTRICT  
 Capital Projects Fund  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2013

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2013
			Prior Years	Current Year	
Roof repairs to elementary school	12/14/2010	961,000	834,766	64,324	61,910

NATIONAL PARK SCHOOL DISTRICT  
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis  
For the Year Ended June 30, 2013

**Revenues and Other Financing Sources:**

Capital reserve - transfer for capital projects	<u>33,892</u>
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**Expenditures and Other Financing Uses:**

Other professional services	3,875
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Construction services	60,449
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Operation and maintenance of plant	<u>33,892</u>
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Total expenditures	<u>98,216</u>
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Excess (deficiency) of revenues over (under) expenditures	(64,324)
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Fund balance - beginning	<u>126,234</u>
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Fund balance - ending	<u><u>61,910</u></u>
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NATIONAL PARK SCHOOL DISTRICT  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Roof Replacement to Elementary School  
 From Inception and for the Year Ended June 30, 2013

	Prior Periods	Current Period	Totals	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA grant	599,550		599,550	599,550
Bond proceeds and transfers	361,450		361,450	361,450
Total revenues	<u>961,000</u>		<u>961,000</u>	<u>961,000</u>
<b>Expenditures and Other Financing Uses:</b>				
Legal services	14,163		14,163	14,163
Audit fees	605		605	1,000
Architect/engineer services	74,660		74,660	79,375
Other professional services	57,563	3,875	61,438	57,563
Purchased technical services	750		750	1,305
Construction services	681,551	60,449	742,000	801,900
Miscellaneous purchased services	5,280		5,280	5,500
Miscellaneous expenses	194		194	194
Total expenditures	<u>834,766</u>	<u>64,324</u>	<u>899,090</u>	<u>961,000</u>
Excess (deficiency) of revenues over (under) expenses	<u>126,234</u>	<u>(64,324)</u>	<u>61,910</u>	
<b>Additional Project Information:</b>				
Project number	3490-050-10-1001			
Grant date/letter of notification	7/23/2010			
Bond authorization/referendum date	12/14/2010			
Bonds authorized	361,450			
Bonds issued	361,450			
Original project authorized cost	961,000			
Percentage completion	87%			
Original target completion date	8/28/2011			
Revised target completion date	12/31/2013			

NATIONAL PARK SCHOOL DISTRICT  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Flooring Replacement  
 From Inception and for the Year Ended June 30, 2013

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
Transfer from capital reserves		33,892	33,892	33,892
Total revenues		<u>33,892</u>	<u>33,892</u>	<u>33,892</u>
<b>Expenditures and Other Financing Uses:</b>				
Operation and maintenance of plant		33,892	33,892	33,892
Total expenditures		<u>33,892</u>	<u>33,892</u>	<u>33,892</u>

## **FIDUCIARY FUNDS**

NATIONAL PARK SCHOOL DISTRICT  
Combining Statement of Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2013

	Trust		Agency		Total 2013
	Unemployment Compensation Trust	Scholarship Fund	Student Activities	Payroll	
<b>ASSETS</b>					
Cash and cash equivalents	412	505	14,512	25,268	40,697
Interfund receivable	1,238				1,238
Total assets	1,650	505	14,512	25,268	41,935
<b>LIABILITIES</b>					
Payroll deductions and withholdings				24,030	24,030
Due to student groups			14,512		14,512
Interfund payable				1,238	1,238
Total liabilities			14,512	25,268	39,780
<b>NET POSITION</b>					
Held in trust for unemployment Claims	1,650				1,650
Expendable scholarship fund		505			505
Total net position	1,650	505			2,155

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

	Unemployment Compensation Trust	Scholarship Fund	Total 2013
<b>ADDITIONS:</b>			
Contributions	3,705		3,705
Interest earned		1	1
Total additions	3,705	1	3,706
<b>DEDUCTIONS:</b>			
Unemployment claims	3,238		3,238
Scholarships awarded		170	170
Total deductions	3,238	170	3,408
Change in net position	467	(169)	298
Net position - beginning	1,183	674	1,857
Net position - end	1,650	505	2,155

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

	<u>Balance July 1, 2012</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2013</u>
<b>SCHOOLS:</b>				
National Park School	18,906	26,927	31,321	14,512

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

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
<b>ASSETS</b>				
Cash and cash equivalents	19,624	2,420,815	2,415,171	25,268
Total assets	<u>19,624</u>	<u>2,420,815</u>	<u>2,415,171</u>	<u>25,268</u>
<b>LIABILITIES</b>				
Accrued salaries and wages		1,410,366	1,410,366	
Payroll deductions and withholdings	18,436	1,005,924	1,000,330	24,030
Interfund payable	1,188	4,525	4,475	1,238
Total liabilities	<u>19,624</u>	<u>2,420,815</u>	<u>2,415,171</u>	<u>25,268</u>

## **LONG-TERM DEBT**

NATIONAL PARK SCHOOL DISTRICT  
Schedule of Serial Bonds  
June 30, 2013

Issue	Date of Issue	Original Issue	Annual Maturities		Interest Rate	Balance June 30, 2012	Paid	Balance June 30, 2013
			Date	Amount				
Refunding Bonds Series 2009	12/10/2009	2,950,000.00	2/1/14	195,000	2.00%	2,535,000	190,000	2,345,000
			2/1/15	190,000	4.00%			
			2/1/16	185,000	4.00%			
			2/1/17	185,000	4.00%			
			2/1/18	190,000	3.125%			
			2/1/19	195,000	4.00%			
			2/1/20	200,000	4.50%			
			2/1/21	205,000	4.50%			
			2/1/22	195,000	4.00%			
			2/1/23	195,000	4.00%			
			2/1/24	200,000	4.00%			
			2/1/25	210,000	4.00%			
			School Bonds of 2011	3/8/11	361,450.00			
9/1/14	35,000	4.00%						
9/1/15	35,000	4.00%						
9/1/16	40,000	4.00%						
9/1/17	40,000	4.00%						
9/1/18	40,000	4.00%						
9/1/19	45,000	4.00%						
9/1/20	41,450	4.00%						
						2,871,450.00	220,000.00	2,651,450.00

NATIONAL PARK SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	202,266		202,266	202,266	
State sources:					
Debt service aid type II	124,655		124,655	124,655	
Total revenues	<u>326,921</u>		<u>326,921</u>	<u>326,921</u>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest	106,921		106,921	106,921	
Redemption of principal	220,000		220,000	220,000	
Total expenditures	<u>326,921</u>		<u>326,921</u>	<u>326,921</u>	
Excess (deficiency) of revenues over (under) expenditures					
Fund balance, July 1	<u>2</u>		<u>2</u>	<u>2</u>	
Fund balance, June 30	<u><u>2</u></u>		<u><u>2</u></u>	<u><u>2</u></u>	

## STATISTICAL SECTION

**NATIONAL PARK SCHOOL DISTRICT  
Statistical Section**

<b>Contents</b>	<b>Page</b>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	87-91
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	92-95
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	96-99
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	100-101
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the district provides and the activities it performs.	102-106

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The District implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.

NATIONAL PARK SCHOOL DISTRICT  
Net Position by Component  
Last Ten Fiscal Years  
Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
Invested in capital assets, net of related debt	455,681	483,432	519,014	579,182	651,511	749,838	815,294	703,620	1,476,033	1,635,653
Restricted	129,404	35,374	121,878	90,017	55,380	38,260	151,321	1,246,569	956,068	1,086,419
Unrestricted	(79,268)	(35,275)	(8,778)	67,393	114,650	3,276	55,743	(14,584)	(15,618)	(34,768)
Total governmental activities net position	<u>505,817</u>	<u>483,531</u>	<u>632,114</u>	<u>736,592</u>	<u>821,541</u>	<u>791,374</u>	<u>1,022,358</u>	<u>1,935,605</u>	<u>2,416,483</u>	<u>2,687,304</u>
District-wide:										
Invested in capital assets, net of related debt	455,681	483,432	519,014	579,182	651,511	749,838	815,294	703,620	1,476,033	1,635,653
Restricted	129,404	35,374	121,878	90,017	55,380	38,260	151,321	1,246,569	956,068	1,086,419
Unrestricted	(79,268)	(35,275)	(8,778)	67,393	114,650	3,276	55,743	(14,584)	(15,618)	(34,768)
Total district-wide net position	<u>505,817</u>	<u>483,531</u>	<u>632,114</u>	<u>736,592</u>	<u>821,541</u>	<u>791,374</u>	<u>1,022,358</u>	<u>1,935,605</u>	<u>2,416,483</u>	<u>2,687,304</u>

Source: District records.

NATIONAL PARK SCHOOL DISTRICT  
 Changes in Net Position  
 Last Ten Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses:										
Governmental activities:										
Instruction:										
Regular	951,737	938,485	1,007,648	1,008,924	1,138,164	1,281,326	1,260,383	1,463,469	1,212,338	1,266,166
Special education	647,317	668,407	633,432	754,752	608,703	501,368	540,830	308,617	545,516	565,202
Other special instruction	20,100	47,010	24,913	38,851	31,546	72,592	57,092			69,692
Other instruction	16,710	13,712	15,585	11,142	11,499	7,443	8,805	57,858	49,820	8,034
Support services:										
Tuition	88,808	140,905	159,919	194,382	187,648	130,748	95,580	42,609	56,693	117,424
Student & instructional related services	418,432	400,161	412,044	513,346	548,629	622,309	636,214	549,456	565,067	626,315
School administration services	100,222	66,661	82,332	75,303	75,489	64,888	117,238	334,174	326,082	162,666
General & business administrative services	209,229	210,878	224,462	230,567	224,469	225,173	169,958			154,610
Plant operations & maintenance	289,112	311,599	343,634	318,186	320,400	340,906	350,829	311,130	313,755	291,098
Pupil transportation	53,745	61,270	75,281	92,489	102,487	102,197	70,370	68,508	98,698	94,701
Employee benefits	619,737	642,196	692,237	829,748	921,994	803,271	851,405	897,730	887,850	937,144
Interest on long-term debt	195,308	187,320	179,040	170,760	161,310	151,860	77,633	103,163	111,438	106,921
Capital outlay				7,799	13,447				10,876	677
Unallocated depreciation	122,174	123,342	115,791	115,604	107,738	109,544	109,544	109,425	157,148	162,619
Total governmental activities expenses	3,732,631	3,811,946	3,966,318	4,361,853	4,453,523	4,413,625	4,345,881	4,246,139	4,335,281	4,563,269
Total district-wide expenses	3,732,631	3,811,946	3,966,318	4,361,853	4,453,523	4,413,625	4,345,881	4,246,139	4,335,281	4,563,269
Program revenues:										
Governmental activities:										
Operating grants & contributions	346,366	348,603	370,501	401,659	350,854	259,004	307,121	309,318	284,826	270,919
Total governmental activities program revenues	346,366	348,603	370,501	401,659	350,854	259,004	307,121	309,318	284,826	270,919
Total district program revenues	346,366	348,603	370,501	401,659	350,854	259,004	307,121	309,318	284,826	270,919
Net (expense)/revenue:										
Governmental activities	(3,386,265)	(3,463,343)	(3,595,817)	(3,960,194)	(4,102,669)	(4,154,621)	(4,038,760)	(3,936,821)	(4,050,455)	(4,292,350)
Total district-wide net expense	(3,386,265)	(3,463,343)	(3,595,817)	(3,960,194)	(4,102,669)	(4,154,621)	(4,038,760)	(3,936,821)	(4,050,455)	(4,292,350)
General revenues & other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes	1,075,327	1,059,565	1,308,976	1,419,368	1,474,136	1,521,101	1,593,974	1,710,736	1,738,150	1,772,913
Taxes levied for debt service	148,431	160,753	156,748	162,388	157,846	155,752	151,013	159,974	182,803	202,266
Unrestricted grants & contributions	2,132,653	2,213,390	2,263,017	2,458,924	2,537,568	2,441,807	2,510,786	2,342,630	2,497,194	2,540,506
State aid restricted								599,550		
Tuition received								7,300		
Interest earned on capital reserve fund	1	10	23	30	18	5	5	3	1	2
Miscellaneous income	7,825	7,339	15,636	23,962	18,050	5,789	58,966	29,875	113,185	47,886
Net Proceeds refunding bond issue							(45,000)			
Prior year receivable canceled										(402)
Total governmental activities	3,364,237	3,441,057	3,744,400	4,064,672	4,187,618	4,124,454	4,269,744	4,850,068	4,531,333	4,563,171
Total district-wide	3,364,237	3,441,057	3,744,400	4,064,672	4,187,618	4,124,454	4,269,744	4,850,068	4,531,333	4,563,171
Change in net position:										
Governmental activities	(22,028)	(22,286)	148,583	104,478	84,949	(30,167)	230,984	913,247	480,878	270,821
Total district-wide	(22,028)	(22,286)	148,583	104,478	84,949	(30,167)	230,984	913,247	480,878	270,821

Source: District records.

NATIONAL PARK SCHOOL DISTRICT  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund:										
Restricted								306,323	652,855	903,982
Assigned								124,011	176,977	120,525
Unassigned								65,657	52,401	53,241
Reserved	135,417	50,654	156,589	96,353	121,227	38,260	151,321			
Unreserved	18,147	20,867	25,400	141,248	129,600	95,328	145,481			
Total general fund	<u>153,564</u>	<u>71,521</u>	<u>181,989</u>	<u>237,601</u>	<u>250,827</u>	<u>133,588</u>	<u>296,802</u>	<u>495,991</u>	<u>882,233</u>	<u>1,077,748</u>
All other governmental funds:										
Restricted for:										
Capital projects								801,683	126,234	61,910
Debt service fund								14,552	2	2
Unassigned								(13,848)	(10,386)	(8,819)
Reserved, reported in:										
Debt service fund							14,552			
Unreserved, reported in:										
Special revenue fund	(10,254)	(10,254)	(10,254)	(10,253)	(10,253)	(10,050)	(10,386)			
Total all other governmental funds	<u>(10,254)</u>	<u>(10,254)</u>	<u>(10,254)</u>	<u>(10,253)</u>	<u>(10,253)</u>	<u>(10,050)</u>	<u>4,166</u>	<u>802,387</u>	<u>115,850</u>	<u>53,093</u>

Source: District records.

NATIONAL PARK SCHOOL DISTRICT  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>REVENUES:</b>										
Tax levy	1,223,758	1,220,318	1,465,724	1,581,756	1,631,982	1,676,853	1,744,987	1,870,710	1,920,953	1,975,179
Tuition charges								7,300		
Interest earnings	406	3,876	13,138	22,665	14,220	3,088	5	2,922	922	1,238
Miscellaneous	7,420	3,473	2,521	1,327	5,211	6,996	63,273	27,149	112,264	46,650
State sources	2,341,025	2,423,016	2,480,070	2,669,345	2,742,050	2,541,485	2,270,964	3,076,511	2,533,286	2,630,374
Federal sources	137,994	138,977	153,448	191,238	145,009	155,033	542,636	174,987	248,734	181,051
<b>Total revenue</b>	<b>3,710,603</b>	<b>3,789,660</b>	<b>4,114,901</b>	<b>4,466,331</b>	<b>4,538,472</b>	<b>4,383,455</b>	<b>4,621,865</b>	<b>5,159,579</b>	<b>4,816,159</b>	<b>4,834,492</b>
<b>EXPENDITURES:</b>										
Instruction:										
Regular instruction	951,737	938,485	1,007,648	1,008,924	1,138,164	1,281,326	1,260,383	1,463,662	1,212,338	1,266,166
Special education instruction	647,317	668,407	633,432	754,752	608,703	501,368	540,830	308,617	545,516	565,202
Other special instruction	20,100	47,010	24,913	38,851	31,546	72,592	57,092			69,692
Other instruction	16,710	13,712	15,585	11,142	11,499	7,443	8,805	57,858	49,820	8,034
Support services:										
Tuition	88,808	140,905	159,919	194,382	187,648	130,748	95,580	42,609	56,693	117,424
Student & instruction related services	387,920	430,084	414,577	502,043	548,023	610,851	638,864	562,415	573,827	604,758
School administrative services	100,222	66,661	82,332	75,303	75,489	64,888	117,238	334,174	326,082	162,666
Other administrative services	209,229	210,878	224,462	230,567	224,469	225,173	169,958			154,610
Plant operations & maintenance	289,112	311,599	343,634	318,186	320,400	340,906	350,829	311,130	313,755	291,098
Pupil transportation	53,745	61,270	75,281	92,489	102,487	102,197	70,370	68,508	98,698	94,701
Employee benefits	619,737	642,196	692,237	829,748	921,994	803,271	851,405	897,730	887,850	937,144
Capital outlay	13,104	8,176	6,373	18,571	28,514	37,871		179,201	730,437	102,916
Debt services:										
Principal	140,000	145,000	145,000	165,000	165,000	170,000	220,000	180,000	210,000	220,000
Interest	195,308	187,320	179,040	170,760	161,310	151,860	77,633	103,163	111,438	106,921
<b>Total expenditures</b>	<b>3,733,049</b>	<b>3,871,703</b>	<b>4,004,433</b>	<b>4,410,718</b>	<b>4,525,246</b>	<b>4,500,494</b>	<b>4,458,987</b>	<b>4,509,067</b>	<b>5,116,454</b>	<b>4,701,332</b>
Excess (deficiency) of revenues over (under) expenditures	(22,446)	(82,043)	110,468	55,613	13,226	(117,039)	162,878	650,512	(300,295)	133,160
Other financing sources (uses):										
Prior year receivable canceled										(402)
<b>Total other financing sources (uses)</b>										<b>(402)</b>
<b>Net change in fund balance</b>	<b>(22,446)</b>	<b>(82,043)</b>	<b>110,468</b>	<b>55,613</b>	<b>13,226</b>	<b>(117,039)</b>	<b>162,878</b>	<b>650,512</b>	<b>(300,295)</b>	<b>132,758</b>
Debt service as a percentage of noncapital expenditures	9.91%	9.41%	8.82%	8.28%	7.82%	7.77%	7.15%	7.00%	7.91%	7.65%

Source: District records.

NATIONAL PARK SCHOOL DISTRICT  
 General Fund Other Local Revenue by Source  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	Refunds	Tuition	Local Grant	Miscellaneous	Annual Totals
2004	4,257	1,712		1,451	7,420
2005	300	1,387		1,786	3,473
2006	2,521				2,521
2007	1,218			109	1,327
2008	3,848		1,363		5,211
2009	2,137		4,293	566	6,996
2010	79		4,307	55,152	59,538
2011		7,300	193	26,956	34,449
2012		92,182		20,082	112,264
2013		39,303		7,347	46,650

Source: District records.

NATIONAL PARK SCHOOL DISTRICT  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2004	1,631,000	88,748,200	4,271,500		635,800	95,286,500	145,961	95,432,461	111,780,293	1.278
2005	1,671,000	89,099,600	4,336,000		635,800	95,742,400	130,722	95,873,122	117,960,037	1.529
2006	1,496,000	90,926,600	4,367,000		635,800	97,425,400	101,332	97,526,732	136,490,424	1.622
2007	1,552,100	91,099,000	4,382,300		635,800	97,669,200	90,719	97,759,919	159,435,740	1.670
2008	1,548,900	91,349,500	4,365,000		635,800	97,899,200	84,532	97,983,732	183,425,278	1.712
2009	1,533,500	91,800,100	4,392,100		635,800	98,361,500	89,176	98,450,676	189,654,615	1.772
2010	1,584,200	91,932,900	4,366,500		635,800	98,519,400	306,438	98,825,838	186,272,217	1.892
2011	3,334,200	166,522,300	7,963,500		607,300	178,427,300	368,601	178,795,901	181,023,553	1.074
2012	3,262,900	165,757,700	7,676,900	209,400	607,300	177,514,200	337,422	177,851,622	182,564,425	1.110
2013	3,301,600	165,387,600	7,532,000	209,400	607,300	177,037,900	393,301	177,431,201	174,814,958	1.132

Source: Gloucester County Abstract of Ratables

NATIONAL PARK SCHOOL DISTRICT  
 Direct and Overlapping Property Tax Rates  
 (Rate Per \$100 of Assessed Value)  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	National Park School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Gateway High School Tax Rate	Borough of National Park	Gloucester County	
2004	1.110	0.168	1.278	1.224	0.758	0.783	4.043
2005	1.365	0.164	1.529	1.206	0.856	0.844	4.435
2006	1.455	0.167	1.622	1.335	0.945	0.889	4.791
2007	1.508	0.162	1.670	1.423	1.061	0.968	5.122
2008	1.546	0.166	1.712	1.525	1.225	1.107	5.569
2009	1.607	0.165	1.772	1.551	1.434	1.139	5.896
2010	1.728	0.164	1.892	1.697	1.454	1.114	6.157
2011	0.982	0.092	1.074	0.953	0.820	0.591	3.438
2012	1.004	0.106	1.110	1.101	0.844	0.608	3.663
2013	1.016	0.116	1.132	1.077	0.844	0.639	3.692

Source: Municipal Tax Collector.

NATIONAL PARK SCHOOL DISTRICT  
Principal Property Taxpayers  
Current Year and Nine Years Ago  
Unaudited

	2013			2004		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Public Service Electric & Gas Company	1,054,500	1	0.59%	552,800	1	0.58%
Individual Taxpayer 1	659,000	2	0.37%	298,000	3	0.31%
Individual Taxpayer 2	615,400	3	0.35%	274,200	5	0.29%
The Bank of Gloucester County	592,200	4	0.33%	395,400	2	0.42%
Individual Taxpayer 3	501,100	5	0.28%	259,700	6	0.27%
Individual Taxpayer 4	500,500	6	0.28%	256,500	7	0.27%
Individual Taxpayer 5	453,600	7	0.26%	244,700	8	0.26%
Individual Taxpayer 6	451,500	8	0.25%	222,700	10	0.23%
Individual Taxpayer 7	432,400	9	0.24%			
J&B LP LLC	401,100	10	0.23%	274,700	4	0.29%
Wm. F. Hamilton Inc.				231,400	9	0.24%
	<u>5,661,300</u>		<u>3.19%</u>	<u>3,010,100</u>		<u>3.17%</u>

Source: Municipal Tax Assessor.

NATIONAL PARK 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 Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	1,223,758	1,223,758	100.00%	
2005	1,220,318	1,220,318	100.00%	
2006	1,465,724	1,465,724	100.00%	
2007	1,581,756	1,581,756	100.00%	
2008	1,631,982	1,631,982	100.00%	
2009	1,676,853	1,676,853	100.00%	
2010	1,744,987	1,744,987	100.00%	
2011	1,870,710	1,870,710	100.00%	
2012	1,920,953	1,920,953	100.00%	
2013	1,975,179	1,975,179	100.00%	

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

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases			
2004	3,865,000	22,580	3,887,580	3.67%	1,210
2005	3,720,000	16,487	3,736,487	3.37%	1,164
2006	3,575,000	10,113	3,585,113	3.05%	1,114
2007	3,410,000	3,447	3,413,447	2.77%	1,055
2008	3,245,000		3,245,000	2.48%	1,003
2009	3,075,000		3,075,000	2.37%	951
2010	2,900,000		2,900,000	2.31%	955
2011	3,081,450		3,081,450	2.40%	1,012
2012	2,871,450		2,871,450	N/A	953
2013	2,651,450		2,651,450	N/A	N/A

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

NATIONAL PARK SCHOOL DISTRICT  
 Ratios of General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2004	3,865,000		3,865,000	4.05%	1,203
2005	3,720,000		3,720,000	3.88%	1,159
2006	3,575,000		3,575,000	3.67%	1,111
2007	3,410,000		3,410,000	3.49%	1,053
2008	3,245,000		3,245,000	3.31%	1,003
2009	3,075,000		3,075,000	3.12%	951
2010	2,900,000		2,900,000	2.93%	955
2011	3,081,450		3,081,450	1.72%	1,012
2012	2,871,450		2,871,450	1.61%	953
2013	2,651,450		2,651,450	1.49%	N/A

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

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

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
National Park Borough	449,783	100.00%	449,783
Gloucester County general obligation debt	272,915,672	0.67%	1,828,535
Gateway Regional School District debt	6,905,000	18.16%	1,254,224
Subtotal, overlapping debt			<u>3,532,542</u>
National Park District direct debt			<u>2,651,450</u>
Total direct and overlapping debt			<u><u>6,183,992</u></u>

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

NATIONAL PARK SCHOOL DISTRICT  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 Unaudited

	Equalized valuation basis
	2012 174,701,506
	2011 182,964,828
	2010 180,306,369
	<u>537,972,703</u>
Average equalized valuation of taxable property	<u>179,324,234</u>
Debt limit (2 1/2% of average equalized value)	4,483,106
Total net debt applicable to limit	<u>2,651,450</u>
Legal debt margin	<u>1,831,656</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	2,648,908	2,789,523	2,412,416	3,413,951	3,960,800	4,415,797	4,638,521	4,618,609	4,572,658	4,483,106
Total net debt applicable to limit	3,865,000	3,720,000	3,575,000	3,410,000	3,245,000	3,075,000	2,900,000	3,081,450	2,871,450	2,651,450
Legal debt margin	<u>(1,216,092)</u>	<u>(930,477)</u>	<u>(1,162,584)</u>	<u>3,951</u>	<u>715,800</u>	<u>1,340,797</u>	<u>1,738,521</u>	<u>1,537,159</u>	<u>1,701,208</u>	<u>1,831,656</u>
Total net debt applicable to the limit as a percentage of debt limit	145.91%	133.36%	148.19%	99.88%	81.93%	69.64%	62.52%	66.72%	62.80%	59.14%
Borough of National Park debt analysis:										
Permitted debt limitation (3.5%)	3,708,472	3,905,332	4,221,728	4,221,728						
Less: net municipal debt	614,650	509,875	420,300	420,300						
Available borough borrowing power	3,093,822	3,395,457	3,801,428	3,801,428						
Less: school district use of borrowing margin	<u>(1,216,092)</u>	<u>(930,477)</u>	<u>(1,162,584)</u>	<u>3,951</u>						
Remaining borough borrowing margin	<u>1,877,730</u>	<u>2,464,980</u>	<u>2,638,844</u>	<u>3,805,379</u>						

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

NATIONAL PARK SCHOOL DISTRICT  
Demographic and Economic Statistics  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income *	Unemployment Rate
2004	3,213	105,926,184	32,968	8.00%
2005	3,211	110,776,289	34,499	6.00%
2006	3,218	117,540,668	36,526	6.50%
2007	3,237	123,310,278	38,094	6.50%
2008	3,235	130,681,060	40,396	7.60%
2009	3,235	129,561,750	40,050	11.10%
2010	3,038	125,581,806	41,337	11.80%
2011	3,045	128,584,260	42,228	11.50%
2012	3,013	N/A	N/A	11.80%
2013	N/A	N/A	N/A	N/A

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

\* Represents information for Gloucester County.

Source:

Population information provided by the NJ Department of Labor and Workforce Development.

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

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

Unemployment data provided by the NJ Department of Labor and Workforce Development.

NATIONAL PARK SCHOOL DISTRICT  
Principal Employers  
Current Year and Nine Years Ago  
Unaudited

Employer	2013			2004		
	Employees	Rank	% of Total Municipal Employment	Employees	Rank	% of Total Municipal Employment
Inspira Health	1,825	1	N/A			
Kennedy Memorial Hospital	1,675	2	N/A			
Washington Township School District	1,528	3	N/A		Not Available	
County of Gloucester	1,485	4	N/A			
Rowan University	1,483	5	N/A			
Missa Bay, LLC	950	6	N/A			
Monroe Township School District	794	7	N/A			
US Foodservice	725	8	N/A			
LaBrea Bakery	525	9	N/A			
Delaware Valley Wholesale Florist	450	10	N/A			
	<u>11,440</u>					

Source: Gloucester County Department of Economic Development

Note: The information provided is for the County of Gloucester. Information at the municipal level is not available.

NATIONAL PARK SCHOOL DISTRICT  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
 Unaudited

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Instruction										
Regular	22	21	21	21	22	22	22	21	21	19
Special education	5	4	5	4	5	5	5	5	5	6
Support Services										
Student & instruction related services	11	12	13	9	10	10	10	11	11	11
General administration	1	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b><u>38</u></b>	<b><u>38</u></b>	<b><u>40</u></b>	<b><u>35</u></b>	<b><u>38</u></b>	<b><u>38</u></b>	<b><u>38</u></b>	<b><u>38</u></b>	<b><u>38</u></b>	<b><u>37</u></b>

Source: District Personnel Records.

NATIONAL PARK SCHOOL DISTRICT  
Operating Statistics  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio Elementary	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change Average Daily Enrollment	Student Attendance Percentage
2004	289	3,384,637	11,712	-0.89%	26.5	9.2	314	299	14.18%	95%
2005	309	3,531,207	11,428	-2.42%	25	8.1	309	291	-1.59%	94%
2006	315	3,674,020	11,664	2.06%	26	8.3	317	300	2.59%	95%
2007	306	4,056,387	13,256	13.65%	25	8.2	302	287	-4.73%	95%
2008	302	4,170,422	13,809	4.17%	27	8.9	306	286	1.32%	93%
2009	324	4,140,763	12,780	-7.45%	27	8.3	298	280	-2.61%	94%
2010	316	4,161,354	13,169	3.04%	27	8.5	311	295	4.36%	95%
2011	292	4,046,703	13,859	5.24%	26	8.9	286	272	-8.04%	95%
2012	275	4,064,579	14,780	6.65%	26	9.5	263	251	-8.04%	95%
2013	266	4,271,495	16,058	8.65%	25	9.5	255	241	-3.04%	95%

Source: Enrollment based on annual October District count.

NATIONAL PARK SCHOOL DISTRICT  
 School Building Information  
 Last Ten Fiscal Years  
 Unaudited

District Building	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Elementary										
Square Feet	52,073	52,073	52,073	52,073	52,073	52,073	52,073	52,073	52,073	52,073
Capacity (students)	394	394	394	394	394	394	394	394	394	394
Enrollment	289	309	315	306	302	324	316	292	275	266

Number of Schools at June 30, 2013  
 Elementary = 1

Source: District Office.

NATIONAL PARK SCHOOL DISTRICT  
 Schedule of Required Maintenance Expenditures by School Facility  
 Last Ten Fiscal Years  
 Unaudited

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

* School Facilities	Gross Square	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Elementary	52,073	59,684	59,448	63,683	70,666	86,902	81,903	98,048	79,118	87,756	90,877

\* School facilities as defined under EFCFA.  
 (NJAC 6A:26-1.2 and NJAC 6:24-1.3)

Source: District records.

NATIONAL PARK SCHOOL DISTRICT  
Insurance Schedule  
June 30, 2013  
Unaudited

The National Park School District has retained insurance through the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund. The following is a summary of the coverage obtained through this fund.

	Coverage	
I. Property, Inland Marine and Automobile Physical Damages		
A. Limit of Liability	150,000,000	Per Occurrence
1. GCSSDJIF Self Insured Retention	250,000	Per Occurrence
2. Member District Deductible	500	Per Occurrence
3. Perils Included	"All Risk"	
B. Property Valuation		
1. Buildings and Contents		Replacement Cost
2. Contractors Equipment		Actual Cash Value
3. Automobiles		Actual Cash Value
II. Boiler and Machinery		
A. Limit of Liability	125,000,000	
1. GCSSDJIF Self Insured Retention	None	
2. Member District Deductible	1,000	
III. Crime		
A. Limit of Liability	500,000	
1. GCSSDJIF Self Insured Retention	200,000	
2. Member District Deductible	500	
IV. General and Automobile Liability		
A. Limit of Liability	10,000,000	
1. GCSSDJIF Self Insured Retention	150,000	
2. Member District Deductible	250,000	
V. Workers' Compensation		
A. Limit of Liability	Statutory	
1. GCSSDJIF Self Insured Retention	250,000	
2. Member District Deductible	None	
VI. Educator's Legal Liability		
A. Limit of Liability	10,000,000	
1. GCSSDJIF Self Insured Retention	100,000	
2. Member District Deductible	None	
VII. Pollution Legal Liability		
A. Limit of Liability	3,000,000	
1. GCSSDJIF Self Insured Retention	None	
2. Member District Deductible	25,000	
Public employees' faithful performance bonds - Selective Insurance Co. of America		
Surety Bond - Charles Owens, Treasurer	170,000	
Surety Bond - Donna Contrevo, Business Administrator	5,000	

Source: District records.

## **SINGLE AUDIT SECTION**

# PETRONI & ASSOCIATES LLC

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

### **Independent Auditor's Report**

Honorable President and  
Members of the Board of Education  
National Park School District  
516 Lakehurst Avenue  
National Park, New Jersey 08063

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the National Park School District, in the County of Gloucester, State of New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise National Park School District's basic financial statements, and have issued our report thereon dated October 18, 2013.

#### ***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the National Park School District's 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 National Park School 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

October 18, 2013

# PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants  
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## **REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB 04-04**

### **Independent Auditor's Report**

The Honorable President and  
Members of the Board of Education  
National Park School District  
516 Lakehurst Avenue  
National Park, New Jersey 08063

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

We have audited the National Park School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the National Park School District's major state programs for the year ended June 30, 2013. National Park School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the National Park School 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and New Jersey OMB's 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 National Park School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

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

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

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

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

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

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

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

We have audited the financial statements National Park School District as of and for the year ended June 30, 2013, and have issued our report thereon dated October 18, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB 04-04 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

October 18, 2013

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

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2012	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2013			Cumulative Total Expenditures
				From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education															
General Fund:															
Education Jobs Fund	84.410A	ARRA	72,824	8/1/10	9/30/12	(72,824)		72,824							72,824
Total General Fund						(72,824)		72,824							72,824
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund:															
Title I, Part A	84.010	NCLB349013	79,230	9/1/12	8/31/13				(76,833)		(76,833)				76,833
Title I, Part A	84.010	NCLB349012	55,953	9/1/11	8/31/12	(55,953)		55,953							55,953
IDEA Part B, Basic Regular	84.027	FT349013	82,104	9/1/12	8/31/13				(68,285)		(68,285)				68,285
IDEA Part B, Basic Regular	84.027	FT349012	87,142	9/1/11	8/31/12	(68,098)		68,098							68,098
IDEA Part B, Basic Regular Carryover	84.027	FT349013	19,044	9/1/12	8/31/13				(19,044)		(19,044)				19,044
IDEA Part B, Basic Regular Carryover	84.027	FT349012	21,207	9/1/11	8/31/12	(21,207)		21,207							21,207
IDEA Part B, Preschool	84.173	FT349013	3,040	9/1/12	8/31/13				(3,040)		(3,040)				3,040
IDEA Part B, Preschool	84.173	FT349012	3,113	9/1/11	8/31/12	(3,113)		3,113							3,113
Title II Part A	84.367	NCLB349013	13,314	9/1/12	8/31/13				(10,414)		(10,414)				10,414
Title II Part A	84.367	NCLB349012	469	9/1/11	8/31/12	(469)		469							469
Title II Part A Carryover	84.367	NCLB349013	1,112	9/1/12	8/31/13				(1,112)		(1,112)				1,112
Title II Part A Carryover	84.367	NCLB349012	14,775	9/1/11	8/31/12	(13,663)		13,663							13,663
Race to the Top	84.413A	N/A	4,456	7/1/12	6/30/15				(2,323)		(2,323)				2,323
Total Special Revenue Fund						(162,503)		162,503	(181,051)		(181,051)				343,554
Total Federal Financial Awards						(235,327)		235,327	(181,051)		(181,051)				416,378

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

NATIONAL PARK SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2013

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2012			Cash Received	Budgetary Expenditures	Adjustments/Repayment of Prior Years' Balances	Balance June 30, 2013			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount				Accounts Receivable	Deferred Revenue/Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
Transportation Aid	13-495-034-5120-014	6,510	7/1/12	6/30/13			6,510	(6,510)					651	6,510	
Special Education Categorical Aid	13-495-034-5120-089	147,000	7/1/12	6/30/13			147,000	(147,000)					14,700	147,000	
Equalization Aid	13-495-034-5120-078	1,883,930	7/1/12	6/30/13			1,883,930	(1,883,930)					180,766	1,883,930	
Security Aid	13-495-034-5120-084	11,641	7/1/12	6/30/13			11,641	(11,641)					1,164	11,641	
Reimbursement of Nonpublic Transportation	N/A	522	7/1/12	6/30/13				(522)		(522)				522	
Reimbursement of Nonpublic Transportation	N/A	870	7/1/11	6/30/12	(870)		870							870	
On-behalf TPAF Pension Contribution	13-495-034-5095-006	111,275	7/1/12	6/30/13			111,275	(111,275)						111,275	
On-behalf TPAF Postretirement Contribution	13-495-034-5095-001	125,823	7/1/12	6/30/13			125,823	(125,823)						125,823	
Reimbursed TPAF Social Security Aid	13-495-034-5095-002	127,962	7/1/12	6/30/13			121,773	(127,962)		(6,189)				127,962	
Reimbursed TPAF Social Security Aid	12-495-034-5095-002	125,825	7/1/11	6/30/12	(298)		298							125,825	
Total General Fund					(1,168)		2,409,120	(2,414,663)		(6,711)			197,281	2,541,358	
State Department of Education															
Special Revenue Fund:															
Preschool Education Aid	13-495-034-5120-086	88,190	7/1/12	6/30/13			88,190	(88,190)					8,819	88,190	
Department of Community Affairs															
Passed through County of Gloucester															
Municipal Alliance	N/A	750	7/1/11	6/30/12	36						36			714	
Municipal Alliance	N/A	600	7/1/10	6/30/11	600						600				
Municipal Alliance	N/A	2,400	7/1/09	6/30/10	400			(111)			289			2,111	
Total Special Revenue Fund					1,036		88,190	(88,301)			925		8,819	91,015	
NJ Schools Development Authority															
Capital Projects Fund:															
SDA Grant	3490-050-10-1001	599,550	12/14/10	N/A	(520,794)			(40,131)		(560,925)				560,925	
Total Capital Project Fund					(520,794)			(40,131)		(560,925)				560,925	
State Department of Education															
Debt Services Fund:															
State Department of Education															
Debt Service Aid Type II	13100-034-5120-125	124,655	7/1/12	6/30/13			124,655	(124,655)						124,655	
Total Debt Service Fund							124,655	(124,655)						124,655	
Total State Financial Assistance															
					(520,926)		2,621,965	(2,667,750)		(567,636)	925		206,100	3,317,953	

NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2013

**NOTE 1: GENERAL**

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

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting. This bases of accounting is described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to NJSA 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with NJSA 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$1,188) for the general fund and \$1,567 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

NATIONAL PARK SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2013

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General fund		2,415,851	2,415,851
Special revenue fund	181,051	89,868	270,919
Debt service fund		124,655	124,655
Total awards & financial assistance	<u>181,051</u>	<u>2,630,374</u>	<u>2,811,425</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: OTHER**

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

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

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weakness(es) identified?        yes   X   no
- 2) Significant deficiencies identified that are not considered to be material weaknesses?        yes   X   none reported

Noncompliance material to financial statements noted?        yes   X   no

**Federal Awards**

**N/A**

Internal Control over major programs:

- 1) Material weakness(es) identified?        yes        no
- 2) Significant deficiencies identified that are not considered to be material weaknesses?        yes        none reported

Type of auditor's report issued on compliance for major programs: \_\_\_\_\_

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133?        yes        no

Identification of major programs:

**CFDA Number(s)**

**Name of Federal Program or Cluster**

Dollar threshold used to distinguish between type A and type B programs: \_\_\_\_\_

Auditee qualified as low-risk auditee?        yes        no

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

**Section I - Summary of Auditor's Results (cont'd)**

**State Awards**

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

1) Material weakness(es) identified?   yes  X  no

2) Significant deficiencies identified that are not considered to be material weaknesses?   yes  X  none reported

Type of auditor's report issued on compliance for major programs:  Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04?   yes  X  no

Identification of major programs:

**GMIS Number(s)**

495-034-5120-078  
495-034-5120-089  
495-034-5120-084

**Name of State Program**

State Aid Public Cluster:  
Equalization Aid  
Special Education Aid  
Security Aid

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

***Section II – Financial Statement Findings***

No matters were reported.

***Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs***

**FEDERAL AWARDS**

Not applicable.

**STATE AWARDS**

No matters were reported.

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

**Status of Prior Year Findings:**

**Finding 2012-1**

**Condition:** The District has not submitted the required status reports for the SDA Grant.

**Current Status:** The District is in the process of filing the required reports with the grant analyst.