

***SCHOOL DISTRICT
OF
TOWN OF WESTFIELD***

TOWN OF WESTFIELD BOARD OF EDUCATION

***COUNTY OF UNION
WESTFIELD, NEW JERSEY***

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

TOWN OF WESTFIELD SCHOOL DISTRICT
COUNTY OF UNION, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2013

TABLE OF CONTENTS

	<u>PAGE(S)</u>
INTRODUCTORY SECTION	1
Letter of Transmittal	2 - 9
Organizational Chart	10
Roster of Officials	11
Consultants and Advisors	12
FINANCIAL SECTION	13
Independent Auditor's Report	14 - 16
Required Supplementary Information – Part I	17
Management’s Discussion and Analysis	18 - 28
Basic Financial Statements	29
A. District-wide Financial Statements	30
A- 1 <u>Statement of Net Position</u>	31
A- 2 <u>Statement of Activities</u>	32
B. Fund Financial Statements	33
Governmental Funds:	34
B- 1 <u>Balance Sheet</u>	35 - 36
B- 2 <u>Statement of Revenues, Expenses, and Change in Fund Balances</u>	37
B- 3 <u>Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities</u>	38
Proprietary Funds:	39
B- 4 <u>Statement of Net Position</u>	40
B- 5 <u>Statement of Revenues, Expenses, and Changes in Net Position</u>	41
B- 6 <u>Statement of Cash Flows</u>	42

	<u>PAGE(S)</u>
Fiduciary Funds:	43
B- 7 <u>Statement of Fiduciary Net Position</u>	44
B- 8 <u>Statement of Changes in Fiduciary Net Position</u>	45
Notes to the Financial Statements	46 - 67
Required Supplementary Information – Part II	68
C. Budgetary Comparison Schedules	69
C- 1 <u>Budgetary Comparison Schedule - General Fund</u>	70 - 81
C- 1a <u>Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual</u>	N/A
C- 1b <u>American Recovery and Reinvestment Act – Budget and Actual</u>	N/A
C- 2 <u>Budgetary Comparison Schedule - Special Revenue Fund</u>	82 - 83
Notes to the Required Supplementary Information	84
C- 3 <u>Budgetary Comparison Schedule – Note to RSI</u>	85
Other Supplementary Information	86
D. School Level Schedules:	87
D- 1 <u>Combining Balance Sheet</u>	N/A
D- 2 <u>Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual</u>	N/A
D- 3 <u>Blended Resource Fund - Schedule of Blended Expenditures</u>	N/A
D- 4 <u>Schedule of DEOA Expenditures - Budget and Actual</u>	N/A
E. Special Revenue Fund:	88
E- 1 <u>Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis</u>	89 - 90
E- 1a <u>Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis</u>	91 - 92
E- 2 <u>Demonstrably Effective Program Aid Schedule of Expenditures - Budgetary Basis</u>	N/A
E- 3 <u>Early Childhood Program Aid Schedule of Expenditures - Budgetary Basis</u>	N/A
E- 4 <u>Distance Learning Network Aid Schedule of Expenditures - Budgetary Basis</u>	N/A
E- 5 <u>Instructional Supplement Aid Schedule of Expenditures - Budgetary Basis</u>	N/A

	<u>PAGE(S)</u>
F. Capital Projects Fund:	93
F- 1 <u>Summary Statement of Project Expenditures</u>	94
F- 2 <u>Summary Schedule of Revenues, Expenditures, and Change and in Fund Balance - Budgetary Basis</u>	95
F- 2a <u>Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - District Roof Replacement</u>	96
F- 2b <u>Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - Construction and Additions and Renovations to High School</u>	97
F- 2c <u>Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis – Boiler Replacement - Washington School</u>	98
F- 2d <u>Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis – Various Renovations, Additions and Window Replacements at Various Schools</u>	99
G. Proprietary Funds:	100
Enterprise Fund:	101
G- 1 Combining Statement of Net Position	102
G- 2 Combining Statement of Revenues, Expenses and Changes in Net Positions	103
G- 3 Combining Statement of Cash Flows	104
Internal Service Fund:	105
G- 4 Combining Statement of Net Position	N/A
G- 5 Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	N/A
G- 6 Combining Statement of Cash Flows	N/A
H. Fiduciary Funds:	106
H- 1 Combining Statement of Fiduciary Net Position	107
H- 2 Combining Statement of Changes in Fiduciary Net Position	108
H- 3 Schedule of Receipts and Disbursements - Student Activity Agency Fund	109
H- 4 Schedule of Receipts and Disbursements - Payroll Agency Fund	110
H- 5 Schedule of Receipts and Disbursements - Net Payroll Fund	N/A
I. Long-Term Debt:	111
I- 1 Schedule of Serial Bonds	112
I- 2 Schedule of Obligations Under Capital Leases	N/A
I- 3 Budgetary Comparison Schedule - Debt Fund Service	113

	<u>PAGE(S)</u>
STATISTICAL SECTION (Unaudited)	114
Introduction to the Statistical Section	115
Financial Trends	116
J- 1 Net Position/Net Assets by Component	117
J- 2 Changes in Net Assets/Net Position	118 - 119
J- 3 Fund Balances, Governmental Funds	120
J- 4 Change in Fund Balances, Governmental Funds	121
J- 5 General Fund – Other Local Revenue by Source	122
Revenue Capacity	123
J- 6 Assessed Value and Actual Value of Taxable Property	124
J- 7 Direct and Overlapping Property Tax Rates	125
J- 8 Principal Property Taxpayers	126
J- 9 Property Tax Levies and Collections	127
Debt Capacity	128
J-10 Ratios of Outstanding Debt by Type	129
J-11 Ratios of Net General Bonded Debt Outstanding	130
J-12 Direct and Overlapping Governmental Activities Debt	131
J-13 Legal Debt Margin Information	132
Demographic and Economic Information	133
J-14 Demographic and Economic Statistics	134
J-15 Principal Employers	135
Operating Information	136
J-16 Full-time Equivalent District Employees by Function/Program	137
J-17 Operating Statistics	138
J-18 School Building Information	139
J-19 Schedule of Required Maintenance	140
J-20 Insurance Schedule	141
SINGLE AUDIT SECTION	142
K- 1 Report 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	143 - 144
K- 2 Report on Compliance on Each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on The Schedule of Expenditures of Federal and State Financial Assistance Required by OMB Circular A-133 and New Jersey OMB Circular 04-04	145 - 147
K - 3 Schedule of Expenditures of Federal Awards, Schedule A	148
K - 4 Schedule of Expenditures of State Financial Assistance, Schedule B	149 - 150
K - 5 Notes to the Schedules of Awards and Financial Assistance	151 - 152
K- 6 Schedule of Findings and Questioned Costs	153 - 155
K - 7 Summary Schedule of Prior Audit Findings	156

INTRODUCTORY SECTION

WESTFIELD PUBLIC SCHOOLS

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Margaret Dolan, Ed.D.
Superintendent

Dana Sullivan
School Business Administrator/Board Secretary

November 15, 2013

Honorable President and
Members of the Board of Education
Town of Westfield School District
County of Union, New Jersey

Dear Board Members:

The comprehensive annual financial report (CAFR) of the Town of Westfield 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 district 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 District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard, issued in June 1999, creates a new reporting model of financial information and disclosure, which represents a significant departure from the currently used reporting model. The reader will notice that the two main basic financial statements created by this standard, the Statement of Net Assets and the Statement of Activities, do not contain numerous columns for various funds that have been seen in past governmental financial statements. These two statements consolidate much of the information contained in fund based financial statements of the past into statements which tend to answer the question: "Is the District better or worse off financially than it was in the previous year?" A comparison of net assets should help the reader in answering that question.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the District to explain in layman's terms its financial position and results of operations of the past fiscal year. Financial data is presented for both the current and immediately preceding school years to facilitate a meaningful analysis of the changes in financial position and operating results during this two year period.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter and lists of principal officials and consultants and advisors. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon, and MD&A.

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, as amended, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey OMB Circular 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:** The Town of Westfield School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Town of Westfield Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, bilingual as well as special education for educationally handicapped youngsters.

The following details the changes in the student enrollment of the district over the last ten years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2012-2013	6,294	0.0%
2011-2012	6,296	0.1%
2010-2011	6,293	0.4%
2009-2010	6,270	0.6%
2008-2009	6,232	1.1%
2007-2008	6,166	1.3%
2006-2007	6,086	0.9%
2005-2006	6,031	2.2%
2004-2005	5,900	1.4%
2003-2004	5,817	2.6%

2. **Economic Condition and Outlook:** The Town of Westfield is a stable community with a 2010 census population of 30,316. Its 6.7 square miles are basically residential in nature with 11 industrial acres; 336, commercial; 2,702, residential; and 79.96 acres for school buildings and fields. A sturdy Colonial heritage and strong commitment to education and voluntarism form the backbone of Westfield's citizens. According to the 2010 census, the median household income was \$128,418 and per capita income was \$61,322. The per capita income for the County of Union as reported in the 2010 census was \$33,670.

There is little space for new housing expansion - thus, the tax base is rather stable. Housing units increased 3% since 1980. Currently, the average home is assessed at \$181,000 with a market value of approximately \$710,000.

Property taxes provided 91% of the District's General Fund revenues for the 2012-2013 school year, a 3% increase from the previous year. State Aid for the 2012-2013 school year remained at the same level as 2011-2012 of \$3,832,317.

Forty-nine percent of the families in Westfield have children under age 18. A little over 8% of the school-age population attends private school.

The town has been named a Main Street Community by the Office of Historic Preservation in Trenton, with town-wide efforts underway to revitalize the downtown area.

There is a cooperative, collegial spirit between the Westfield Mayor and Town Council and the elected Board of Education.

3. Major Initiatives: Initiatives and achievements by Westfield students and staff included the following:

2012-2013 Awards & Honors:

- 63 perfect “800” SAT scores by Westfield High School students
- 170 Westfield High School students inducted into the National Honor Society
- 207 Presidential Awards
- 5 National Merit Semi-Finalists; 4 Finalists
- 24 National Commended Students
- 6 students graduated with perfect 4.0 grade averages throughout their high school careers
- Westfield High School performance of “Bat Boy: The Musical” earned 4 Paper Mill Playhouse awards
- Westfield High School earned 1st place in Union County at Merck State Science Competition in total team placement.
- Roosevelt Drama students won 4 awards at Bucks County Playhouse competition involving more than 100 students.
- Westfield High School Community Service Club honored at the Annual Student Recognition Ceremony at the State Board of Education meeting in Trenton.
- Westfield High School Baseball team won State Sectional title.
- Westfield High School ranked 2nd in Group IV athletics 2012-13 in 10th Annual Shop Rite Cup competition.
- Boys and Girls Swim Teams both named State Champions
- Westfield High School Senior captured Pole Vaulting State Championship -- tied the Group 4 State Indoor Track Meet Record and broke the school indoor record.
- The National School Boards Association named K-5 Master Technology Teacher one of "20 to Watch" Leaders in Advancing Education Technology.
- NJ Commissioner of Education wrote letter congratulating “the many prestigious awards and accomplishments recently earned by students of Westfield Public Schools . . . my congratulations to your students for their many noteworthy achievements and to your staff for the important role they play in nurturing great students.”

- Franklin 5th grader won first place in international Smithsonian Invent-it Challenge: 2 classmates receive Helping the Planet Award and Helping People Award
- Roosevelt's Germ Buster team won 2nd place in the United Healthcare/YMCA 4th Annual Health Bee competition
- Science Olympiad Team from Roosevelt Intermediate School placed 4th overall at regional competition at New Jersey Institute of Technology
- Only 3 teachers in NJ selected to attend NASA science course on climate change – 2 of them are from Edison and Roosevelt Intermediate Schools
- Westfield High School junior and member of the Concert Choir was the grand prize winner of the Harmonium Society Choral composition contest.
- 2 Westfield High School students were presented with the NJ Governor's Award in Arts Education.
- Westfield High School Junior was named a 2013 National Young Arts Foundation winner -- selected from a pool of more than 10,000 applications from 46 states.
- Superstorm Sandy relief efforts by Westfield schools have included thousands of dollars in contributions, delivering toys and toiletries, serving dinners, and collecting and delivering bicycles and other sporting equipment to devastated shore communities.
- 4 Westfield High School seniors named finalists in the National Merit Scholarship program
- Honorable Mention in Moody's Math Mega Challenge awarded to 5 WHS students.
- Westfield High School senior participated in the 31st annual prestigious American Invitational Mathematics Examination by scoring in the top 5% on the American Mathematics Contest 12.
- Westfield High School Junior named the Girls Swimmer of the Year for NJ by the Star-Ledger.
- Westfield High School senior named Girls Tennis First Singles State Champion
- Westfield High School Girls Swim team named Team of the Year for Girls Swimming by the Star Ledger.
- Jeff Knight –boys and girls swim teams coach -- named Coach of the Year for NJ for Boys Swimming by the Star Ledger and 2013 Coach of the Year at the Section One Level by the National Federation of Coaches Assn.
- Two Westfield Elementary School Teams -- ranging from third to fifth grades-- advanced to the World Finals of the Odyssey of the Mind competitions at Michigan State University. In the World Finals, one team placed 4th out of 47 teams and the other finished 19th out of 51 teams.
- Tamaques Elementary School was recipient in the K-8 Category of the Garden State Green Awards and 3rd grade teacher named NJ Agricultural Society's 2012-2013 Teacher of the Year for his work in educating children about the importance of New Jersey agriculture
- French teacher at WHS, awarded the 2013 Foreign Language Educators of New Jersey recognition award "for outstanding contributions to world language education"

- Edison Intermediate School Science Olympiad Team won 2nd place in Experimental Design and 4th place in Mousetrap out of 21 other Middle Schools in regional competition.
- Roosevelt Intermediate School Science Olympiad Team awarded 4th place overall at competition held at NJIT.
- Westfield High School Science Olympiad Team won 3 medals, an 11th place finish in regional competition and qualified for state contest.
- Franklin School Nurse selected as a 2013 Woman of Excellence in Union County in the field of Health Education
- Montclair Art Museum presented the Gold Key Award and 2 Honorable Mentions to WHS 11th grader Yixue Lily Wang for her artwork, among 3,400 works of art submitted by 900 student artists in northern NJ.
- Westfield Robotics Team from Edison Intermediate School won the PTC Design Award at two different competitions.
- Westfield High School's Gymnastics team placed 2nd in State Sectionals
- Boys Cross Country Team achieved 2nd place in state sectional competition
- Westfield High School Junior was awarded "Scholastic All-American" by USA Swimming, a national scholastic organization.
- Westfield High School Model UN named Outstanding Delegation for 2013 at annual conference in Hershey, PA
- Westfield High School Youth and Government Club named Outstanding Delegation, April 2013
- Tamaques School Awarded Grant from Whole Foods for outdoor educational garden
- Penguin Books published eBook, Of Mice and Men, which includes interviews with Roosevelt 8th graders
- 28 secondary students accepted to the 2013 Central jersey Music educators Association Region II or Eastern Region Ensembles following auditions with hundreds of students
- Bucks County Playhouse competition results in 3 awards for Roosevelt Intermediate students
- McKinley student – youngest of all student artists whose artwork was selected for display at Department of Education offices in Trenton
- Westfield School District's Energy Conservation Program surpassed the 2 million dollar mark in savings
- Coaches of Boys and Girls Cross Country, Wrestling and Boys Swimming were named Coaches of the Year
- Union County Championships earned by Boys Cross Country, Gymnastics, Girls and Boys Tennis, Ice Hockey, Boys and Girls Swimming, Softball, and Girls Soccer (co-champions)

4. Management's Responsibility for Financial Reporting: The management of the school district is responsible for the preparation of the financial statements included within the CAFR and for their integrity and objectivity. In order to enable the District to fulfill its obligation for accurate and fair financial reporting, management is also responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. Budgetary Controls: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the 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 re-appropriated are reported as reservations of fund balance at June 30, 2013. General Fund encumbrances at June 30, 2013 were \$1,154,372, a reduction of approximately \$382,767 from the previous year.

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. Financial Information at Fiscal Year-End: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, capital projects funds and debt service fund for the fiscal year ended June 30, 2013 and the amount and percentage of increases and decreases in relation to prior year revenues.

Governmental Funds – Comparison

<u>Revenue</u>	<u>2012-2013 Amount</u>	<u>% of Total</u>	<u>2011-2012 Amount</u>	<u>Increase (Decrease)</u>	<u>% of Increase (Decrease)</u>
Local Tax Levy	87,194,608.00	83.92%	85,544,434.00	1,650,174.00	40.58%
Other Local Sources	716,128.87	0.69%	756,226.88	(40,098.01)	-0.99%
State Sources	14,155,460.45	13.62%	11,108,358.38	3,047,102.07	74.92%
Federal Sources	<u>1,835,010.32</u>	<u>1.77%</u>	<u>2,425,263.00</u>	<u>(590,252.68)</u>	<u>-14.51%</u>
Total	<u>103,901,207.64</u>	<u>100.00%</u>	<u>99,834,282.26</u>	<u>4,066,925.38</u>	<u>100.00%</u>

The Schedules of Expenditures of Federal and State Awards, as included in the Single Audit section of the CAFR, provides the status of all state and federal financial assistance received by the District.

The following schedule presents a summary of general fund, special revenue fund and debt service expenditures for the fiscal year ended June 30, 2013 and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>2012-2013 Amount</u>	<u>% of Total</u>	<u>2011-2012 Amount</u>	<u>Increase (Decrease)</u>	<u>% of Increase (Decrease)</u>
Current Expenses:					
Instruction	40,909,953.26	38.43%	38,112,688.32	2,797,264.94	35.58%
Undistributed	56,802,704.84	53.36%	54,320,289.11	2,482,415.73	31.58%
Capital Outlay	3,628,578.11	3.41%	641,668.23	2,986,909.88	38.00%
Special Revenues	2,193,121.66	2.06%	2,641,928.63	(448,806.97)	-5.71%
Debt Service:					
Principal	2,095,000.00	1.97%	1,985,000.00	110,000.00	1.40%
Interest	<u>829,024.76</u>	<u>0.78%</u>	<u>895,928.51</u>	<u>(66,903.75)</u>	<u>-0.85%</u>
Total	<u>106,458,382.63</u>	<u>100.00%</u>	<u>98,597,502.80</u>	<u>7,860,879.83</u>	<u>100.00%</u>

Instruction Expenditures increased primarily from teacher salaries for regular program instruction, which increased by \$1,936,504, while other items within regular instruction increased by \$51,931 and special education increased \$201,702, other special instruction decreased \$49,325 and other instruction increased \$132,719.

Undistributed Expenditures increases included over \$1.3 million in On-behalf TPAF contributions and \$670,000 in District employee benefits. Additional expenditure increases/decreases were also recorded in the various salaries and other accounts.

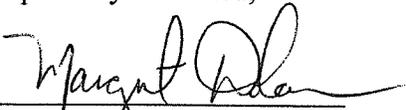
- Debt Administration:** In August 2010, the District issued refunding bonds in the amount of \$3,830,000 to refund a portion of the bonds dated August 1, 2001. The remaining balance on the bonds of \$2,850,000 will mature in various annual installments through 2016. Bonds refunded in 2006 in the outstanding amount of \$8,960,000 will mature in various annual installments through 2022. The District has outstanding bonds of \$316,000 dated March 15, 2005, which will mature in annual installments through 2015 and bear interest rates of 3.45% to 3.50%. In October 2007, the District issued \$9,396,000 of bonds, which will mature in various annual installments through 2028. The remaining outstanding balance from the 2007 bond is \$7,921,000, which will mature in annual installments through 2028 and bear interest rates from 4.00% to 4.10%. The bonds refunded in 2009 in

the outstanding amount of \$540,000 will mature in 2014. In August of 2013, the District issued \$6,916,000 in School Bonds, which will mature in various annual installments from 2014 through 2028 and bear interest rates from 1.00% to 3.00%.

9. Cash Management: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to Financial Statements", Note 2. The District deposits its 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.
10. Risk Management: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Umbrella and excess umbrella coverages were also in effect to minimize the District's loss exposure.
11. Other Information:
 - A. Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Hodulik & Morrison, P.A., CPA's, was selected by the Board. 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, as amended, 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.
12. Acknowledgments:

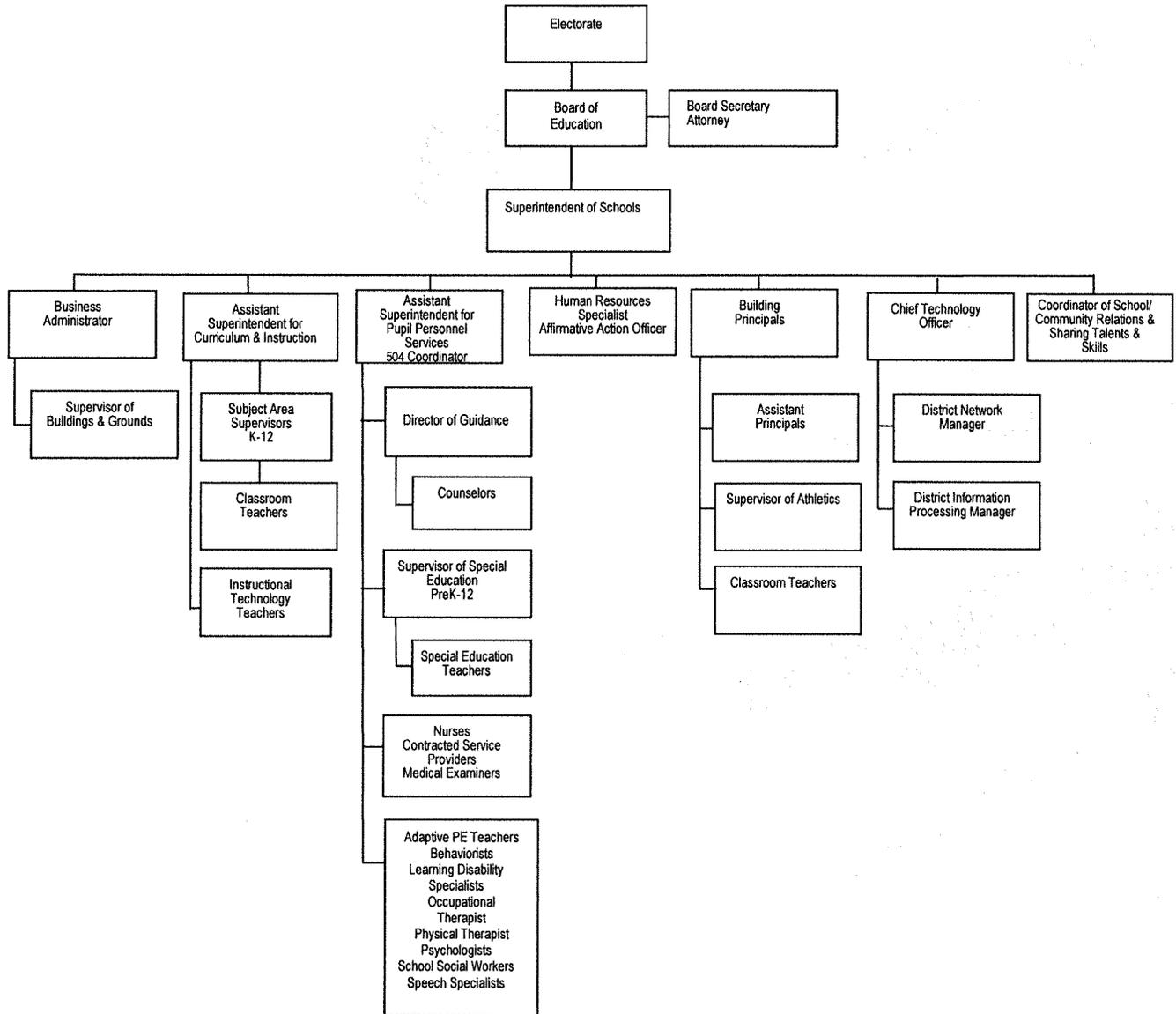
We would like to express our appreciation to the members of the Westfield School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The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

Respectfully submitted,


Margaret Dolan Ed.D
Superintendent


Dana Sullivan
School Business Administrator/Board Secretary

1110 ORGANIZATIONAL CHART



Classroom Paraprofessionals report to Building Principal or designated Administrator
 Custodians report to Building Principals
 Maintenance and Elm Street Custodians report to Supervisor of Buildings and Grounds
 Secretaries report to Building Principals or designated Administrator
 Technicians report to Chief Technology Officer

**TOWN OF WESTFIELD BOARD OF EDUCATION
UNION COUNTY, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2013**

Members of the Board of Education

	<u>Term Expires</u>
Richard Mattessich, President	2015
Rosanne Kurstedt, Vice-President	2014
Lucy Biegler	2015
Ann Ormsby Cary	2014
Mark Friedman	2014
J. Brendan Galligan	2016
Virginia Leiz	2016
Gretchan Ohlig	2015
Mitchell Slater	2016

Other Officials

Margaret Dolan, Ed. D., Superintendent of Schools
Dana Sullivan – Business Administrator/Board Secretary
Liy-Huei L. Tsai, Treasurer of School Monies
Richard J. Kaplow, Esq., Board Attorney

**WESTFIELD BOARD OF EDUCATION
Consultants and Advisors**

Architects

Fraytak, Veiz, Hopkins, Duthie
P.O. Box 7371
Trenton, NJ 08628

Audit Firm

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1102 Raritan Avenue
P.O. Box 1450
Highland Park, NJ 08904

Board Attorney

Richard J. Kaplow, Esq.
53 Elm Street
Westfield, NJ 07090

Bond Counsel

McManimon & Scotland, L.L.C.
One Riverfront Plaza, Fourth Floor
Newark, NJ 07102

Financial Advisors

Pheonix Advisors, LLC
Bordentown, NJ

Official Depository

Valley National Bank
801 Central Avenue
Westfield, NJ 07090

FINANCIAL SECTION

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AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Westfield School District
Westfield, New Jersey

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Westfield School District, in the County of Union, 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 the 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 error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion 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 the audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 Westfield School District's basic financial statements as a whole. The accompanying other supplementary information, consisting of the combining and individual fund financial statements and long-term debt schedules, as listed in the table of contents, the schedules of expenditures of federal awards and state financial assistance required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and other information, including the introductory section and the statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements, long-term debt schedules, schedule of expenditures of federal awards and state financial assistance is the responsibility of management and is derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 combining and individual fund financial statements, long-term debt schedules, schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

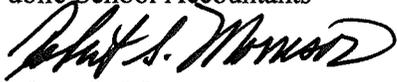
The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Governmental Auditing Standards

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



HODULIK & MORRISON, P.A.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants



Robert S. Morrison
Public School Accountant
PSA # 871

Highland Park, New Jersey
November 15, 2013

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART I

WESTFIELD SCHOOL DISTRICT
Westfield, New Jersey
Union County, New Jersey

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(Unaudited)
June 30, 2013

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2013. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The key financial highlights for the 2012-2013 fiscal year include the following:

Governmental funds reported a total fund balance of \$5,267,017.42, which is a 32.7% decrease from last year's total governmental fund balance. This decrease was due to the expenditure of funds within the Capital Project Fund, which have not been permanently financed. The general or operating fund balance was reported for GAAP purposes at \$6,764,543.39, which represents a decrease of \$744,390.64 over the prior year. Of this total, \$1,456,746.00 of excess surplus was appropriated toward the 2013-2014 budget, \$1,154,264.84 of general fund balance was committed to cover open purchase orders at year end. Based upon the reduction imposed by S1701 in the calculation of maximum restricted fund balance that the District is allowed to retain, the amount of general fund balance required to be reserved for tax relief in the 2013-2014 budget is \$1,147,971.83. The unassigned general fund balance is reported at \$587,608.79, which is \$270,974.03 less than the prior year. General fund balance is at the maximum permitted under the Department of Education regulations based upon 2% of general fund expenditures, with specified modifications. Total spending for all governmental funds was \$106,458,382.63. Total revenues were \$103,901,207.64, resulting in a deficiency of revenues over expenditures of \$2,557,174.99 for the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

Figure A-1

Organization of the School District Annual Financial Report

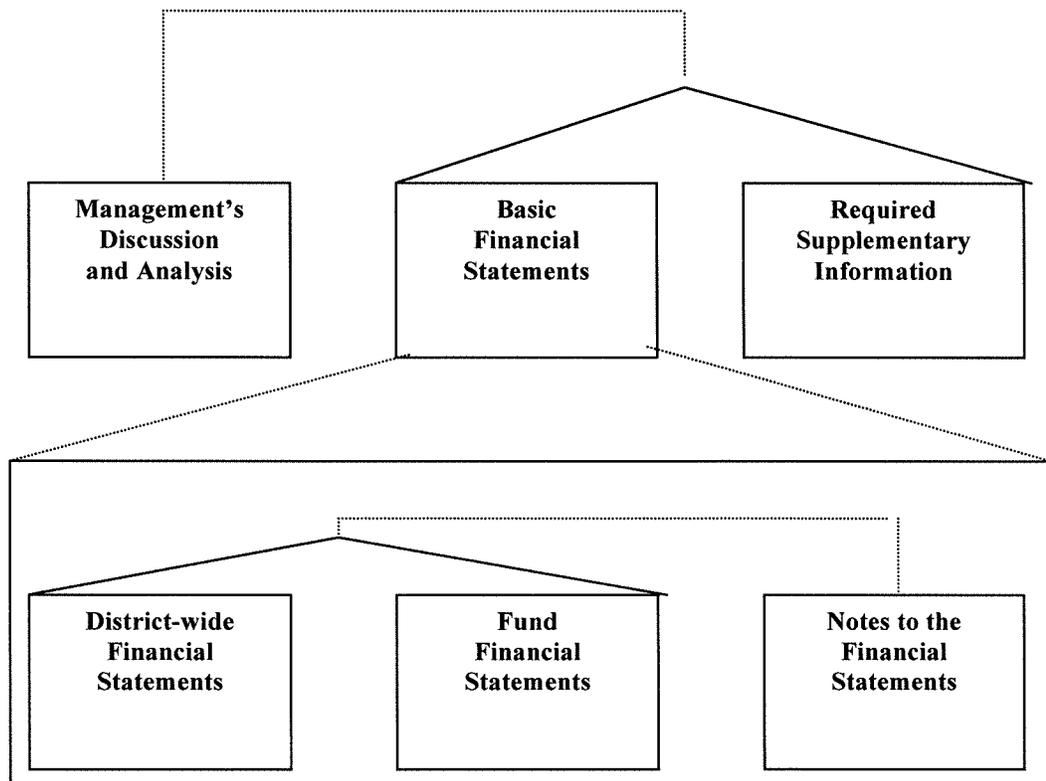


Figure A-2 summarizes the major features of the district’s financial statements, including the portion of the district’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

Figure A-2 Major Features of the District-Wide and Fund Financial Statements				
	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary net position
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out-flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-wide Statements

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

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

- Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the of the schools to assess the overall health of the district.

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

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

Fund Financial Statements

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

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

The district has three kinds of funds:

- **Governmental funds:** Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Proprietary funds:** Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The district uses internal service funds (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The district currently has one internal service fund, the workers' compensation fund.
- **Fiduciary funds:** The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net assets were \$14,867,845 at June 30, 2013. Of this amount, \$618,078 was reported as unrestricted net assets. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net position (Figure A-3) and change in net position (Figure A-4) of the school district's governmental activities.

Figure A - 3
Net Position

	Governmental Activities 2013	Restated Governmental Activities 2012	% Increase (Decrease)
Assets			
Current and other assets	\$7,684,977	\$9,455,761	-18.73%
Capital assets	31,064,388	28,698,845	8.24%
Total Assets	38,749,365	38,154,606	1.56%
Deferred Outflows of Resources	376,981		100.00%
Total Deferred Outflows of Resources	376,981		100.00%
Liabilities			
Current and other liabilities	4,838,038	3,728,240	29.77%
Long-term liabilities	19,290,718	21,468,598	-10.14%
Total Liabilities	24,128,755	25,196,838	-4.24%
Deferred Inflows of Resources	129,746		100.00%
Total Deferred Inflows of Resources	129,746		100.00%
Net Position			
Net assets invested in capital Assets net of debt	10,724,623	6,299,851	70.24%
Restricted	3,525,144	5,859,508	-39.84%
Unrestricted	618,078	798,409	-22.59%
Total Net Position	\$14,867,845	\$12,957,769	14.74%

Footnotes:

GASB # 62 Implemented for SYE June 30, 2013, which requires reporting of Deferred Inflows and Outflows of Resources.

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of activities. Figure A - 4, below, takes the information from the Statement, rounds off the numbers, and rearranges them so slightly so you can see our total revenues and expenses for the year.

Figure A - 4
Change in Net Position

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
Revenues:			
Program revenue			
State grants & entitlements	\$9,623,402	\$7,534,596	\$2,088,806
General revenue			
Local tax levy	87,194,608	85,544,434	1,650,174
Federal and state aid	6,367,069	5,999,026	368,043
Miscellaneous revenues (Incl. special items & transfers)	716,129 (557)	756,227 (9,873)	(40,098) 9,316
Total general revenues	<u>94,277,249</u>	<u>92,289,814</u>	<u>1,987,435</u>
Total revenues	<u>\$103,900,651</u>	<u>\$99,824,409</u>	<u>\$4,076,242</u>
Function/program expense:			
Instruction			
Regular programs	33,216,431	30,085,810	3,130,622
Special programs	7,347,902	6,959,573	388,329
Other Instructional programs	2,521,507	2,304,953	216,553
Support services			
Student services	11,303,844	12,372,419	(1,068,575)
Tuition	5,997,483	6,253,142	(255,660)
Instructional staff support			
General administration and business services	3,577,560	3,841,033	(263,472)
School administration	3,354,346	3,380,507	(26,161)
Plant services	5,762,483	5,879,272	(116,789)
Student transportation	2,456,187	2,496,987	(40,800)
Unallocated benefits	24,322,921	21,474,960	2,847,961
Unallocated depreciation and amortization	1,316,041	1,967,528	(651,487)
Interest on long-term debt	813,870	859,740	(45,871)
Total expenses	<u>\$101,990,575</u>	<u>\$97,875,924</u>	<u>\$4,114,651</u>
Increase (Decrease) net position	<u><u>\$1,910,076</u></u>	<u><u>\$1,948,485</u></u>	<u><u>(\$38,409)</u></u>

In figure A-5 below, we have presented the cost of each of the school district's six largest functions for the current year and the prior year. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by each function.

Figure A-5
Governmental Activities – Total Cost of Services
(Dollars in Thousands)

	<u>FY 2013</u>	<u>FY2012</u>	<u>Increase (Decrease)</u>	
			<u>\$</u>	<u>%</u>
Regular instruction	\$ 33,216	\$ 30,086	\$ 3,130	10.4%
Unallocated benefits	24,322	21,475	2,847	13.3%
Student services	11,303	12,372	(1,069)	(8.6)%
Plant services	5,762	5,879	(117)	(2.0)%
Tuition	6,997	6,253	744	11.9%
Spec. Ed. Instruction	7,347	6,960	387	5.6%
All others	<u>13,044</u>	<u>14,851</u>	<u>(1,807)</u>	<u>(1.2)%</u>
Total	<u>\$ 101,991</u>	<u>\$ 97,876</u>	<u>\$4,115</u>	<u>4.2%</u>

Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of \$5,267,017.42, which is a decrease of \$2,557,7831.79 from last year. This amount includes the general fund (decrease of \$744,390.64), capital projects fund (decrease of \$1,770,247.39) and debt service fund (decrease of \$43,093.76). The primary reasons for the decreases are:

Financial Analysis of the District's Funds (Continued)

1. Budget appropriation of general and debt service fund balance, including maintenance reserve account.
2. Expenditure of unfunded capital projects authorized by referendum.

General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a surplus. Actual revenues reflect a positive variance of \$9.7 million. This is due primarily to the State reimbursement in the amount of \$9.2 million for TPAF and social security contributions. This is always a non-budgeted item that the State requires be included in the final audit.

Actual expenditures reflect a negative variance of \$5.7 million even though all budget categories show a positive variance. This again is primarily due to the State requirement to include TPAF and social security contributions in the audit.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2013, the school district reported \$66,779,111 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements, vehicles, furniture and equipment. This amount represents a net increase (including additions, trade-ins and retirements) of \$3,645,813, or 5.7% from the prior year. Figure A-6 details the composition of capital assets at June 30th of the current and prior year and the net changes for the current year.

Figure A-6
Governmental Activity Capital Assets at Year-End
(Dollars in Thousands)

	<u>FY 2013</u>	<u>Restated FY2012</u>	<u>Increase (Decrease)</u>	
			<u>\$</u>	<u>%</u>
Land	\$ 4,488	\$4,488	-	-
Buildings and Improvements	50,244	46,914	3,330	7.0%
Furniture, Equipment and Vehicles	<u>12,047</u>	<u>11,731</u>	<u>316</u>	<u>2.6%</u>
Total	<u>\$66,779</u>	<u>\$63,133</u>	<u>\$3,646</u>	<u>5.7%</u>

Long-Term Debt

At the end of this year, the school district had \$20,587,000 in bonds (Type II debt) outstanding versus \$22,682,000 last year – a decrease of 9.2%. The summary of year-end long-term debt and changes for the 2012-2013 school year is as follows:

Figure A-7
Outstanding Long-Term Debt at Year-End
(Dollars in Thousands)

	<u>FY 2013</u>	<u>FY2012</u>	<u>Increase (Decrease)</u>	
			<u>\$</u>	<u>%</u>
School Serial Bonds:				
2005 G.O. Bonds	\$ 316	471	(155)	(32.9)%
2006 Refunding Bonds	8,960	8,995	(35)	(0.4)%
2007 G.O. Bonds	7,921	8,321	(400)	(4.8)%
2009 Refunding Bonds	540	1,065	(525)	(49.3)%
2010 Refunding Bonds	<u>2,850</u>	<u>3,830</u>	<u>(980)</u>	<u>(25.6)%</u>
Subtotal Bonds	<u>20,587</u>	<u>22,682</u>	<u>(2,095)</u>	<u>(9.2)%</u>
Other Long-Term Debt:				
Compensated Absences	<u>853</u>	<u>881</u>	<u>(28)</u>	<u>(3.2)%</u>
Totals	<u>\$21,440</u>	<u>\$23,563</u>	<u>(\$2,123)</u>	<u>(9.0)%</u>

Net increases/decreases in the accumulated value of compensated absences are recorded as expenses of Governmental Activities as earned by District employees.

The school district's general obligation bond rating is Aa2. The state limits the amount of general obligation debt that cities can issue to 4% of the average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding general obligation debt of \$20,587,000 is significantly below the \$290,803,202 statutorily-imposed limit.

We present more detailed information about our long-term liabilities in the notes to the financial statements.

FACTORS AFFECTING THE DISTRICT'S FUTURE

- The largest expenditure in the school budget is for employee salaries and benefits. Contracts with the secretaries, paraprofessionals expired on July 1, 2012. Contracts with the custodians expired on July 1, 2013. Contracts with the teachers will expire on July 1, 2014. Negotiations with these employee associations will affect future budgets.
- The enrollment in the district is continuing to grow.
- The district maintains twelve facilities, ten of which are schools. The district continues to budget for capital improvements in accordance with the State approved Long Range Facilities Plan.
- The district received approval of a \$13.6 million bond referendum on December 11, 2012, to replace a significant portion of the roofs in the district. Subsequently, the District received approval of replacement bond referendum in the amount of \$6,684,000. This will replace a portion of the previously approved bond referendum enabling the District to apply for and receive state aid for the project.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, 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 received. If you have questions about this report or wish to request additional financial information, contact Dana Sullivan, Business Administrator/Board Secretary, at Westfield Board of Education, 302 Elm Street, Westfield, New Jersey 07090.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SECTION – A

WESTFIELD SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>GOVERNMENTAL</u> <u>FUNDS</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 2,016,861.28	\$ 170,126.31	\$ 2,186,987.59
Other Receivables	76,596.73	950.09	77,546.82
Receivables from Other Funds	2,621.76		2,621.76
Receivables from Other Governments	3,170,945.40	3,873.40	3,174,818.80
Inventory		11,001.95	11,001.95
Restricted Assets:			
Capital Reserve Account - Cash	1,338,813.50		1,338,813.50
Maintenance Reserve Account - Cash	1,079,138.52		1,079,138.52
Capital Assets, (Note 1):	<u>31,064,388.00</u>	<u>37,294.00</u>	<u>31,101,682.00</u>
Total Assets	<u>38,749,365.19</u>	<u>223,245.75</u>	<u>38,972,610.94</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Bond Issue Costs, Net	151,067.43		151,067.43
Deferred Amount on Refinancing	<u>225,913.86</u>		<u>225,913.86</u>
Total Deferred Outflows of Resources	<u>376,981.29</u>		<u>376,981.29</u>
<u>LIABILITIES</u>			
Accounts Payable	2,247,982.65	57,556.23	2,305,538.88
Accrued Interest Payable	270,078.42		270,078.42
Interfund Payable		2,621.76	2,621.76
Payable to Other Governments	6,671.70		6,671.70
Deferred Revenue	163,305.42	11,702.66	175,008.08
Noncurrent Liabilities (Note 2):			
Due Within One Year	2,150,000.00		2,150,000.00
Due Beyond One Year	<u>19,290,717.50</u>		<u>19,290,717.50</u>
Total liabilities	<u>24,128,755.69</u>	<u>71,880.65</u>	<u>24,200,636.34</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unamortized Premium on Refinancing	<u>129,746.24</u>		<u>129,746.24</u>
Total Deferred Inflows of Resources	<u>129,746.24</u>		<u>129,746.24</u>
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	10,724,623.05	37,294.00	10,761,917.05
Restricted for:			
Debt Service	0.94		0.94
Capital Projects	(1,497,526.91)		(1,497,526.91)
Other Purposes	5,022,669.85		5,022,669.85
Unrestricted (Deficit)	<u>618,077.62</u>	<u>114,071.10</u>	<u>732,148.72</u>
Total Net Position	<u>\$ 14,867,844.55</u>	<u>\$ 151,365.10</u>	<u>\$ 15,019,209.65</u>

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

**WESTFIELD SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Functions/Programs	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION		TOTAL
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Governmental Activities:						
Instruction:						
Regular	\$33,216,431.19			(\$33,216,431.19)		(\$33,216,431.19)
Special Education	7,347,901.94			(7,347,901.94)		(7,347,901.94)
Other Special Instruction	984,131.69			(984,131.69)		(984,131.69)
Other Instruction	1,537,375.10			(1,537,375.10)		(1,537,375.10)
Support Services:						
Tuition	5,997,482.58			(5,997,482.58)		(5,997,482.58)
Student & Instruction Related Services	11,303,844.16			(11,303,844.16)		(11,303,844.16)
School Administrative Services	3,354,346.22			(3,354,346.22)		(3,354,346.22)
General and Business Administrative Services	3,577,560.28			(3,577,560.28)		(3,577,560.28)
Plant Operations and Maintenance	5,762,483.25			(5,762,483.25)		(5,762,483.25)
Pupil Transportation	2,456,187.23			(2,456,187.23)		(2,456,187.23)
Unallocated Benefits	24,322,920.62		\$9,269,747.87	(15,053,172.75)		(15,053,172.75)
Interest on Long-Term Debt	813,869.71		353,654.00	(460,215.71)		(460,215.71)
Unallocated Depreciation and Amortization	1,316,041.10			(1,316,041.10)		(1,316,041.10)
Total Governmental Activities	101,990,575.07		9,623,401.87	(92,367,173.20)		(92,367,173.20)
Business-Type Activities:						
Food Service	1,158,886.09	1,109,512.75	79,054.33		29,680.99	29,680.99
Total Business-Type Activities	1,158,886.09	1,109,512.75	79,054.33		29,680.99	29,680.99
Total Primary Government	\$103,149,461.16	\$1,109,512.75	\$9,702,456.20	(\$92,367,173.20)	\$29,680.99	(\$92,337,492.21)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$84,667,331.00		\$84,667,331.00
Taxes Levied for Debt Service				2,527,277.00		2,527,277.00
Federal and State Aid not Restricted				4,194,340.40		4,194,340.40
Federal and State Aid Restricted				2,172,728.50		2,172,728.50
Tuition Received				135,874.00		135,874.00
Investment Earnings				29,514.58	430.19	29,944.77
Miscellaneous Income				550,740.29		550,740.29
Transfer In - FEMA Aid				9,477.20		9,477.20
Transfer to Charter School				(10,034.00)		(10,034.00)
Total general revenues, special items, extraordinary items and transfers				94,277,248.97	430.19	94,277,679.16
Change in Net Position				1,910,075.77	30,111.18	1,940,186.95
Net Position—Beginning (Restated)				12,957,768.78	121,253.92	13,079,022.70
Net Position—Ending				\$14,867,844.55	\$151,365.10	\$15,019,209.65

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

FUND FINANCIAL STATEMENTS

SECTION – B

GOVERNMENTAL FUNDS

WESTFIELD SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents (Deficit)	\$ 3,964,072.40	\$ (1,337,150.40)	\$ (610,061.66)	0.94	\$ 2,016,861.28
Other Receivables	69,924.73	6,672.00			76,596.73
Due from Other Funds	935,471.20				935,471.20
Receivables from Other Governments	222,922.72	1,672,985.33	1,275,037.35		3,170,945.40
Restricted Cash and Cash Equivalents (Deficit)	2,417,952.02				2,417,952.02
Total assets	7,610,343.07	342,506.93	664,975.69	0.94	8,617,826.63
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	843,939.35	172,529.81	1,231,513.49		2,247,982.65
Intergovernmental Payable		6,671.70			6,671.70
Interfund Payable	1,860.33		930,989.11		932,849.44
Deferred Revenue		163,305.42			163,305.42
Total liabilities	845,799.68	342,506.93	2,162,502.60		3,350,809.21
Fund Balances:					
Restricted for:					
Capital Reserve Account	1,338,813.50				1,338,813.50
Maintenance Reserve Account	1,079,138.52				1,079,138.52
Reserve for Excess Surplus	1,147,971.83				1,147,971.83
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,456,746.00				1,456,746.00
Committed for:					
Year-end Encumbrances	1,154,264.84				1,154,264.84
Assigned for:					
Debt Service Fund				0.94	0.94
Capital Projects Fund			(1,527,195.42)		(1,527,195.42)
Unassigned, Reported in:					
General Fund	587,608.70				587,608.70
Capital Projects Fund			29,668.51		29,668.51
Total Fund Balances	6,764,543.39		(1,497,526.91)	0.94	5,267,017.42
Total Liabilities and Fund Balances	\$ 7,610,343.07	\$ 342,506.93	\$ 664,975.69	\$ 0.94	\$ 8,617,826.63

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

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013**

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

Total Governmental Fund Balances	\$	5,267,017.42
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The carrying value of the assets is \$66,779,111, and the accumulated depreciation is \$35,714,723.		31,064,388.00
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.		(21,440,717.50)
Short-term Liabilities, including accrued interest on long-term debt, are not due payable in the current period and therefore are not reported as liabilities in the funds.		(270,078.42)
Transactions related to a current refunding of a long-term debt, refinancing of lease agreement are not reported in the funds.		
Cost of issuance, net of amortization		151,067.43
Issuance premium, net of amortization		(129,746.24)
Deferred amount on refunding, net of amortization		<u>225,913.86</u>
Net Position of Governmental Activities	\$	<u>14,867,844.55</u>

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

WESTFIELD SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Local Tax Levy	\$ 84,667,331.00	\$	\$	\$ 2,527,277.00	\$ 87,194,608.00
Tuition Charges	135,874.00				135,874.00
Miscellaneous	403,935.98				403,935.98
Local Sources		176,318.89			176,318.89
State Sources	13,464,088.27	181,792.45	155,925.73	353,654.00	14,155,460.45
Federal Sources		1,835,010.32			1,835,010.32
Total Revenues	98,671,229.25	2,193,121.66	155,925.73	2,880,931.00	103,901,207.64
EXPENDITURES					
Current:					
Regular Instruction	31,834,011.32	1,382,419.87			33,216,431.19
Special Education Instruction	6,554,435.15	793,466.79			7,347,901.94
Other Special Instruction	984,131.69				984,131.69
Other Instruction	1,537,375.10				1,537,375.10
Support Services and Undistributed Costs:					
Tuition	5,997,482.58				5,997,482.58
Student & Instruction Related Services	11,303,844.16				11,303,844.16
School Administrative Services	3,354,346.22				3,354,346.22
Other Administrative Services	3,577,560.28				3,577,560.28
Plant Operations and Maintenance	5,762,483.25				5,762,483.25
Pupil Transportation	2,456,187.23				2,456,187.23
Unallocated Benefits	24,350,801.12				24,350,801.12
Debt Service:					
Principal				2,095,000.00	2,095,000.00
Interest and Other Charges				829,024.76	829,024.76
Capital Outlay	1,702,404.99	17,235.00	1,926,173.12		3,645,813.11
Total Expenditures	99,415,063.09	2,193,121.66	1,926,173.12	2,924,024.76	106,458,382.63
Excess (Deficiency) of Revenues over Expenditures	(743,833.84)		(1,770,247.39)	(43,093.76)	(2,557,174.99)
OTHER FINANCING SOURCES (USES)					
Transfers in	9,477.20				9,477.20
Transfers out	(10,034.00)				(10,034.00)
Total Other Financing Sources and Uses	(556.80)				(556.80)
Net Change in Fund Balances	(744,390.64)		(1,770,247.39)	(43,093.76)	(2,557,731.79)
Fund Balance—Beginning	7,508,934.03		272,720.48	43,094.70	7,824,749.21
Fund Balance—Ending	\$ 6,764,543.39	\$	\$ (1,497,526.91)	\$ 0.94	\$ 5,267,017.42

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

**TOWN OF WESTFIELD 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)	\$	(2,557,731.79)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
	Depreciation expense	(1,280,270.00)
	Capital Outlays	<u>3,645,813.11</u>
		2,365,543.11
Repayment of bond and lease obligation (long-term debt) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		
		2,095,000.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		
		15,155.05
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		27,880.50
Amortization Expenses - Net		<u>(35,771.10)</u>
Change in net position of governmental activities	\$	<u>1,910,075.77</u>

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

PROPRIETARY FUNDS

**WESTFIELD SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013**

	FOOD SERVICE	TOTAL
<u>ASSETS</u>		
Current assets:		
Cash and Cash Equivalents	\$ 170,126.31	\$ 170,126.31
Accounts Receivable	4,823.49	4,823.49
Inventories	11,001.95	11,001.95
Total Current Assets	185,951.75	185,951.75
Noncurrent Assets:		
Furniture, Machinery & Equipment	428,577.00	428,577.00
Less Accumulated Depreciation	(391,283.00)	(391,283.00)
Total Noncurrent Assets	37,294.00	37,294.00
Total Assets	223,245.75	223,245.75
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	57,556.23	57,556.23
Deferred revenue	11,702.66	11,702.66
Interfunds payable	2,621.76	2,621.76
Total Current Liabilities	71,880.65	71,880.65
<u>NET POSITION</u>		
Invested in Capital Assets Net of Related Debt	37,294.00	37,294.00
Unrestricted (Deficit)	114,071.10	114,071.10
Total Net Position	\$ 151,365.10	\$ 151,365.10

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

**WESTFIELD SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Business-type Activities - Enterprise Fund</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Customers	\$ 1,112,967.09
Payments to Suppliers	<u>(1,126,979.66)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(14,012.57)</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>	
Federal and State Sources	<u>54,882.60</u>
Net Cash Provided by (Used for) Non-capital Financing Activities	<u>54,882.60</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest on Deposits	<u>430.19</u>
Net Cash Provided by (used for) Investing Activities	<u>430.19</u>
Net Increase (Decrease) in Cash and Cash Equivalents	41,300.22
Balances—Beginning of Year	<u>128,826.09</u>
Balances—End of Year	\$ <u><u>170,126.31</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided	
(Used) by Operating Activities:	
Operating Income (Loss)	\$ (53,189.34)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Depreciation and Net Amortization	10,152.00
Federal Commodities	25,770.71
(Increase) Decrease in Accounts Receivable	(950.09)
(Increase) Decrease in Inventories	19,124.55
Increase (Decrease) in Deferred Revenue	4,404.43
Increase (Decrease) in Accounts Payable	<u>(19,324.83)</u>
Total Adjustments	<u>39,176.77</u>
Net Cash Provided by (Used for) Operating Activities	\$ <u><u>(14,012.57)</u></u>

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

FIDUCIARY FUNDS

**WESTFIELD SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>UNEMPLOYMENT COMPENSATION TRUST</u>	<u>AGENCY FUND</u>
ASSETS		
Cash and Cash Equivalents	\$ <u>116,295.95</u>	\$ <u>981,188.99</u>
Total Assets	\$ <u>116,295.95</u>	\$ <u>981,188.99</u>
LIABILITIES		
Payable to Student Groups	\$	\$ 492,555.58
Payroll Deductions and Withholdings	15,397.04	488,633.41
Accounts Payable	<u>2,678.18</u>	<u></u>
Total Liabilities	<u>18,075.22</u>	\$ <u>981,188.99</u>
NET POSITION		
Held in Trust for Unemployment Claims and Other Purposes	\$ <u>98,220.73</u>	

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

**WESTFIELD SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Unemployment Compensation Trust</u>
ADDITIONS	
Contributions:	
Dedicated Payroll Withholdings	\$ <u>181,197.88</u>
Total Contributions	<u>181,197.88</u>
Investment Earnings:	
Interest	<u>155.21</u>
Net Investment Earnings	<u>155.21</u>
Total Additions	<u>181,353.09</u>
DEDUCTIONS	
Due to Taxing and Other Agencies Quarterly Contribution Reports	<u>160,916.64</u>
Total Deductions	<u>160,916.64</u>
Change in Net Position	<u>20,436.45</u>
Net Position - Beginning of the Year	<u>77,784.28</u>
Net Position - End of the Year	\$ <u><u>98,220.73</u></u>

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

**WESTFIELD SCHOOL DISTRICT
COUNTY OF UNION, NEW JERSEY**

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) of the Board of Education (Board) of the Westfield School District (District) report information on all of the nonfiduciary activities of the primary government only. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The District is not financially accountable for any legally separate component units, and no component units have been included in the government-wide financial statements.

The more significant of the Board's accounting policies are described below.

B. Reporting Entity:

The Westfield School District is a Type II district located in the County of Union, State of New Jersey, serving students domiciled in the Town of Westfield. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to staggered three-year terms. The purpose of the district is to educate students in grades K-12. The Westfield School District had an approximate enrollment at June 30, 2013 of 6,311 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is 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. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. Any remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

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

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

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 Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). 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. State Aid in the form of Economic Development Authority Grants under EFCFA are also financial resources of this fund

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.

The District reports the following proprietary funds:

Food Service Fund – The Food Service Enterprise Fund is used to account fore the activities of the cafeteria operations of the District. The Food Service Fund is considered a major fund of the District

The District also reports the following fiduciary fund types:

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Basis of Presentation - Fund Financial Statements (Cont'd)

Agency Fund – The Agency Fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

Employee Benefit Trust (Unemployment Insurance) – Employee Benefit Trust should be used to report resources that are required to be held in trust for members and beneficiaries of employee benefit plans.

During the course of its normal operations, the District will have activity between funds (interfund activity) for various purposes. Any residual interfund balances at year end are reported as interfund accounts receivable/payable. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included within governmental activities (the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, any interfund balances between business-type (enterprise) funds are eliminated so that only the net amount is included as internal balances in the business-type activities columns.

Further, interfund activity may occur during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. In the preparation of the government-wide financial statements, transfers between funds included as governmental activities are eliminated so that only net amounts of resources transferred from or to the governmental activities are reported. A similar treatment is afforded transfers of resources between enterprise funds for the preparation of business-type activity financial statements.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting refers to the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the fiscal period that the taxes are levied by the municipality(s) within which the District is domiciled. Ad Valorem (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 recognizes the entire approved tax levy as revenue in the fiscal period for which they were levied. The District is entitled to receive moneys under an established payment schedule and any unpaid amount is considered to be an "accounts receivable". Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. State categorical aid revenues are recognized as District revenue during the fiscal period in which they are appropriated.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized when it becomes 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. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual basis accounting. Exceptions to this general rule include debt service, for which interest and principal expenditures in the Debt Service Fund are recognized on their due dates, and expenditures relating to compensated absences, claims and judgments, which are recorded in the period when payment becomes due. General capital asset acquisitions are recorded as expenditures in the governmental funds and are not capitalized. The issuance of long-term debt for capital purposes and capital lease obligations incurred to acquire general capital assets are reported as "other financing sources".

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. Entitlements are recorded as revenue when all eligibility requirements, including timing of funding appropriations, are met, subject to the 60-day availability requirement for collection. Interest and tuition revenues are considered susceptible to accrual and have been recognized as revenues of the current fiscal period, subject to availability. Expenditure driven grant revenues are recorded as qualifying expenditures are incurred and all other eligibility requirements have been met, subject to availability requirements. All other revenue items are considered measurable and available only when cash is received by the District.

The District's proprietary funds, employee benefit trust fund and private purpose scholarship trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

F. Budgets/Budgetary Control

Annual budgets are adopted for the general, special revenue and debt service funds using a regulatory basis of accounting which differs from generally accepted accounting principles in one material respect; Budgetary revenues for certain nonexchange state aid transactions are recognized for budgetary purposes in the fiscal period prior to the period in which the state recognizes expenditures/expenses.

The amounts of the adjustments needed to reconcile the budgetary basis to the GAAP based fund financial statements is set forth in the explanation of differences schedules which follow.

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. Pursuant to changes in the Local District School Budget Law, statutorily conforming base budgets of Districts with annual school elections held in November (The District has chosen this option) are no longer required to be presented to the voters for approval on the third Tuesday in April. 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 N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. New Jersey statutes place limits on the Board's ability to increase budgeted expenditures through the appropriation of previously undesignated fund balance and requires the District to obtain additional approvals when budgetary transfers, measured using the advertised budgetary account totals rather than line-item totals, exceed certain thresholds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

F. Budgets/Budgetary Control (Cont'd)

The Board of Education did not make any supplemental budgetary appropriations during the fiscal year that required additional approvals from oversight agencies.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

Appropriations in the general and debt service funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances, for which the contracted performance is expected during the subsequent budget cycle, are legally restricted at year-end and are automatically re-appropriated and become part of the subsequent years' budget pursuant to state regulations.

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

The following presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules – General and Special Revenue Funds to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.

Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$96,618,154.25	\$2,219,830.88
Difference- budget to GAAP:		
1. Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and revenues (Net)	0.00	(26,709.22)
2. Certain State Aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).	(1,524,247.00)	0.00
3. State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	<u>1,577,322.00</u>	<u>0.00</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance – governmental funds.	<u>\$96,671,229.25</u>	<u>\$2,193,121.66</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

F. Budgets/Budgetary Control (Cont'd)

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of resources		
Actual amounts (budgetary basis) "total outflows"		
From the budgetary comparison schedule	\$99,415,063.09	\$2,219,830.88
 Difference- budget to GAAP:		
Encumbrances for supplies and equipment ordered but not yet are reported in the year the encumbrance is placed for budgetary purposes, but in the year the goods are received for financial reporting purposes (Net)	<u>0.00</u>	<u>(26,709.22)</u>
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds.	<u>\$99,415,063.09</u>	<u>\$2,193,121.66</u>

G. Encumbrances:

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

Open encumbrances in the special revenue fund for which the 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.

H. Cash, Cash Equivalents and Investments:

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

H. Cash, Cash Equivalents and Investments (Cont'd):

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. GUDPA was amended, effective July 1, 2010, by P.L. 2009, c. 326. The amendments provide a greater level of security protection for covered deposits by increasing collateralization requirements and revising the enforcement protocol to allow for timely response in the event that a member bank shows signs of stress.

Under the new law, collateralization of GUDPA deposits up to 75% of New Jersey capital is based on a sliding scale that requires the minimum of 5% collateral for Well Capitalized institutions to a maximum of 120% collateral for Critically Undercapitalized institutions. All uninsured GUDPA deposits in excess of 75% of New Jersey capital require 100% collateral. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

I. Tuition Revenue

Tuition revenues for the fiscal year 2012-2013 were based on contractual per pupil rates established by and between the sending and receiving districts. These rates are not subject to change except through amendatory contracts.

J. Inventories and Prepaid Expenses:

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

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The cost of such inventories is recorded as expenses when consumed rather than when purchased

Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

K. Short-Term Interfund Receivables/Payables:

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

L. Capital Assets:

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$2,000 or more for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the District-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

L. Capital Assets (Cont'd):

Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in progress.

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

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

Food Service Fund:	
Equipment	5-20 Years

M. Accounts Receivable State – Capital Projects Fund:

The District received approval for EDA grants in the amount of \$6,571,130 to construct an addition to Westfield High School and make alterations to the existing structure. The EDA participation in the project represents 40% of \$16,427,825 of costs deemed eligible out a total project cost of \$21,495,000. The EDA has also established a fixed schedule for the submission of reimbursement vouchers, which is based upon the achievement of certain percentages of completion.

The District recognizes EDA grant revenue as earned, i.e., as eligible expenditures are incurred, at the rate of 40% of said expenditures. It is assumed that project completion will continue at a pace that will permit the filing of reimbursement vouchers within a time frame, which meets the availability criterion for revenue recognition under GAAP. Through June 30, 2013, the District has recognized a total of \$6,571,130.00 in EDA grant revenue, of which \$1,275,037.35 has not been received.

N. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued in the government-wide financial statements as the employees earn the rights to the benefits. Compensated absences that related to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences".

In the governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as a fund liability and expenditure in the fund that will pay for the compensated absence. The noncurrent portion for governmental funds is maintained separately and is a reconciling item between the fund and government-wide presentations.

The District restated compensated absences as at June 30, 2012 to the amount of \$881,598.00 from \$1,784,190.75 to conform to revised Board policies and procedures regarding the calculation of compensated absences.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

N. Compensated Absences (Cont'd):

Based upon existing personnel policies and collective bargaining agreements, employees are granted varying amounts of annual sick, personal and vacation leave. Sick leave may be accumulated for use in subsequent years and the right to a termination payment begins to vest with the employee after 10 years of service. Termination payments for unused sick pay are capped at by bargaining unit. Accumulations of unused sick leave may be used only for illnesses in subsequent periods. The accumulation of unused vacation pay is limited by the provisions of existing personnel policies and collective bargaining agreements. Unused vacation pay is paid to employees upon separation from service at current daily pay rates. Changes in the value of compensated absences earned and unused is more fully detailed in Note 4.

O. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recorded as an outflow of resources (expenditure/expense) until that time. The District is reporting two items in this category; The Deferred Amount on Refunding and the Deferred bond Issue Costs. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding bonds. Deferred bond issue costs represent the costs associated with the sale of debt instruments to finance capital acquisition costs, and is amortized over the life of the associated debt instruments. See Note 15 regarding the prospective change in accounting policies relating to Deferred Bond Issue Costs required in the 2013-2014 fiscal period by GASB Statement No. 65.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element represents a acquisition of net position that applies to a future period(s) and will not be recorded as an inflow of resources (revenue) until that time. The District is reporting one items in this category, the Unamortized Premium on Refunding. This item represents the amount above the par value of the refunding bonds paid by the purchaser of the bonds at closing, and is deferred recognized as an inflow of resources over the life of the refunding bonds.

P. Unearned Revenue/Advances from Grantors:

Unearned revenue represents cash advances received relating to services (expenditures/expenses) that will be provided in a subsequent fiscal period. Similarly, for expenditure-driven grants, amounts advanced to the District in excess of the amounts expended and earned are recorded as advances from grantors.

Q. Net Position Flow Assumption (District-Wide and Proprietary Fund Financial Statements)

Periodically, the District may fund outlays for a particular purpose from both restricted resources, such as bond referendum proceeds and/or grant proceeds, and unrestricted resources. To determine the amounts of net position- restricted and unrestricted that should be reported in the government-wide and proprietary fund financial statements, a flow assumption must be made to establish the order in which resources are considered to be applied.. In the absence of specific grant compliance requirements to the contrary, the District policy is to utilize all amounts of available restricted net position prior to applying unrestricted net position to fund acquisition costs.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

R. Fund Balance Flow Assumption (Governmental Fund Financial Statements)

Periodically, the District may fund outlays for a particular purpose from both restricted resources and unrestricted resources (the total of the committed, assigned and unassigned fund balance). To determine the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made to establish the order in which resources are considered to be applied. In the absence of specific grant compliance requirements to the contrary, the District policy is to utilize all amounts of available restricted fund balance prior to applying any component of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance, with unassigned fund balance applied last.

S. Fund Balance Policies:

Fund balance of the governmental funds is reported in various categories based upon the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through actions to transfer amounts to legally restricted reserve accounts (capital, maintenance and emergency reserves), or actions to commit or assign fund balance.

The committed fund balance includes amounts that can only be used for the specific purposes determined by a formal action of the Board of Education. Commitments of fund balance remain in place until the committed fund balance is fully depleted or an amendatory action is taken by the Board of Education.

Assignments of fund balance are made by the Board of Education for specific purposes that do not meet the criteria to be classified as committed. The Board of education also assigns fund balance when it appropriates unrestricted/unassigned fund balance to bridge a gap between estimated revenue and appropriations in the subsequent year budget. Unlike commitments, assignments are generally temporary in nature, and additional actions of the Board are generally not required to remove an assignment, whereas an action of the Board is essential to the modification or elimination of an unexpended committed fund balance.

T. District-Wide Financial Statement Classifications

1. Program Revenues – Amounts reported as program revenues include a) charges to customers or applicants who purchase, use or benefit from goods services or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.
2. General Revenues – all taxes, including those designated for specific purposes such as debt service, are reported as general revenues. All other resources, including internally dedicated resources, unrestricted entitlements, and investment income are reported as general revenues.
3. Capital Assets – In the statement of net position, capital assets are reported, net of accumulated depreciation as assets of the governmental activities and business-type activities.
4. Long-term Debt - In the statement of net position, long-term debt is reported as a component of long-term liabilities of the governmental activities and business-type activities.
5. Net Investment in Fixed Assets – In the statement of Net Position, the net undepreciated value of capital assets, less the value of outstanding debt issued to purchase acquire or build those capital assets, is reported as Net Investment in Fixed assets as a component of net position for the governmental activities and business-type activities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

U. Proprietary Fund Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and products in connection with the primary purpose or function for which the fund was established. The District's Food Service proprietary fund reports operating revenues from the sales of lunches and a la carte items, and operating expenses include the costs of sales (food, supplies and labor), administrative costs and depreciation on capital assets. Revenues earned through the District's participation in the National School Lunch Program are classified as nonoperating revenues, notwithstanding the limitations on the pricing of Type A student lunches that is required for program participation.

V. Reconciliation of District-Wide and Fund Financial Statements

I. Differences between governmental fund balance sheet and District-wide statement of net position:

Total Governmental Fund Balance (B-1)	\$5,267,017.42
<u>Adjustments to District-Wide Net Position:</u>	
Capital Assets (see Note 3)	31,064,388.00
Long-Term Liabilities (see Note 4)	(21,440,717.50)
Other Items not recognized in Fund Financial Statements:	
Accrued Interest on Long-term Debt	(270,078.42)
Unamortized Deferred Bond Issue Costs	151,067.43
Unamortized Premiums Received on Bond Sales	(129,746.24)
Unamortized Deferred Amounts from Refunding	<u>225,913.86</u>
Net Position of Governmental Activities	<u>\$14,867,844.55</u>

II. Differences between governmental fund statement of revenues, expenditures and changes in fund balances and District-wide statement of activities:

Total Net Change Governmental Fund Balance (B-2)	\$(2,557,731.79)
<u>Adjustments to District-Wide Net Position:</u>	
Capital Outlays, net of depreciation	2,365,543.11
Repayment of Long-Term Liabilities (see Note 4)	2,095,000.00
Decrease in Value of Compensated Absences	27,880.50
Interest on Long-term Debt (Accrual Basis for District-Wide)	15,155.05
Amortization of Deferred bond Issue Costs	<u>(35,771.07)</u>
Net Position of Governmental Activities	<u>\$1,910,075.80</u>

W. Estimates

The preparation of the 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. Actual results may differ from those estimates.

X. Restatement of Net Position

The District restated net position as of June 30, 2012 to the amount of \$12,957,768.78 from the amount of \$28,917,989.16, which represents a decrease of \$15,960,220.38. The restatement reflects Board policy and procedures on the recording of compensated absences payable and an updated capital asset inventory.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

State statutes set forth deposit requirements and investments that may be purchased by local units and the District deposits and invests its funds pursuant to statutory requirements, its policies and an adopted cash management plan.

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation (FDIC), New Jersey's Governmental Unit Deposit Protection Act, by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. The New Jersey Governmental Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain collateral in the amount of 5% of the average public deposits and deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based upon GASB criteria, the District considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts and short-term investments and are either any direct and general obligation of the United States of America or certificates of deposit issued by any bank, savings and bank or national banking association if qualified to serve as a depository for public funds under the provisions of the Governmental Unit Depository Protection Act.

The Town of Westfield Board of Education had the following depository accounts. All deposits are carried at cost plus accrued interest. The government does not have a deposit policy.

<u>Depository Account</u>	<u>Bank Balance</u>
Insured--FDIC	\$ 913,801.59
Insured—NJGUDPA (N.J.S.A. 17:941)	<u>5,334,393.88</u>
Total	<u>\$6,248,195.47</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the board's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2013, based upon the insured balances as provided by FDIC and NJGUDPA coverage, none of the Board's bank balance of \$6,248,195.47 was considered exposed to custodial risk. (See Note 1-H relating to statutory mitigations of custodial risk in the event of a bank failure.)

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As indicated above, the District had \$80,609.92 on deposit with the New Jersey Cash Management Fund at June 30, 2013.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - DISCLOSURE OF INFORMATION ABOUT CAPITAL ASSETS

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

	<u>Restated Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets That Are Not Being Depreciated:				
Land	\$ 4,488,200.00	\$ _____	\$ _____	\$ 4,488,200.00
Total Capital Assets Not Being Depreciated	<u>4,488,200.00</u>	<u>_____</u>	<u>_____</u>	<u>4,488,200.00</u>
Building and Building Improvements	46,914,474.58	3,329,849.42		50,244,324.00
Improvements other than Buildings				
Machinery, Equipment, Furniture & Vehicles	<u>11,730,623.31</u>	<u>315,963.69</u>	<u>_____</u>	<u>12,046,587.00</u>
Totals at Historical Cost	<u>58,645,097.89</u>	<u>3,645,813.11</u>	<u>_____</u>	<u>62,290,911.00</u>
Less Accumulated Depreciation For:				
Building and Building Improvements	(23,706,148.00)	(1,057,761.00)		(24,763,909.00)
Equipment, Furniture, and Vehicles	<u>(10,728,305.00)</u>	<u>(222,509.00)</u>	<u>_____</u>	<u>(10,950,814.00)</u>
Total Accumulated Depreciation	<u>(34,434,453.00)</u>	<u>(1,280,270.00)</u>	<u>_____</u>	<u>(35,714,723.00)</u>
Total Capital Assets Being Depreciated (Net of Accumulated Depreciation)	<u>40,277,740.99</u>	<u>2,365,543.11</u>	<u>_____</u>	<u>26,576,188.00</u>
Government Activities Capital Assets, Net	\$ <u>45,187,575.94</u>	\$ <u>2,365,543.11</u>	\$ <u>_____</u>	\$ <u>31,064,388.00</u>
Business-type Activities				
Equipment	428,577.00			428,577.00
Less Accumulated Depreciation for:				
Equipment	<u>(384,947.00)</u>	<u>(6,336.00)</u>	<u>_____</u>	<u>(391,283.00)</u>
Business-type Activities Capital Assets, Net	\$ <u>156,168.31</u>	\$ <u>(6,336.00)</u>	\$ <u>_____</u>	\$ <u>37,294.00</u>

* Depreciation expense was charged to governmental functions as follows:

Unallocated	\$ <u>1,280,270.00</u>
Total depreciation expense	\$ <u>1,280,270.00</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - DISCLOSURE OF INFORMATION ABOUT LONG TERM LIABILITIES

Long-term debt liability activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$ 22,682,000.00	\$ -	\$ 2,095,000.00	\$ 20,587,000.00	\$ 2,150,000.00
Total Bonds Payable	<u>22,682,000.00</u>	<u>-</u>	<u>2,095,000.00</u>	<u>20,587,000.00</u>	<u>2,150,000.00</u>
Other Liabilities:					
Compensated Absences Payable	881,598.00	-	27,880.50	853,717.50	-
Total Other Liabilities	<u>881,598.00</u>	<u>-</u>	<u>27,880.50</u>	<u>853,717.50</u>	<u>-</u>
Total Liabilities	\$ <u>23,563,598.00</u>	\$ <u>-</u>	\$ <u>2,122,880.50</u>	\$ <u>21,440,717.50</u>	\$ <u>2,150,000.00</u>

A. **Bonds Payable** - 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 District are general obligation bonds.

Principal and interest due on bonds outstanding is as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,150,000	\$ 765,465	\$ 2,915,465
2015	1,771,000	692,146	2,463,146
2016	1,870,000	626,166	2,496,166
2017	1,935,000	554,436	2,489,436
2018	2,005,000	475,636	2,480,636
2019	2,100,000	393,536	2,493,536
2020	2,190,000	307,736	2,497,736
2021	1,340,000	237,136	1,577,136
2022	1,405,000	182,236	1,587,236
2023	600,000	142,136	742,136
2024	625,000	117,636	742,636
2025	650,000	92,136	742,136
2026	650,000	66,136	716,136
2027	650,000	39,811	689,811
2028	646,000	13,243	659,243
Totals	\$ <u>20,587,000</u>	\$ <u>4,705,591</u>	\$ <u>25,292,591</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. GENERAL LONG-TERM DEBT (CONT'D.)

B. Bonds Authorized But Not Issued -- As of June 30, 2013, the District had authorized but not issued bonds in the amount of \$1,282,240.35. This amount represents the portion of the total approved by the voters at a special election held in December, 2000, that has not been financed through the issuance of bonds or the receipt of State Aid, as follows:

Balance – June 30 2002 (Referendum Amount)	\$21,495,000.00
Less: Bond Principal Issued	(14,923,000.00)
State Aid – EDA Grants Received	<u>(5,296,092.65)</u>
Balance – June 30, 2013	<u>\$ 1,275,037.35</u>

Of this total, the entire amount of \$1,275,037.35 represents EDA Grant funding as the amount has been invoiced with the State of New Jersey.

As of June 30, 2013, the District had authorized but not issued bonds in the amount of \$13,600,000.00. This amount represents the total approved by the voters at a special election held in December 2012, that has not been financed through the issuance of bonds.

NOTE 5. OPERATING LEASES

The District did not participate in any operating lease purchase agreements for the acquisition of equipment and vehicles or rental of property as at June 30, 2013.

NOTE 6. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related 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.

NOTE 6. PENSION PLANS (CONT'D)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement System (DCRP) - The DCRP was established effective July 1, 2007 to provide coverage to certain elected and appointed officials who became excluded from the PERS system pursuant to the provisions of P.L. 2007, c. 92. In addition, certain members of the PERS and TPAF, enrolled after July 1, 2007 who earn salary in excess of those systems' maximum compensation limits are eligible for DCRP membership for the compensation not credited to PERS or TPAF participation.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Vesting in the DCRP occurs after one year of membership. Employer contributions to the DCRP are set at 3% of base salary.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

DCRP requires employee contributions of 3% of base salary.

<u>Three-Year Trend Information for PERS</u>			
<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/13	\$ 963,340	100 %	\$ -0-
6/30/12	1,002,785	100	-0-
6/30/11	903,691	100	-0-

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION PLANS (CONT'D)

Three-Year Trend Information for TPAF (Paid on-behalf of the District, excluding post-retirement medical benefits which are reported in Note 6)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/13	\$ 2,771,435	Unknown	\$ -0-
6/30/12	1,337,564	Unknown	-0-
6/30/11	128,565	Unknown	-0-

During the prior school year (2010-2011), the State of New Jersey made no on-behalf payments to the TPAF system for normal pension costs or accrued liability. The amounts reported above for these years represent payments for the costs of non-contributory group life insurance premiums. In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$3,364,518.87 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 general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 24.

NOTE 7. POST-EMPLOYMENT BENEFITS

Public Laws 1987, chapter 384 and Public Laws 1990, chapter 6 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, Chapter 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 retirees receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, Chapter 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 attributed to P.L. 1992 Chapter 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 \$144 million toward Chapter 126 benefits for 16,618 eligible retired members in Fiscal -Year 2012.

The Division of pensions issues a publicly available financial report that includes the financial statements and required supplementary information for the Health Benefits Program Fund – Local Government. This report may be accessed via the Division of Pensions and Benefits website, at www.state.nj.us/treasury/pensions, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625.

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

Year Funding	Annual Post Retirement Medical Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/13	\$ 3,133,794	100 %	\$ -0-
6/30/12	2,688,853	100	-0-
6/30/11	2,730,716	100	-0-

The amounts of State contributions to the Health Benefits Program Fund on-behalf of the District for PERS retiree health benefits has not been made available.

NOTE 8. COMPENSATED ABSENCES

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and accumulate for use in future years. Upon the attainment of specified years of service or upon reaching normal retirement age, employees become eligible to receive compensation for unused accumulated sick leave. The specific terms for eligibility and compensation are governed by the various collective bargaining agreements and employment contracts.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. The District has contracted with a private management company to provide food services. Personnel involved in cafeteria operations are employees of the management company and, accordingly, the District has no liability for vested compensated absences in its proprietary fund.

Statement No. 16 of the Governmental Accounting Standards Board (GASB 16) establishes the specific standards for the recognition of liabilities for compensated absences. GASB 16 establishes the following recognition and measurement criteria:

Vacation Leave - Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered, and
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The above criteria were utilized by the Board in the determination of the reported liability for compensated absences relating to vacation leave.

Sick Leave - A liability should be accrued for sick leave and other compensated absences with similar characteristics using one of the following termination approaches:

- a. A liability should be accrued as the benefits are earned by employees if it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employees' termination or retirement (the Termination Payment Method), or
- b. A liability should be accrued based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments, as well as other employees who are expected to become eligible in the future to receive such payments (the Vesting Method).

Under either of the above methods, payment "caps" or reduced pay rates would be factored into the liability calculation.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. COMPENSATED ABSENCES (CONT'D.)

The amount of \$853,717.50 presented in the District-wide financial statements as compensated absences payable reflects accruals utilizing the Vesting Method and includes amounts for each employee eligible for a termination payment currently and those who will become eligible within the next five years. Employees who separate from service prior to attaining eligibility are not entitled to termination payments. Accrued vacations are negligible and were not included in calculations of the total value of compensated absences payable.

The District restated the compensated absence payable in the amount of \$881,598.00 as at June 30, 2012 in order to conform with revised Board policies and procedures and to more accurately reflect estimates in accordance with the applicable GASB requirements.

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by third parties who are authorized by the Board and selected by each participant individually, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

NOTE 10. 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 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. During the school year ended June 30, 2013, the District continued to transfer all insurable risks through the purchase of commercial insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage during each of the past three fiscal years. During the year ended June 30, 2012, there were no significant reductions in coverages from those provided in the previous year.

NOTE 11. 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. The District is billed quarterly for amounts due to the State.

Due to legal restrictions imposed by the State of New Jersey on the accumulated balance in the District's Unemployment Compensation Insurance Fund, the District has elected to treat this fund as an expendable trust fund for the purpose of financial reporting. Information relating to this fund for the years ended June 30, 2013 and the previous two years is as follows:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	\$40,000.00	\$141,197.88	\$160,916.64	\$98,220.73
2011-2012	246.47	263,235.29	235,682.14	77,784.28
2010-2011	395,659.39	82,869.05	433,231.52	49,984.66

NOTES TO FINANCIAL STATEMENTS

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 935,917.47	\$ 1,139.67
Food Service Fund		2,621.76
Capital Projects Fund	<u> </u>	<u>930,989.11</u>
 Total	 <u>\$ 935,917.47</u>	 <u>\$ 935,917.47</u>

NOTE 13. INVENTORY

Inventory in the Food Service Fund at June 30, 2013 consisted of the following:

USDA Commodities	\$ 1,523.98
Food & Supplies	\$ 9,477.97

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 14. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$6,764,543.39 General Fund fund balance at June 30, 2013, \$1,154,264.84 is reserved for encumbrances; \$1,456,746 has been appropriated and included as anticipated revenue for the year ending June 30, 2014; \$1,147,971.83 has been reserved as "Excess Surplus N.J.S.A. 18A:7F-7; \$1,079,138.52 has been reserved for the Maintenance Reserve Account; \$1,338,813.50 has been reserved for the Capital Reserve Account; and the remaining \$587,608.70 is unassigned.

Capital Projects Fund (Exhibit B-1) - Of the deficit amount of \$(1,497,526.91) Capital Projects Fund fund balance at June 30, 2013, the deficit amount of \$(1,527,195.42) is assigned for Capital Projects Expenditures; and the remaining \$29,668.52 is unassigned.

Debt Service Fund (Exhibit B-1) - Of the \$0.94 Debt Service Fund fund balance at June 30, 2013, the amount of \$0.94 is assigned for Debt Service Expenditures.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. Based upon the reduction in the maximum undesignated surplus permitted as a result of the enactment of S1701, the District had excess surplus at June 30, 2013 in the amount of \$1,147,971.83. This amount will be utilized as tax relief in the 2014-2015 budget.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District of Westfield Board of Education by inclusion of \$1.00 on October 3, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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 four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1 (d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted projects in its approved LRFP.

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

Beginning Balance, July 1, 2012	\$868.50
Transferred to Capital Reserve	<u>1,337,945.00</u>
Ending Balance June 30, 2013	<u>\$1,338,813.50</u>

NOTE 17. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established through a Board resolution by the School District of Westfield Board of Education in the amount of \$2,200,000.00 in the 2010-2011 school year for the accumulation of funds for the required maintenance of a facility in accordance with N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c. 73 (S1701).

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

Beginning Balance, July 1, 2012	\$2,198,852.00
Transferred to Capital Outlay	<u>1,119,713.48</u>
	1,079,138.52
Deposits per Board Approval	<u>0.00</u>
Ending Balance June 30, 2013	<u>\$1,079,138.52</u>

NOTE 18. DEFICIT FUND BALANCES

The District did not have a deficit fund balances at June 30, 2013, with the exception of Capital Projects Fund in the amount of \$1,497,526.91, that would have been reported in the fund statements (modified accrual basis). P.L. 2003 c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, ie., if one government recognizes an asset, the other government recognizes a liability. Since the District is not recording the last state aid payment on the GAAP financial statements until the year the State records the payable, it is possible that a positive fund balance could be reported on a mandated budgetary basis while a deficit is reported on a GAAP basis based upon nonrecognition of revenue on the GAAP basis for the final state aid payment.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. DEFICIT FUND BALANCES (Cont'd)

Pursuant to *N.J.S.A.* 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment 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 reported Capital Projects Fund deficit in the amount of \$1,497,526.91 is a direct result of unfunded capital project expenditures of an approved referendum program.

NOTE 19. PENDING LITIGATION AND CONTINGENT LIABILITIES

- I. PENDING LITIGATION - At June 30, 2013, there was no litigation pending for which an unfavorable outcome with a material adverse impact on the net position of the District was anticipated.
- II. PROSPECTIVE CHANGE IN ACCOUNTING PRINCIPLE – During the 2013-2014 fiscal period, the District will adopt the provisions of GASB statement no. 65. The adoption of this standard will require a write-down of Deferred Outflows (Deferred Bond Issue Costs) as of July 1, 2013, requiring a restatement of the governmental activities of the District. The adoption of this standard will not impact the reporting of general fund balance.

NOTE 20. SUBSEQUENT EVENTS

Issuance of School Bonds

The District issued \$6,916,000 School Bonds related to the approved referendum held and approved December 2012. The Bonds mature in the years 2014 through 2028 in principal amounts ranging between \$465,000 and \$460,000, and bearing interest rates between 1.00% to 3.00%.

Voter Referendum – November 5, 2013

The District approved a school bond referendum that will accept \$2,700,000 in state aid for school roof repairs related to the approved school bond referendum held on December 2012. The state aid amounts will reduce the amount of permanent financing required to complete the project.

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART II

BUDGETARY COMPARISON SCHEDULES

SECTION – C

**WESTFIELD 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
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 84,667,331.00	\$	\$ 84,667,331.00	\$ 84,667,331.00	\$
Tuition	34,697.00		34,697.00	135,874.00	101,177.00
Transportation-Individual Fees	8,648.00		8,648.00	22,194.00	13,546.00
Transportation-Other LEA'S				3,980.00	3,980.00
Miscellaneous	290,655.00		290,655.00	377,761.98	87,106.98
Total - Local Sources	85,001,331.00		85,001,331.00	85,207,140.98	205,809.98
State Sources:					
Extraordinary Aid	1,000,000.00		1,000,000.00	1,257,514.00	257,514.00
Categorical Special Ed. Aid	2,621,839.00		2,621,839.00	2,621,839.00	
Categorical Security Aid	91,160.00		91,160.00	91,160.00	
Categorical Transportation Aid	119,317.00		119,317.00	119,317.00	
Non-Public Transportation Aid				51,435.40	51,435.40
On-behalf TPAF Pension Contrib. (non-budgeted)				2,632,908.00	2,632,908.00
On-behalf TPAF Non Contributory Insurance (non-budgeted)				138,527.00	138,527.00
On-behalf TPAF Post Retirement Med. Contrib. (non-budgeted)				3,133,794.00	3,133,794.00
On-behalf TPAF Employer FICA Contrib. (non-budgeted)				3,364,518.87	3,364,518.87
Total - State Sources	3,832,316.00		3,832,316.00	13,411,013.27	9,578,697.27
Federal Sources:					
Medicaid Reimbursement	23,350.00		23,350.00		(23,350.00)
Total - Local Sources	23,350.00		23,350.00		(23,350.00)
Total Revenues	88,856,997.00		88,856,997.00	98,618,154.25	9,761,157.25

**WESTFIELD 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
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	442,591.00	42,830.00	485,421.00	485,420.38	0.62
Grades 1- 5	12,004,134.00	206,601.00	12,210,735.00	12,210,732.35	2.65
Grades 6- 8	7,740,775.00	(149,190.00)	7,591,585.00	7,591,583.53	1.47
Grades 9-12	9,721,489.00	(360,736.00)	9,360,753.00	9,360,752.21	0.79
Regular Programs - Home Instr.:					
Salaries of Teachers	177,126.00	(44,002.00)	133,124.00	133,124.00	
Purchased Prof./Educational Services					
Regular Programs - Undistrib. Instr.:					
Purchased Prof./Educational Services	1,500.00	(300.00)	1,200.00	920.00	280.00
Purchased Technical Services	108,200.00	(50,857.00)	57,343.00	57,281.78	61.22
Other Purchased Services	733,405.00	(307,425.46)	425,979.54	312,917.72	113,061.82
General Supplies	1,495,560.00	43,571.57	1,539,131.57	1,506,773.26	32,358.31
Textbooks	142,278.00	54,646.67	196,924.67	173,160.35	23,764.32
Other Objects	36,700.00	(34,847.00)	1,853.00	1,345.74	507.26
Total Regular Programs	32,603,758.00	(599,708.22)	32,004,049.78	31,834,011.32	170,038.46
Learning/Language Disabilities:					
Salaries of Teachers	727,124.00	(242,722.00)	484,402.00	484,401.16	0.84
Other Salaries for Instruction	167,945.00	(5,473.00)	162,472.00	162,471.08	0.92
General Supplies	17,899.00	(46.00)	17,853.00	12,832.88	5,020.12
Textbooks	2,777.00	(500.00)	2,277.00	608.19	1,668.81
Total Learning/Language Disabilities	915,745.00	(248,741.00)	667,004.00	660,313.31	6,690.69
Auditory Impairments:					
General Supplies	9,000.00	6,500.00	15,500.00	15,103.72	396.28
Total Auditorily Handicapped	9,000.00	6,500.00	15,500.00	15,103.72	396.28

- 71 -

**WESTFIELD 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
Resource Room/Resource Center:					
Salaries of Teachers	4,608,529.00	512,741.00	5,121,270.00	5,121,269.03	0.97
Other Salaries for Instruction		6,083.00	6,083.00	6,081.78	1.22
General Supplies	31,250.00	(3,960.29)	27,289.71	18,185.07	9,104.64
Textbooks	1,500.00	299.00	1,799.00	798.27	1,000.73
Total Resource Room/Resource Center	4,641,279.00	515,162.71	5,156,441.71	5,146,334.15	10,107.56
Autism:					
Salaries of Teachers	215,858.00	(76,450.00)	139,408.00	139,407.14	0.86
Other Salaries for Instruction	60,947.00	9,788.00	70,735.00	70,733.78	1.22
General Supplies	4,000.00	1,000.00	5,000.00	4,752.25	247.75
Total Autism	280,805.00	(65,662.00)	215,143.00	214,893.17	249.83
Preschool Disabilities - Part-Time:					
Salaries of Teachers	288,785.00	(69,957.00)	218,828.00	218,828.00	
Other Salaries for Instruction	71,278.00	(17,936.00)	53,342.00	53,341.73	0.27
General Supplies	8,000.00		8,000.00	4,233.69	3,766.31
Total Preschool Disabilities - Part-Time	368,063.00	(87,893.00)	280,170.00	276,403.42	3,766.58
Preschool Disabilities - Full-Time:					
Salaries of Teachers		181,265.00	181,265.00	181,264.30	0.70
Total Preschool Disabilities - Full-Time		181,265.00	181,265.00	181,264.30	0.70
Home Instruction:					
Purchased Professional/Educational Services	30,000.00	46,000.00	76,000.00	60,123.08	15,876.92
Total Home Instruction	30,000.00	46,000.00	76,000.00	60,123.08	15,876.92
Total Special Education	6,244,892.00	346,631.71	6,591,523.71	6,554,435.15	37,088.56

**WESTFIELD 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	664,563.00	166,975.00	831,538.00	831,537.02	0.98
General Supplies	6,650.00	540.29	7,190.29	6,122.27	1,068.02
Textbooks	100.00	(100.00)			
Total Basic Skills/Remedial - Instruction	671,313.00	167,415.29	838,728.29	837,659.29	1,069.00
Bilingual Education - Instruction:					
Salaries of Teachers	149,032.00	(2,909.00)	146,123.00	146,122.40	0.60
Miscellaneous Expenditures		350.00	350.00	350.00	
Total Bilingual Education - Instruction	149,032.00	(2,559.00)	146,473.00	146,472.40	0.60
School - Sponsored Cocurricular & Extra Curric - Instr.					
Activities:					
Salaries	140,738.00	277,761.00	418,499.00	418,498.48	0.52
Purchased Services	14,800.00	430.00	15,230.00	10,580.63	4,649.37
Supplies and Materials	14,200.00	(2,199.00)	12,001.00	10,554.45	1,446.55
Other Objects	4,150.00	76.00	4,226.00	3,601.00	625.00
Total School - Sponsored Cocurricular Activities & Extra Curric. - Instr.	173,888.00	276,068.00	449,956.00	443,234.56	6,721.44
School - Sponsored Athletics:					
Salaries	848,073.00	(29,504.00)	818,569.00	818,567.62	1.38
Purchased Services	27,993.00		27,993.00	25,465.87	2,527.13
Supplies and Materials	85,332.00	(860.00)	84,472.00	84,142.90	329.10
Other Objects	107,000.00	23,000.00	130,000.00	119,810.93	10,189.07
Total School - Sponsored Athletics	1,068,398.00	(7,364.00)	1,061,034.00	1,047,987.32	13,046.68

**WESTFIELD 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
Other Instructional Programs - Instruction					
Salaries		31,355.00	31,355.00	31,354.22	0.78
Purchased Services		3,210.00	3,210.00	3,210.00	
Supplies and Materials		11,589.00	11,589.00	11,589.00	
Total Other Instructional Programs - Instruction		46,154.00	46,154.00	46,153.22	0.78
Total Instruction	40,911,281.00	226,637.78	41,137,918.78	40,909,953.26	227,965.52
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	1,842,519.00	(214,800.00)	1,627,719.00	1,584,048.48	43,670.52
Tuition to County Vocational School Dist. - Regular	361,000.00	42,000.00	403,000.00	376,050.00	26,950.00
Tuition to County Vocational School Dist. - Special	25,000.00	21,000.00	46,000.00	36,200.00	9,800.00
Tuition to Private Schools for the Disabled - Within State	4,414,087.00	(712,527.00)	3,701,560.00	3,408,104.41	293,455.59
Tuition to Private Schools for the Disabled and Other LEAs-Special, Outside the State	230,696.00	170,275.00	400,971.00	357,735.69	43,235.31
Tuition - Other	250,612.00		250,612.00	235,344.00	15,268.00
Total Undistrib. Expend. - Instruc.	7,123,914.00	(694,052.00)	6,429,862.00	5,997,482.58	432,379.42
Attendance and Social Work Services:					
Salaries	47,880.00	(15,433.00)	32,447.00	32,444.20	2.80
Total Attendance and Social Work Serv.	47,880.00	(15,433.00)	32,447.00	32,444.20	2.80
Health Services:					
Salaries	1,300,037.00	(165,670.00)	1,134,367.00	1,134,364.61	2.39
Purchased Professional and Technical Services	234,501.00	(35,500.00)	199,001.00	125,239.75	73,761.25
Supplies and Materials	22,850.00	(230.00)	22,620.00	21,907.99	712.01
Other Objects	765.00		765.00	765.00	
Total Health Services	1,558,153.00	(201,400.00)	1,356,753.00	1,282,277.35	74,475.65

**WESTFIELD 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
Speech, OT, PT & Related Services					
Salaries	1,154,193.00	495,632.00	1,649,825.00	1,649,824.08	0.92
Purchased Professional/Educational Services	1,198,892.00	(668,170.00)	530,722.00	367,987.25	162,734.75
Supplies and Materials	6,932.00		6,932.00	5,101.19	1,830.81
Total Other Support Services- Student Related	2,360,017.00	(172,538.00)	2,187,479.00	2,022,912.52	164,566.48
Other Support Services-Student Extra					
Salaries	1,274,391.00	257,552.00	1,531,943.00	1,531,941.68	1.32
Purchased Professional/Educational Services		35,000.00	35,000.00	35,000.00	
Other Objects	4,552.00	(424.00)	4,128.00	117.00	4,011.00
Total Other Support Services- Student Extra	1,278,943.00	292,128.00	1,571,071.00	1,567,058.68	4,012.32
Other Support Services - Guidance					
Salaries of Other Professional Staff	1,802,332.00	(152,601.00)	1,649,731.00	1,649,730.77	0.23
Salaries of Secret. & Clerical Assts.	220,617.00	206.00	220,823.00	220,822.15	0.85
Other Salaries		11,385.00	11,385.00	11,385.00	
Purchased Professional/Educational Services	30,400.00	(5,268.00)	25,132.00	18,716.75	6,415.25
Other Purchased Services	29,894.00	(1,000.00)	28,894.00	5,339.17	23,554.83
Supplies and Materials	17,578.00	4,946.00	22,524.00	20,739.35	1,784.65
Other Objects	5,575.00	5.00	5,580.00	5,254.00	326.00
Total Other Support Services - Students - Regular	2,106,396.00	(142,327.00)	1,964,069.00	1,931,987.19	32,081.81
Other Support Services - Child Study Teams					
Salaries of Other Professional Staff	989,967.00	480,278.00	1,470,245.00	1,470,244.03	0.97
Salaries of Secr. & Clerical Assts.	116,129.00	153,460.00	269,589.00	269,586.82	2.18
Purchased Professional/Educational Services	55,000.00	10,000.00	65,000.00	45,082.80	19,917.20
Residential Costs	414,455.00		414,455.00	399,345.55	15,109.45
Misc. Purchased Services	5,931.00	600.00	6,531.00	4,879.65	1,651.35
Supplies and Materials	18,000.00		18,000.00	14,921.13	3,078.87
Total Other Support Services - Students - Special Services	1,599,482.00	644,338.00	2,243,820.00	2,204,059.98	39,760.02

**WESTFIELD 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
Improv. of Instruction Services/Other					
Support Services - Instruc. Staff:					
Salaries of Supervisors of Instruc.	944,195.00	2,917.00	947,112.00	947,111.04	0.96
Salaries of Secr. and Clerical Assts.	142,148.00	27,116.00	169,264.00	169,263.33	0.67
Other Salaries	33,360.00	(28,502.00)	4,858.00	4,857.50	0.50
Purchased Professional/Educational Services	3,000.00	800.00	3,800.00	3,800.00	
Other Purchased Services	22,100.00	8,185.00	30,285.00	14,763.47	15,521.53
Supplies and Materials	32,195.00	(8,735.00)	23,460.00	19,718.05	3,741.95
Other Objects	21,896.00	(10,846.00)	11,050.00	10,408.75	641.25
Total Improv. of Instruction Services/ Other Support Serv. - Instruc. Staff	1,198,894.00	(9,065.00)	1,189,829.00	1,169,922.14	19,906.86
Educational Media Serv./School Library:					
Salaries	877,973.00	94,121.00	972,094.00	972,091.15	2.85
Purch. Profess. and Tech. Serv.	40,522.00	1,942.67	42,464.67	40,957.09	1,507.58
Other Purchased Services	3,952.00		3,952.00	2,747.00	1,205.00
Supplies and Materials	46,935.00	(6,878.00)	40,057.00	29,073.11	10,983.89
Total Educa. Media Serv./School Library	969,382.00	89,185.67	1,058,567.67	1,044,868.35	13,699.32
Instructional Staff Training Services:					
Other Salaries	11,949.00	(2,933.00)	9,016.00	9,016.00	
Purchased Professional/Educational Services	84,200.00	(25,332.00)	58,868.00	35,704.44	23,163.56
Other Purchased Services	665.00	1,000.00	1,665.00	739.82	925.18
Supplies and Materials	3,350.00		3,350.00	1,650.00	1,700.00
Other Objects	12,100.00	(10,000.00)	2,100.00	1,203.49	896.51
Total Instr. Staff Training Serv.	112,264.00	(37,265.00)	74,999.00	48,313.75	26,685.25
Support Serv. General Administration:					
Salaries	872,820.00	(186,023.00)	686,797.00	686,794.86	2.14
Legal Services	120,000.00	18,458.00	138,458.00	129,843.49	8,614.51
Audit Fees	37,500.00	(2,443.00)	35,057.00	35,057.00	
Architectural/Engineering Services		12,171.00	12,171.00	12,171.00	
Other Purch. Professional Services	41,155.00	71,702.00	112,857.00	94,356.97	18,500.03
Communications/Telephone	187,137.00	166,192.00	353,329.00	223,935.67	129,393.33
Misc. Purch Serv	423,996.00	(3,792.00)	420,204.00	413,313.61	6,890.39
General Supplies	15,575.00	18,361.00	33,936.00	23,587.41	10,348.59

- 76 -

**WESTFIELD 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
Misc. Expenditures	61,083.00		51,736.00	48,293.07	3,442.93
BOE Membership Dues and Fees	26,700.00	(9,347.00)	26,700.00	26,662.70	37.30
Total Support Serv. General Administration	1,785,966.00	85,279.00	1,871,245.00	1,694,015.78	177,229.22
Support Serv. School Administration:					
Salaries of Principals/Asst. Principals	2,182,888.00	(18,920.00)	2,163,968.00	2,163,967.72	0.28
Salaries of Secr. and Clerical Assts.	1,075,928.00	(22,999.00)	1,052,929.00	1,052,926.98	2.02
Purch. Professional & Technical Serv.	3,900.00		3,900.00	2,156.00	1,744.00
Other Purchased Services	38,188.00	13,931.00	52,119.00	27,438.10	24,680.90
Supplies and Materials	98,215.00	(4,465.00)	93,750.00	81,697.00	12,053.00
Other Objects	46,377.00	(15,484.00)	30,893.00	26,160.42	4,732.58
Total Support Serv. School Admin.	3,445,496.00	(47,937.00)	3,397,559.00	3,354,346.22	43,212.78
Central Services:					
Salaries	1,000,873.00	21,792.00	1,022,665.00	1,022,662.61	2.39
Purch. Professional Services	11,000.00	5,080.00	16,080.00	11,410.00	4,670.00
Purch. Technical Serv.	23,185.00	26,140.00	49,325.00	48,864.20	460.80
Misc. Purchased Services	56,886.00	(13,078.00)	43,808.00	37,226.93	6,581.07
Supplies and Materials	52,069.00	(6,916.00)	45,153.00	44,206.22	946.78
Miscellaneous Expenditures	32,536.00	(9,736.00)	22,800.00	21,613.37	1,186.63
Total Central Services	1,176,549.00	23,282.00	1,199,831.00	1,185,983.33	13,847.67
Admin. Info Technology					
Salaries	498,071.00	65,495.00	563,566.00	563,564.10	1.90
Other Purchased Services	2,000.00	771.00	2,771.00	2,119.40	651.60
Supplies and Matierals	149,670.00	(15,651.00)	134,019.00	131,877.67	2,141.33
Total Admin Info Technology	649,741.00	50,615.00	700,356.00	697,561.17	2,794.83

- 77 -

**WESTFIELD 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
Required Maint for School Facilities:					
Salaries	611,146.00	3,676.00	614,822.00	614,819.91	2.09
Cleaning, Repair & Maint. Services	335,069.00	417,503.62	752,572.62	399,560.33	353,012.29
General Supplies	133,300.00	(609.59)	132,690.41	118,236.22	14,454.19
Other Objects	7,654.00	8,125.00	15,779.00	14,344.00	1,435.00
Total Required Maint for School Facilities	1,087,169.00	428,695.03	1,515,864.03	1,146,960.46	368,903.57
Custodial Services:					
Salaries	2,638,139.00	(55,883.00)	2,582,256.00	2,582,253.80	2.20
Salaries Non Instructional Aides	236,584.00	26,264.00	262,848.00	262,847.02	0.98
Purch. Professional & Technical Serv.	50,500.00	(5,000.00)	45,500.00	32,580.06	12,919.94
Cleaning, Repair & Maint. Services	138,069.00	(19,833.00)	118,236.00	90,239.31	27,996.69
Rental of Land & Bldg. Other than Lease Pur Agrmt		17,642.00	17,642.00	15,994.46	1,647.54
Other Purchased Property Services	108,375.00	(13,033.00)	95,342.00	95,341.81	0.19
Insurance	100,000.00		100,000.00	100,000.00	
General Supplies	231,562.00	82,942.00	314,504.00	310,221.96	4,282.04
Energy (Electricity)	690,000.00	(143,007.00)	546,993.00	537,051.83	9,941.17
Energy (Natural Gas)	450,000.00	(88,096.00)	361,904.00	333,690.04	28,213.96
Other Objects	1,600.00		1,600.00	556.10	1,043.90
Total Custodial Services	4,644,829.00	(198,004.00)	4,446,825.00	4,360,776.39	86,048.61
Care & Upkeep Grounds					
Salaries	134,862.00	(11,900.00)	122,962.00	122,961.20	0.80
Cleaning, Repair, and Maintenance Services	52,000.00	(29,559.00)	22,441.00	17,762.09	4,678.91
General Supplies	43,922.00	(10,000.00)	33,922.00	32,574.20	1,347.80
Total Care & Upkeep Grounds	230,784.00	(51,459.00)	179,325.00	173,297.49	6,027.51
Security					
Salaries	64,220.00	1,430.00	65,650.00	65,648.91	1.09
Purchased Professional/Educational Services		15,800.00	15,800.00	15,800.00	
General Supplies		384,200.00	384,200.00		384,200.00
Total Security	64,220.00	401,430.00	465,650.00	81,448.91	384,201.09
Total Operation & Maint. Of Plant Serv.	6,027,002.00	580,662.03	6,607,664.03	5,762,483.25	845,180.78

- 78 -

**WESTFIELD 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
Student Transportation Services:					
Contracted Services (Between Home & School) - Vendors	201,000.00	(26,250.00)	174,750.00	173,897.56	852.44
Contracted Services (Other Than Between Home & School) - Vendors	210,700.00	21,230.00	231,930.00	207,032.82	24,897.18
Contracted Services (Special Ed. Students) - Vendors	573,000.00	29,482.00	602,482.00	602,476.94	5.06
Contracted Services (Regular Students) - ESCs & CTSA's	79,000.00	49,733.00	128,733.00	117,581.28	11,151.72
Contracted Services (Special Ed. Students) - ESCs & CTSA's	1,276,000.00	(20,232.00)	1,255,768.00	1,158,459.53	97,308.47
Contracted Services - Aid in Lieu of Payments - NonPublic Schools	235,000.00	(20,000.00)	215,000.00	196,739.10	18,260.90
Total Student Transportation Services	2,574,700.00	33,963.00	2,608,663.00	2,456,187.23	152,475.77
Unallocated Employee Benefits:					
Group Insurance	174,000.00	7,773.00	181,773.00	181,772.69	0.31
Social Security Contributions	820,000.00	14,923.00	834,923.00	834,922.16	0.84
Other Retirement Contributions - Regular	16,315.00	16,315.00	16,315.00	16,314.55	0.45
Other Retirement Contributions - PERS	1,023,000.00	(57,360.00)	965,640.00	963,339.97	2,300.03
Unemployment Compensation	300,000.00	(247,354.00)	52,646.00	40,000.00	12,646.00
Workmen's Compensation	455,000.00	(8,053.00)	446,947.00	445,444.70	1,502.30
Health Benefits	12,190,000.00	(170,407.00)	12,019,593.00	11,998,466.88	21,126.12
Tuition Reimbursements	225,000.00	30,000.00	255,000.00	153,253.39	101,746.61
Other Employee Benefits	125,000.00	322,539.00	447,539.00	447,538.91	0.09
Total Unallocated Employee Benefits:	15,312,000.00	(91,624.00)	15,220,376.00	15,081,053.25	139,322.75
On-behalf TPAF Pension Contrib. (non-budgeted)				2,632,908.00	(2,632,908.00)
On-behalf TPAF Non Contributory Insurance (non-budgeted)				138,527.00	(138,527.00)
On-behalf TPAF Post Retirement Med. Contrib. (non-budgeted)				3,133,794.00	(3,133,794.00)
On-behalf TPAF Employer FICA Contrib. (non-budgeted)				3,364,518.87	(3,364,518.87)
Total Undistributed Expenditures	49,326,779.00	387,811.70	49,714,590.70	56,802,704.84	(7,088,114.14)
Total Expenditures - Current Expense	90,238,060.00	614,449.48	90,852,509.48	97,712,658.10	(6,860,148.62)

**WESTFIELD 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:					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8	17,634.00	12,838.00	30,472.00	30,212.85	259.15
School Administration		4,216.00	4,216.00	4,215.54	0.46
Admin. Info. Tech.		433,575.20	433,575.20	236,937.20	196,638.00
Required Maint. For School Facilities		110.00	110.00	107.10	2.90
Non - Instructional Services		27,256.00	27,256.00	27,256.00	
Total Equipment	17,634.00	477,995.20	495,629.20	298,728.69	196,900.51
Facilities Acquis. & Constr. Services:					
Architectural/Engineering Services		125,252.00	125,252.00	100,454.00	24,798.00
Construction Services		2,159,183.58	2,159,183.58	1,255,207.30	903,976.28
Other Objects	48,015.00		48,015.00	48,015.00	
Total Facil. Acquis. & Constr. Services	48,015.00	2,284,435.58	2,332,450.58	1,403,676.30	928,774.28
Total Capital Outlay	65,649.00	2,762,430.78	2,828,079.78	1,702,404.99	1,125,674.79
Total Expenditures	90,303,709.00	3,376,880.26	93,680,589.26	99,415,063.09	(5,734,473.83)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,446,712.00)	(3,376,880.26)	(4,823,592.26)	(796,908.84)	4,026,683.42
Other Financing Sources (Uses)					
Operating Transfers In(Out)					
Public Assistance Grants - FEMA				9,477.20	9,477.20
Transfer to Charter Schools	(10,034.00)		(10,034.00)	(10,034.00)	
Total Other Financing Sources (Uses)	(10,034.00)		(10,034.00)	(556.80)	9,477.20
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,456,746.00)	(3,376,880.26)	(4,833,626.26)	(797,465.64)	4,036,160.62
Fund Balances, July 1	9,086,256.03		9,086,256.03	9,086,256.03	
Fund Balances, June 30	\$ 7,629,510.03	\$ (3,376,880.26)	\$ 4,252,629.77	\$ 8,288,790.39	\$ 4,036,160.62

**WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL 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>
Recapitulation:					
Restricted Fund Balance:					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 1,456,746.00	
Reserve for Excess Surplus				1,147,971.83	
Maintenance Reserve				1,079,138.52	
Capital Reserve				1,338,813.50	
Committed Fund Balance:					
Year-end Encumbrances				1,154,264.84	
Unassigned Fund Balance				<u>2,111,855.70</u>	
				\$ 8,288,790.39	
<u>Reconciliation to Governmental Funds Statements (GAAP):</u>					
Delayed State Aid Payment not recognized on GAAP basis				(266,733.00)	
Extraordinary Aid Payment 2012-2013				(1,257,514.00)	
Fund Balance per Governmental Funds (GAAP)				<u><u>\$ 6,764,543.39</u></u>	

**WESTFIELD 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
REVENUES:					
State Sources	\$ 192,431.00	\$ (1,643.00)	\$ 190,788.00	\$ 181,792.45	(8,995.55)
Federal Sources	1,748,348.00	594,272.92	2,342,620.92	1,859,164.05	(483,456.87)
Local Sources	182,075.00	76,545.04	258,620.04	178,874.38	(79,745.66)
Total Revenues	2,122,854.00	669,174.96	2,792,028.96	2,219,830.88	(572,198.08)
EXPENDITURES:					
Instruction					
Personal Services - Salaries	414,281.00	(308,037.20)	106,243.80	93,494.00	12,749.80
Purchased Professional/Technical Services	46,500.00	382,396.77	428,896.77	410,830.82	18,065.95
Other Purchased Services	6,266.00	532,892.11	539,158.11	528,741.75	10,416.36
General Supplies	254,778.00	272,163.92	526,941.92	325,269.05	201,672.87
Textbooks		26,578.00	26,578.00	26,051.42	526.58
Other Objects	33,983.00	(21,376.71)	12,606.29	3,718.25	8,888.04
Total Instruction	755,808.00	884,616.89	1,640,424.89	1,388,105.29	252,319.60
Support Services					
Personal Services - Salaries	705,356.00	(320,658.41)	384,697.59	221,715.59	162,982.00
Personal Services - Employee Benefits	163,610.00	(4,011.67)	159,598.33	155,595.26	4,003.07
Purchased Professional/Technical Services	163,131.00	(72,913.08)	90,217.92	26,133.23	64,084.69
Purchased Professional/Educational Services		283,792.00	283,792.00	230,606.95	53,185.05
Other Purchased Professional Services	49,056.00	(7,045.00)	42,011.00	41,272.45	738.55

**WESTFIELD 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
EXPENDITURES:					
Support Services					
Purchased Technical Services					
Other Purchased Services	\$ 91,637.00	12,955.99	104,592.99	\$ 100,492.87	4,100.12
Supplies and Materials	125,369.00	(70,403.76)	54,965.24	38,674.24	16,291.00
Other Objects	6,000.00	(6,000.00)			
Total Support Services	1,304,159.00	(184,283.93)	1,119,875.07	814,490.59	305,384.48
Facilities Acquisition and Construction Services:					
Instructional Equipment	50,887.00	(21,158.00)	29,729.00	17,235.00	12,494.00
Non-Instructional Equipment	12,000.00	(10,000.00)	2,000.00		2,000.00
Total Facilities Acquisition and Construction Services	62,887.00	(31,158.00)	31,729.00	17,235.00	14,494.00
Total Expenditures	2,122,854.00	669,174.96	2,792,028.96	2,219,830.88	572,198.08
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -0-				

**NOTES TO THE REQUIRED
SUPPLEMENTARY INFORMATION**

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES

SECTION – D

SPECIAL REVENUE FUND

SECTION – E

**WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Exhibit - E-1
Page 1 of 2

	TOTAL BROUGHT FORWARD (EX. E-1a)	TOTAL BROUGHT FORWARD (EX. E-1b)	TITLE I PART A REGULAR 2012-2013	TITLE I PART A REGULAR 2011-2012	I.D.E.A. PART B BASIC 2012-2013	I.D.E.A. PART B BASIC 2011-2012	I.D.E.A. PART B BASIC - ARRA 2010-2011
REVENUES							
State Sources	\$ 181,792.45	\$	\$	\$	\$	\$	\$
Federal Sources			102,905.39	34,997.16	1,136,334.06	286,933.86	147,740.99
Local Sources		<u>178,874.38</u>					
Total Revenues	<u>181,792.45</u>	<u>178,874.38</u>	<u>102,905.39</u>	<u>34,997.16</u>	<u>1,136,334.06</u>	<u>286,933.86</u>	<u>147,740.99</u>
EXPENDITURES							
Instruction:							
Salaries of Teachers			73,259.00	20,235.00			
Other Salaries for Instruc.							
Purchased Prof. - Educational Services							
Purch. Prof. & Tech. Services					409,112.36		
Other Purch. Services (400-500 series)					450,999.25	26,109.35	777.38
General Supplies		109,516.62	13,610.00		128,231.39	38,894.71	400.00
Textbooks	25,211.65	839.77					
Other Objects					<u>1,861.50</u>	<u>144.49</u>	<u>155.51</u>
Total Instruction	<u>25,211.65</u>	<u>110,356.39</u>	<u>86,869.00</u>	<u>20,235.00</u>	<u>990,204.50</u>	<u>65,148.55</u>	<u>1,332.89</u>
Support Services:							
Salaries of Supervisors Instr							6.08
Salaries of Other Prof. Staff						76,600.35	128,942.00
Salaries of Secr & Cler Assts						11,025.09	5,142.07
Other Salaries							
Personal Services - Empl. Benefits			16,036.39	14,762.16		114,932.65	9,864.06
Purch. Prof. - Tech. Services						13,043.23	
Purch. Prof. - Educ. Services	115,308.35				72,952.10		
Other Purch. Prof. Services	36,151.45						
Purch. Technical Services							
Rentals							
Contract Serv. - Trans. (Wrap Around Services)	5,121.00						
Contract Serv. - Trans. (Field Trips)							
Tuition							
Travel							
Other Purch. Services (400-500 series)		53,046.73			37,462.15	6,183.99	
Supplies and Materials		6,629.26			27,322.31		2,453.89
Other Objects							
Total Support Services	<u>156,580.80</u>	<u>59,675.99</u>	<u>16,036.39</u>	<u>14,762.16</u>	<u>137,736.56</u>	<u>221,785.31</u>	<u>146,408.10</u>
Facilities Acquis. & Const. Serv.:							
Instructional Equipment		8,842.00			8,393.00		
Non-instructional Equipment							
Total Facil. Acquis. & Const. Serv.		<u>8,842.00</u>			<u>8,393.00</u>		
Total Expenditures	<u>\$ 181,792.45</u>	<u>\$ 178,874.38</u>	<u>\$ 102,905.39</u>	<u>\$ 34,997.16</u>	<u>\$ 1,136,334.06</u>	<u>\$ 286,933.86</u>	<u>\$ 147,740.99</u>
Excess (Deficiency) of Revenues Over Expenditures							
Other Financing Sources (Uses):							
Operating Transfer - General Fund	\$	\$	\$	\$	\$	\$	\$

**WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Exhibit - E-1
Page 2 of 2

	I.D.E.A. PART B PRESCHOOL 2012-2013	I.D.E.A. PART B PRESCHOOL 2011-2012	TITLE II PART A 2012-2013	TITLE II PART A 2011-2012	TITLE III 2012-2013	TITLE III IMMIGRANT 2011-2012	TITLE III IMMIGRANT 2010-2011	RACE TO THE TOP GRANT	TOTALS 2012-2013
REVENUES									
State Sources	\$	\$	\$	\$	\$	\$	\$	\$	\$
Federal Sources	41,320.00	8,821.98	39,234.21	33,165.00	10,552.81	2,274.63	1,793.96	13,090.00	181,792.45
Local Sources									1,859,164.05
									178,874.38
Total Revenues	41,320.00	8,821.98	39,234.21	33,165.00	10,552.81	2,274.63	1,793.96	13,090.00	2,219,830.88
EXPENDITURES									
Instruction:									
Salaries of Teachers									93,494.00
Other Salaries for Instruc.									
Purchased Prof. - Educational Services									
Purch. Prof. & Tech. Services			58.00	1,660.46					410,830.82
Other Purch. Services (400-500 series)	41,320.00	8,821.98	83.00	630.79					528,741.75
General Supplies			14,459.80	6,934.00	10,552.81	875.76	1,793.96		325,269.05
Textbooks									26,051.42
Other Objects				569.75		987.00			3,718.25
Total Instruction	41,320.00	8,821.98	14,600.80	9,795.00	10,552.81	1,862.76	1,793.96		1,388,105.29
Support Services:									
Salaries of Other Prof. Staff									6.08
Salaries of Other Prof. Staff									205,542.35
Salaries of Other Prof. Staff									16,167.16
Other Salaries									
Personal Services - Empl. Benefits									155,595.26
Purch. Prof. & Tech. Services								13,090.00	26,133.23
Purch. Prof. - Educ. Services			18,976.50	23,370.00					230,606.95
Other Purch. Prof. Services									36,151.45
Purch. Technical Services									
Rentals									
Contract Serv. - Trans. (Wrap Around Services)									5,121.00
Contract Serv. - Trans. (Field Trips)									
Tuition									
Travel									
Other Purch. Services			3,800.00						100,492.87
Supplies and Materials			1,856.91			411.87			38,674.24
Other Objects									
Total Support Services			24,633.41	23,370.00		411.87		13,090.00	814,490.59
Facilities Acquis. & Const. Serv.:									
Instructional Equipment									17,235.00
Non-instructional Equipment									
Total Facil. Acquis. & Const. Serv.									17,235.00
Total Expenditures	\$ 41,320.00	\$ 8,821.98	\$ 39,234.21	\$ 33,165.00	\$ 10,552.81	\$ 2,274.63	\$ 1,793.96	\$ 13,090.00	\$ 2,219,830.88
Excess (Deficiency) of Revenues Over Expenditures									
Other Financing Sources (Uses): Operating Transfer - General Fund	\$	\$	\$	\$	\$	\$	\$	\$	\$ -

**WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Exhibit - E-1a
Page 1 of 1

	NONPUBLIC TEXTBOOKS	NONPUBLIC NURSING	NONPUBLIC HOME INSTRUCTION	N.J. NONPUBLIC AUXILIARY SERV., CH.192			NONPUBLIC TECHNOLOGY	N.J. NONPUBLIC HANDICAPPED SERV., CH. 193			TOTAL CARRIED FORWARD
				ESL	TRANS- PORTATION	COMP. EDUCATION		SUPPL. INST.	EXAM. AND CLASS.	CORR. SPEECH	
REVENUES											
State Sources	\$ 25,211.65	\$ 36,151.45	\$ 1,385.12	\$ 3,922.00	\$ 5,121.00	\$ 26,922.00	\$ 9,592.23	\$ 15,404.00	\$ 28,820.00	\$ 29,263.00	\$ 181,792.45
Federal Sources											-
Local Sources											-
Total Revenues	25,211.65	36,151.45	1,385.12	3,922.00	5,121.00	26,922.00	9,592.23	15,404.00	28,820.00	29,263.00	181,792.45
EXPENDITURES											
Instruction:											
Salaries of Teachers											
Other Salaries for Instruc.											
Purchased Prof. - Educational Serv											
Purch. Prof. & Tech. Services											
Other Purch. Services											
General Supplies											
Textbooks	25,211.65										25,211.65
Other Objects											
Total Instruction	25,211.65										25,211.65
Support Services:											
Salaries of Other Prof. Staff											
Other Salaries											
Personal Services - Empl. Benefits											
Purch. Prof. - Educ. Services			1,385.12	3,922.00		26,922.00	9,592.23	15,404.00	28,820.00	29,263.00	115,308.35
Other Purch. Prof. Services		36,151.45									36,151.45
Purch. Technical Services											
Rentals											
Contract Serv. - Trans. (Wrap Around Services)					5,121.00						5,121.00
Contract Serv. - Trans. (Field Trips)											
Tuition											
Travel											
Other Purch. Services											
Supplies and Materials											
Other Objects											
Total Support Services		36,151.45	1,385.12	3,922.00	5,121.00	26,922.00	9,592.23	15,404.00	28,820.00	29,263.00	156,580.80
Facilities Acquis. & Const. Serv.:											
Buildings											
Instructional Equipment											
Non-instructional Equipment											
Total Facil. Acquis. & Const. Serv.											
Total Expenditures	\$ 25,211.65	\$ 36,151.45	\$ 1,385.12	\$ 3,922.00	\$ 5,121.00	\$ 26,922.00	\$ 9,592.23	\$ 15,404.00	\$ 28,820.00	\$ 29,263.00	\$ 181,792.45
Excess (Deficiency) of Revenues Over Expenditures											
Other Financing Sources (Uses): Operating Transfer - General Fund											

**WESTFIELD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Exhibit - E-1b
Page 1 of 1

	<u>VARIOUS MINI-GRANTS</u>	<u>NJSBAIG GRANT</u>	<u>TOTAL CARRIED FORWARD</u>
REVENUES			
State Sources	\$	\$	\$
Federal Sources			
Local Sources	<u>139,372.88</u>	<u>39,501.50</u>	<u>178,874.38</u>
Total Revenues	<u>139,372.88</u>	<u>39,501.50</u>	<u>178,874.38</u>
EXPENDITURES			
Instruction:			
Salaries of Teachers			
Other Salaries for Instruc.			
Purchased Prof. - Educational Services			
Purch. Prof. & Tech. Services			
Other Purch. Services			
General Supplies	109,516.62		109,516.62
Textbooks	839.77		839.77
Other Objects			
Total Instruction	<u>110,356.39</u>		<u>110,356.39</u>
Support Services:			
Salaries of Other Prof. Staff			
Other Salaries			
Personal Services - Empl. Benefits			
Purch. Prof. - Educ. Services			
Other Purch. Prof. Services			
Purch. Technical Services			
Rentals			
Contract Serv. - Trans. (Wrap Around Services)			
Contract Serv. - Trans. (Field Trips)			
Tuition			
Travel			
Other Purch. Services	13,545.23	39,501.50	53,046.73
Supplies and Materials	6,629.26		6,629.26
Other Objects			
Total Support Services	<u>20,174.49</u>	<u>39,501.50</u>	<u>59,675.99</u>
Facilities Acquis. & Const. Serv.:			
Buildings			
Instructional Equipment	8,842.00		8,842.00
Non-instructional Equipment			
Total Facil. Acquis. & Const. Serv.	<u>8,842.00</u>		<u>8,842.00</u>
Total Expenditures	<u>\$ 139,372.88</u>	<u>\$ 39,501.50</u>	<u>\$ 178,874.38</u>
Excess (Deficiency) of Revenues Over Expenditures			
Other Financing Sources (Uses): Operating Transfer - General Fund	<u>\$</u>	<u>\$</u>	<u>\$</u>

CAPITAL PROJECTS FUND

SECTION – F

**WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2013**

<u>ISSUE/PROJECT TITLE</u>	<u>APPROPRIATION</u>	<u>EXPENDITURES TO DATE</u>		<u>UNEXPENDED BALANCE</u>
		<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	
Construction of Additions and Renovations at Westfield High School and the Girl's Athletic Facilities at the Fieldhouse, including the Acquisition and Installation of Furnishings and Equipment and Site Work	\$ 21,495,000.00	\$ 21,109,676.37	\$ 385,323.63	\$ 0.00
Washington School Boiler Replacement	255,894.50	250,251.11		5,643.39
Renovation of Lincoln School to an Early Childhood Center, Additions to Library and Cafeteria at Roosevelt Intermediate School and partial window replacement at Edison Intermediate School	9,396,000.00	9,387,989.32		8,010.68
Replacement and/or Restoration of Roofs at Westfield H.S., Edison Intermediate, Roosevelt Intermediate, Franklin Elementary, Jefferson Elementary, Lincoln Early Childhood Learning Center, McKinley Elementary, Tamaques Elementary, Washington Elementary, Wilson Elementary, Kehler Field House, Board of Education Offices, including Incidental and Related Equipment and Work.	<u>13,600,000.00</u>		<u>1,540,849.49</u>	<u>12,059,150.51</u>
Total	\$ <u>44,746,894.50</u>	\$ <u>30,747,916.80</u>	\$ <u>1,926,173.12</u>	\$ <u>12,072,804.58</u>

Reconciliation of Unexpended Capital Project Balances to Fund Balance - GAAP Basis as at June 30, 2013

Unexpended Project Balances June 30, 2013 (As Above)	\$ 12,072,804.58
Add: Additional State Grant/Aid Collections	29,668.51
Less: SY 2012/2013 Appropriations Authorized But Not Issued	(13,600,000.00)
	<hr/>
Total Fund Balance (GAAP Basis) - June 30, 2013	\$ <u>(1,497,526.91)</u>
<u>Analysis of Fund Balance - June 30, 2013:</u>	
Restricted for Capital Projects	\$ (1,527,195.42)
Unassigned	<u>29,668.51</u>
Total Fund Balance (GAAP Basis) - June 30, 2013	\$ <u>(1,497,526.91)</u>

**WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE
IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013**

Revenues and Other Financing Sources	
State Sources - SCC Grant	\$ 155,925.73
Total revenues	<u>155,925.73</u>
Expenditures and Other Financing Uses	
Purchased professional and technical services	334,771.00
Construction services	1,591,402.12
Equipment purchases	
Transfer to debt service fund	
Total expenditures	<u>1,926,173.12</u>
Excess (deficiency) of revenues over (under) expenditures	(1,770,247.39)
Fund balance - beginning	<u>272,720.48</u>
Fund balance - ending	<u><u>\$ (1,497,526.91)</u></u>
<u>Analysis of Fund Balance - June 30, 2013:</u>	
Restricted for Capital Projects	\$ (1,467,858.40)
Unassigned	<u>29,668.51</u>
Fund balance (GAAP Basis) - June 30,2013	<u><u>\$ (1,497,526.91)</u></u>

**WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
DISTRICT ROOF REPLACEMENT PROGRAM
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$	\$	\$	\$
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services		333,146.00	333,146.00	333,146.00
Other salaries				
Land and Improvements				
Construction services		1,207,703.49	1,207,703.49	1,207,703.49
Rental service				
Equipment purchases				
Total expenditures	<u>0.00</u>	<u>1,540,849.49</u>	<u>1,540,849.49</u>	<u>1,540,849.49</u>
Excess (deficiency) of revenues over (under) expenditures \$	<u><u>0.00</u></u>	<u><u>(1,540,849.49)</u></u>	<u><u>(1,540,849.49)</u></u>	<u><u>(1,540,849.49)</u></u>

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	08/01/01
Bonds Authorized	\$13,600,000
Bonds Issued	\$0
Original Authorized Cost	\$13,600,000
Additional Authorized Cost	N/A
Revised Authorized Cost	\$13,600,000

Percentage Increase over Original

Authorized Cost	N/A
Percentage completion	0%
Original target completion date	2014
Revised target completions date	2014

**WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
CONSTRUCTION AND ADDITIONS & RENOVATIONS TO HIGH SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ 6,444,872.78	\$ 126,257.22	\$ 6,571,130.00	\$ 6,571,130.00
Bond proceeds and transfers	13,387,132.33		13,387,132.33	13,387,132.33
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay				
Total revenues	<u>19,832,005.11</u>	<u>126,257.22</u>	<u>19,958,262.33</u>	<u>19,958,262.33</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	2,769,823.59	1,625.00	2,771,448.59	3,053,070.28
Other salaries	37,911.74		37,911.74	37,911.74
Land and Improvements				
Construction services	15,352,935.95	383,698.63	15,736,634.58	15,518,376.40
Rental service	96,598.00		96,598.00	96,598.00
Equipment purchases	1,315,669.42		1,315,669.42	1,252,305.91
Total expenditures	<u>19,572,938.70</u>	<u>385,323.63</u>	<u>19,958,262.33</u>	<u>19,958,262.33</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>259,066.41</u>	\$ <u>(259,066.41)</u>	\$ _____	\$ _____

Additional project information:

Project Number	SP201327
Grant Date	11/09/01
Bond Authorization Date	08/01/01
Bonds Authorized	\$13,386,262
Bonds Issued	\$13,386,262
Original Authorized Cost	\$19,486,436
Additional Authorized Cost	N/A
Revised Authorized Cost	\$19,486,436

Percentage Increase over Original

Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Nov-06
Revised target completions date	Jun-11

**WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
BOILER REPLACEMENT WASHINGTON SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ 55,894.50	\$	\$ 55,894.50	\$ 55,894.50
Transfer from capital outlay	<u>200,000.00</u>	<u> </u>	<u>200,000.00</u>	<u>200,000.00</u>
Total revenues	<u>255,894.50</u>	<u> </u>	<u>255,894.50</u>	<u>255,894.50</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	21,400.00		21,400.00	21,400.00
Land and Improvements				
Construction services	228,851.11		228,851.11	234,494.50
Equipment purchases				
Transfer to debt service fund				
Total expenditures	<u>250,251.11</u>	<u> </u>	<u>250,251.11</u>	<u>255,894.50</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 5,643.39</u>	<u>\$</u>	<u>\$ 5,643.39</u>	<u>\$</u>

Additional project information:

Project Number	5730-150-05-1000
Grant Date	07/13/05
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$312,606
Additional Authorized Cost	
Revised Authorized Cost	\$255,895
Percentage Increase over Original	
Authorized Cost	N/A
Percentage completion	92%
Original target completion date	Dec-06
Revised target completions date	Dec-10

**WESTFIELD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
RENOVATION OF LINCOLN SCHOOL TO AN EARLY CHILDHOOD CENTER, ADDITIONS TO LIBRARY AND
CAFETERIA AT ROOSEVELT INTERMEDIATE SCHOOL, PARTIAL WINDOW REPLAc. AT EDISON INTERMEDIATE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond proceeds and transfers	\$ 9,396,000.00	\$ _____	\$ 9,396,000.00	\$ 9,396,000.00
Total revenues	<u>9,396,000.00</u>	<u>_____</u>	<u>9,396,000.00</u>	<u>9,396,000.00</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	1,342,833.83		1,342,833.83	1,141,700.00
Land and Improvements				
Construction services	7,935,170.40		7,935,170.40	8,063,500.00
Equipment purchases	87,385.09		87,385.09	190,800.00
Transfer to debt service fund	22,600.00		22,600.00	
Total expenditures	<u>9,387,989.32</u>	<u>_____</u>	<u>9,387,989.32</u>	<u>9,396,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 8,010.68	\$ _____	\$ 8,010.68	\$ _____

Additional project information:

Project Number	
Grant Date	N/A
Bond Authorization Date	
Bonds Authorized	\$9,396,000
Bonds Issued	\$9,396,000
Original Authorized Cost	\$9,396,000
Additional Authorized Cost	
Revised Authorized Cost	\$9,396,000
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	93%
Original target completion date	Dec-08
Revised target completions date	Dec-10

PROPRIETARY FUNDS

SECTION – G

ENTERPRISE FUND

**WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
FOOD SERVICES ENTERPRISE FUND
AS OF JUNE 30, 2013**

<u>ASSETS</u>	<u>2013</u>
Current Assets:	
Cash and Cash Equivalents	\$ 170,126.31
Accounts Receivable:	
State	209.47
Federal	3,663.93
Other	950.09
Inventories	<u>11,001.95</u>
Total Current Assets	<u>185,951.75</u>
Noncurrent Assets:	
Fixed Assets:	
Equipment	428,577.00
Accumulated Depreciation	<u>(391,283.00)</u>
Total Noncurrent Assets	<u>37,294.00</u>
Total Assets	\$ <u><u>223,245.75</u></u>
 <u>LIABILITIES AND NET POSITION</u>	
Current Liabilities:	
Accounts Payable	\$ 57,556.23
Deferred Revenue	11,702.66
Interfund Payable	<u>2,621.76</u>
Total Current Liabilities	<u>71,880.65</u>
Net Position:	
Invested in Capital Assets Net of Related Debt	37,294.00
Unrestricted (Deficit)	<u>114,071.10</u>
Total Net Position	<u>151,365.10</u>
Total Liabilities and Net Position	\$ <u><u>223,245.75</u></u>

WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOOD SERVICES ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

<u>OPERATING REVENUES</u>	<u>2013</u>
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 164,491.60
Daily Sales - Non-Reimbursable Programs	945,021.15
	<hr/>
Total Operating Revenues	1,109,512.75
	<hr/>
<u>OPERATING EXPENSES</u>	
Food	442,556.77
Labor	482,310.86
Supplies	31,707.60
Insurance	22,865.56
Laundry/Uniforms	1,292.23
Misc. Expenses	38,255.87
Management Fees	133,561.20
Depreciation	6,336.00
	<hr/>
Total Operating Expenses	1,158,886.09
	<hr/>
Operating Income (Loss)	(49,373.34)
	<hr/>
Non-Operating Revenues:	
State Sources:	
State School Lunch Program	2,891.36
Federal Sources:	
U.S.D.A. Commodities	24,246.73
National School Lunch Program	51,916.24
Interest on Deposits	430.19
	<hr/>
Total Non-Operating Revenues	79,484.52
	<hr/>
Change in Net Position	30,111.18
	<hr/>
Total Net Position Beginning (Restated)	121,253.92
	<hr/>
Total Net Position Ending	\$ 151,365.10
	<hr/> <hr/>

**WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
FOOD SERVICES ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	2013
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 1,112,967.09
Payments to Suppliers	(1,126,979.66)
Net Cash Provided by (used for) Operating Activities	(14,012.57)
Cash Flows from Non-Capital Financing Activities	
State Sources	2,922.71
Federal Sources	51,959.89
Net Cash Provided by (used for) Non-Capital Financing Activities	54,882.60
Cash Flows from Investing Activities	
Interest on Deposits	430.19
Net Cash Provided by (used for) Investing Activities	430.19
Net Increase (Decrease) in Cash and Cash Equivalents	41,300.22
Cash and Cash Equivalents, July 1	128,826.09
Cash and Cash Equivalents, June 30	\$ 170,126.31
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (53,189.34)
Adjust. to Reconcile Operating Income (Loss) to Cash Provided (Used) by Oper. Activities:	
Depreciation	10,152.00
Federal Commodities	25,770.71
(Increase) Decrease in Accounts Receivable	(950.09)
(Increase) Decrease in Inventory	19,124.55
Increase (Decrease) in Deferred Revenue	4,404.43
Increase (Decrease) in Accounts Payable	(19,324.83)
Net Cash Used by Operating Activities	\$ (14,012.57)

INTERNAL SERVICE FUND

FIDUCIARY FUNDS

SECTION - H

**WESTFIELD SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013**

	<u>UNEMPLOYMENT COMPENSATION</u>	<u>AGENCY</u>		<u>TOTALS 2013</u>
		<u>STUDENT ACTIVITY</u>	<u>PAYROLL</u>	
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ <u>116,295.95</u>	\$ <u>492,555.58</u>	\$ <u>488,633.41</u>	\$ <u>1,097,484.94</u>
Total Assets	\$ <u><u>116,295.95</u></u>	\$ <u><u>492,555.58</u></u>	\$ <u><u>488,633.41</u></u>	\$ <u><u>1,097,484.94</u></u>
<u>LIABILITIES AND NET POSITION</u>				
Liabilities:				
Payroll Deductions and Withholdings	\$ 15,397.04		\$ 488,633.41	\$ 504,030.45
Accounts Payable	2,678.18			2,678.18
Due to Student Groups		<u>492,555.58</u>		<u>492,555.58</u>
Total Liabilities	<u>18,075.22</u>	<u>492,555.58</u>	<u>488,633.41</u>	<u>999,264.21</u>
Net Position:				
Unreserved	<u>98,220.73</u>			<u>98,220.73</u>
Total Net Position	<u>98,220.73</u>			<u>98,220.73</u>
Total Liabilities and Net Position	\$ <u><u>116,295.95</u></u>	\$ <u><u>492,555.58</u></u>	\$ <u><u>488,633.41</u></u>	\$ <u><u>1,097,484.94</u></u>

**WESTFIELD SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Unemployment Compensation Trust</u>
ADDITIONS	
Contributions:	
Dedicated Payroll Withholdings	\$ 181,197.88
Total Contributions	<u>181,197.88</u>
Investment Earnings:	
Interest	<u>155.21</u>
Net Investment Earnings	<u>155.21</u>
Total Additions	<u>181,353.09</u>
DEDUCTIONS	
Quarterly contribution reports	<u>160,916.64</u>
Total Deductions	<u>160,916.64</u>
Change in Net Position	<u>20,436.45</u>
Net Position - beginning of the year	<u>77,784.28</u>
Net Position - end of the year	\$ <u><u>98,220.73</u></u>

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

	BALANCE JUNE 30, 2012	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2013
<u>ELEMENTARY SCHOOLS</u>				
Franklin	\$ 2,500.10	\$ 26,140.98	\$ 24,895.73	\$ 3,745.35
Jefferson	9,978.36	16,427.58	16,369.59	10,036.35
Lincoln	1,779.92	1,741.24	1,654.00	1,867.16
McKinley	7,687.52	22,280.57	24,088.95	5,879.14
Tamaques	742.72	20,011.49	19,492.53	1,261.68
Washington	8,164.32	22,265.95	22,950.75	7,479.52
Wilson	12,040.30	26,210.66	30,724.48	7,526.48
Total Elementary Schools	<u>\$ 42,893.24</u>	<u>\$ 135,078.47</u>	<u>\$ 140,176.03</u>	<u>\$ 37,795.68</u>
<u>INTERMEDIATE SCHOOLS</u>				
Edison	\$ 35,447.03	\$ 104,601.49	\$ 95,386.00	\$ 44,662.52
Roosevelt	104,932.68	119,435.75	103,400.10	120,968.33
Total Intermediate Schools	<u>\$ 140,379.71</u>	<u>\$ 224,037.24</u>	<u>\$ 198,786.10</u>	<u>\$ 165,630.85</u>
<u>SENIOR HIGH SCHOOLS</u>				
Westfield H.S.	\$ 221,967.37	\$ 478,921.24	\$ 445,382.56	\$ 255,506.05
Westfield H.S Music Account	30,217.94	85,744.04	82,338.98	33,623.00
Total Senior High Schools	<u>\$ 252,185.31</u>	<u>\$ 564,665.28</u>	<u>\$ 527,721.54</u>	<u>\$ 289,129.05</u>
Total All Schools	<u>\$ 435,458.26</u>	<u>\$ 923,780.99</u>	<u>\$ 866,683.67</u>	<u>\$ 492,555.58</u>

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

	<u>BALANCE JUNE 30, 2012</u>	<u>CASH RECEIPTS</u>	<u>CASH DISBURSEMENTS</u>	<u>BALANCE JUNE 30, 2013</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ <u>447,014.63</u>	\$ <u>27,790,150.06</u>	\$ <u>27,748,531.28</u>	\$ <u>488,633.41</u>
Total Assets	\$ <u>447,014.63</u>	\$ <u>27,790,150.06</u>	\$ <u>27,748,531.28</u>	\$ <u>488,633.41</u>
<u>LIABILITIES</u>				
Payroll Deductions and Withholdings	\$ <u>447,014.63</u>	\$ <u>27,790,150.06</u>	\$ <u>27,748,531.28</u>	\$ <u>488,633.41</u>
Total Liabilities	\$ <u>447,014.63</u>	\$ <u>27,790,150.06</u>	\$ <u>27,748,531.28</u>	\$ <u>488,633.41</u>

LONG-TERM DEBT

SECTION - I

**WESTFIELD SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2013**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2012	RETIRED	BALANCE JUNE 30, 2013
			DATE	AMOUNT				
Artificial Turf Field and Replacement of Running Track At Kehler Stadium	3/15/2005	1,381,000	3/1/2014	\$ 160,000	3.450%	\$ 471,000.00	\$ (155,000.00)	\$ 316,000.00
			3/1/2015	156,000	3.500%			
Refunding School Bonds	9/1/2006	9,195,000	8/1/2013	\$ 35,000	3.625%	8,995,000.00	(35,000.00)	8,960,000.00
			8/1/2014	40,000	3.700%			
			8/1/2015	610,000	4.100%			
			8/1/2016	1,585,000	4.000%			
			8/1/2017	1,605,000	4.000%			
			8/1/2018	1,600,000	4.000%			
			8/1/2019	1,615,000	4.000%			
			8/1/2020	940,000	4.000%			
			8/1/2021	930,000	4.000%			
			Renovations and alterations at Lincoln School, additions renovations and alterations at Roosevelt Intermediate School and replacement of windows at Thomas Edison Intermediate School	10/1/2007	9,396,000			
10/1/2014	625,000	4.000%						
10/1/2015	325,000	4.000%						
10/1/2016	350,000	4.000%						
10/1/2017	400,000	4.000%						
10/1/2018	500,000	4.000%						
10/1/2019	575,000	4.000%						
10/1/2020	400,000	4.000%						
10/1/2021	475,000	4.000%						
10/1/2022	600,000	4.000%						
10/1/2023	625,000	4.000%						
10/1/2024	650,000	4.000%						
10/1/2025	650,000	4.000%						
10/1/2026	650,000	4.100%						
10/1/2027	646,000	4.100%						
Refunding School Bonds	3/1/2009	3,195,000	3/1/2014	\$ 540,000	3.000%	1,065,000.00	(525,000.00)	540,000.00
Refunding School Bonds	8/1/2010	3,830,000	8/1/2013	\$ 965,000	3.000%	3,830,000.00	(980,000.00)	2,850,000.00
			8/1/2014	950,000	3.000%			
			8/1/2015	935,000	3.000%			
Total						\$ 22,682,000.00	\$ (2,095,000.00)	\$ 20,587,000.00

**WESTFIELD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,527,277.00	\$ -	\$ 2,527,277.00	\$ 2,527,277.00	\$ -
Total Local Sources:	2,527,277.00	-	2,527,277.00	2,527,277.00	-
State Aid - Debt Service	353,654.00	-	353,654.00	353,654.00	-
Total Revenues	2,880,931.00	-	2,880,931.00	2,880,931.00	-
EXPENDITURES:					
Regular Debt Service:					
Redemption of Bond Principal	2,095,000.00	-	2,095,000.00	2,095,000.00	-
Bond Interest	829,025.00	-	829,025.00	829,024.76	(0.24)
Total Regular Debt Service	2,924,025.00	-	2,924,025.00	2,924,024.76	(0.24)
Total expenditures	2,924,025.00	-	2,924,025.00	2,924,024.76	(0.24)
Fund Balance, July 1	43,094.70	-	43,094.70	43,094.70	-
Fund Balance, June 30	0.70	-	0.70	0.94	0.24
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$ (43,094.00)	\$ -	\$ (43,094.00)	\$ (43,093.76)	\$ 0.24

STATISTICAL SECTION

SECTION – J

Introduction to the Statistical Section

Financial Trends

WESTFIELD BOARD OF EDUCATION
NET ASSETS BY COMPONENTS
LAST TEN FISCAL YEARS

Exhibit J-1
GASB B-1

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	Restated 2012	2013
Governmental activities										
Invested in capital assets, net of related debt	\$ 16,366,666	\$ 16,363,139	\$ 19,015,648	\$ 20,198,603	\$ 16,197,054	\$ 20,633,404	\$ 21,718,368	\$ 22,470,195	\$ 6,299,851	\$ 10,724,623
Restricted	7,729,456	7,998,054	6,580,355	4,882,153	7,214,246	2,264,758	2,299,089	5,437,164	5,859,508	3,525,144
Unrestricted	183,375	(280,253)	(633,270)	(437,487)	85,055	213,871	(44,533)	(937,855)	798,409	618,078
Total governmental activities net assets	\$ 24,279,498	\$ 24,080,939	\$ 24,962,733	\$ 24,643,269	\$ 23,496,356	\$ 23,112,033	\$ 23,972,924	\$ 26,969,504	\$ 12,957,767	\$ 14,867,845
Business-type activities										
Invested in capital assets, net of related debt	\$ 3,195	\$ 56,362	\$ 51,486	\$ 70,960	\$ 66,283	\$ 62,229	\$ 57,481	\$ 69,825	\$ 43,630	\$ 37,294
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	153,074	71,659	67,603	47,873	46,811	40,358	98,742	123,239	77,624	114,071
Total business-type activities net assets	\$ 156,268	\$ 128,022	\$ 119,089	\$ 118,833	\$ 113,094	\$ 102,587	\$ 156,223	\$ 193,064	\$ 121,254	\$ 151,365
District-wide										
Invested in capital assets, net of related debt	\$ 16,369,861	\$ 16,419,501	\$ 19,067,134	\$ 20,269,563	\$ 16,263,337	\$ 20,695,633	\$ 21,775,849	\$ 22,540,020	\$ 6,343,481	\$ 10,761,917
Restricted	7,729,456	7,998,054	6,580,355	4,882,153	7,214,246	2,264,758	2,299,089	5,437,164	5,859,508	3,525,144
Unrestricted	336,449	(208,594)	(565,667)	(389,614)	131,866	254,229	54,209	(814,616)	876,033	732,149
Total district net assets	\$ 24,435,766	\$ 24,208,961	\$ 25,081,822	\$ 24,762,102	\$ 23,609,450	\$ 23,214,620	\$ 24,129,147	\$ 27,162,568	\$ 13,079,021	\$ 15,019,210

Source: CAFR Schedule A-1

**WESTFIELD BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS**

**Exhibit J-2
GASB B-2**

Fiscal Year Ending June 30,

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EXPENSES										
Governmental Activities										
Instruction										
Regular	\$ 27,335,351	\$ 27,449,173	\$ 26,936,411	\$ 27,118,231	\$ 27,666,559	\$ 28,237,946	\$ 28,144,634	\$ 28,092,789	\$ 30,085,810	\$ 33,216,431
Special Education	3,864,503	4,069,230	4,478,044	4,859,988	5,151,380	5,478,684	6,309,395	6,908,760	6,959,573	7,347,902
Other Special Instruction	761,434	887,853	949,618	1,043,750	1,036,011	1,021,996	1,095,682	944,665	895,340	984,132
Other Instruction	918,607	963,949	1,108,599	1,383,903	1,583,581	1,605,820	1,366,711	1,276,895	1,409,614	1,537,375
Support Services										
Tuition	4,593,206	5,241,293	5,021,997	5,415,837	5,634,370	6,072,048	5,746,043	6,403,845	6,253,142	5,997,483
Student & Instruction Related Services	8,806,664	9,204,135	9,765,488	10,056,783	10,838,549	11,180,709	11,339,433	11,641,513	12,372,419	11,303,844
School Administrative Services	2,757,348	2,748,860	2,821,967	2,784,382	3,057,743	3,124,291	3,308,431	3,232,862	3,380,507	3,354,346
General & Business Administrative Services	2,457,452	3,625,504	3,545,780	4,123,988	3,556,545	3,503,649	3,811,433	3,613,287	3,841,033	3,577,560
Plant Operations and Maintenance	5,552,635	5,175,126	5,754,376	5,591,527	5,788,221	6,059,785	5,582,678	6,081,557	5,879,272	5,762,483
Pupil Transportation	1,924,882	2,195,200	2,326,760	2,706,037	2,569,663	2,803,755	2,372,524	2,264,653	2,496,987	2,456,187
Unallocated Benefits	13,528,031	15,024,360	15,642,988	19,848,340	21,538,306	19,493,166	21,070,275	19,928,808	21,474,960	24,322,921
Special Schools	-	-	-	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	1,118,049	1,081,805	1,060,108	939,220	1,172,845	1,173,489	1,077,696	942,306	859,740	813,870
Unallocated Depreciation & Amortization	394,187	385,924	1,586,199	1,497,052	1,509,995	1,582,203	2,004,307	1,526,942	1,967,528	1,316,041
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	74,012,350	78,052,413	80,998,336	87,369,038	91,103,769	91,337,542	93,229,242	92,858,881	97,875,924	101,990,575
Business-Type Activities:										
Food Service	1,077,323	1,083,136	975,041	1,054,833	1,142,450	1,117,357	1,046,291	1,072,591	1,090,730	1,158,886
Child Care	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	1,077,323	1,083,136	975,041	1,054,833	1,142,450	1,117,357	1,046,291	1,072,591	1,090,730	1,158,886
Total Primary Government Expenses	\$ 75,089,673	\$ 79,135,548	\$ 81,973,377	\$ 88,423,871	\$ 92,246,219	\$ 92,454,899	\$ 94,275,533	\$ 93,931,472	\$ 98,966,654	\$ 103,149,461
Program Revenues										
Governmental Activities										
Charges for Services										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pupil Transportation	-	-	-	-	-	-	-	-	-	-
Business and Other Support Services	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	5,074,949	5,304,056	6,012,161	8,611,686	8,754,459	5,698,789	5,889,877	5,901,907	7,192,491	9,269,748
Interest on Long-Term Debt	257,412	257,563	257,426	256,997	252,893	457,378	503,884	402,020	342,105	353,654
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	5,332,361	5,561,619	6,269,587	8,868,683	9,007,352	6,156,167	6,393,761	6,303,927	7,534,596	9,623,402

WESTFIELD BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS

Exhibit J-2
GASB B-2

Fiscal Year Ending June 30,

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-Type Activities										
Charges for Services										
Food Service	969,301	962,940	878,276	980,051	1,046,190	1,033,776	1,014,112	1,022,678	1,044,113	1,109,513
Child Care	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	72,130	74,063	84,321	61,768	72,935	65,346	85,815	86,753	87,346	79,054
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	<u>1,041,431</u>	<u>1,037,004</u>	<u>962,597</u>	<u>1,041,819</u>	<u>1,119,126</u>	<u>1,099,122</u>	<u>1,099,927</u>	<u>1,109,432</u>	<u>1,131,458</u>	<u>1,188,567</u>
Total District Program Revenues	<u>\$ 6,373,792</u>	<u>\$ 6,598,623</u>	<u>\$ 7,232,183</u>	<u>\$ 9,910,502</u>	<u>\$ 10,126,478</u>	<u>\$ 7,255,269</u>	<u>\$ 7,493,688</u>	<u>\$ 7,413,358</u>	<u>\$ 8,666,054</u>	<u>\$ 10,811,969</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (68,679,989)	\$ (72,490,794)	\$ (74,728,749)	\$ (78,500,355)	\$ (82,096,417)	\$ (85,181,375)	\$ (86,835,481)	\$ (86,554,955)	\$ (90,341,328)	\$ (92,367,173)
Business-Type Activities	(35,892)	(46,132)	(12,444)	(13,014)	(23,324)	(18,235)	53,636	36,841	40,729	29,681
Total District-Wide Net Expense	<u>\$ (68,715,881)</u>	<u>\$ (72,536,925)</u>	<u>\$ (74,741,193)</u>	<u>\$ (78,513,369)</u>	<u>\$ (82,119,741)</u>	<u>\$ (85,199,611)</u>	<u>\$ (86,781,845)</u>	<u>\$ (86,518,114)</u>	<u>\$ (90,300,600)</u>	<u>\$ (92,337,492)</u>
General Revenues and Other Changes in Net Assets										
Governmental Activities										
Property Taxes, Levied for General Purposes, Net	\$ 59,635,597	\$ 62,501,165	\$ 65,331,148	\$ 68,227,778	\$ 71,096,796	\$ 75,086,661	\$ 78,195,764	\$ 81,379,595	\$ 83,007,187	\$ 84,667,331
Taxes Levied for Debt Service	1,789,067	1,939,965	2,084,490	1,992,911	2,019,180	2,231,527	2,152,919	2,534,127	2,537,247	2,527,277
Unrestricted Grants and Contributions	4,847,291	5,283,959	4,828,352	4,802,251	5,048,711	5,055,022	4,484,666	1,805,121	3,506,246	4,194,340
Restricted Grants and Contributions	1,696,691	1,719,252	2,501,253	2,114,750	2,045,006	2,101,165	2,383,944	2,653,090	2,492,779	2,172,729
Tuition Received	3,022	972	15,946	46,969	65,835	41,593	115,759	99,326	159,866	135,874
Investment earnings	199,268	216,833	443,941	644,906	632,761	115,631	125,780	85,201	65,400	29,515
Miscellaneous Income	315,442	647,974	408,924	395,304	58,800	173,181	237,541	995,074	530,961	550,740
Cancellation of Accounts Receivable	-	-	-	(31,220)	-	-	-	-	-	-
Cancellation of Accrued Liability	-	-	-	-	-	-	-	-	-	-
Transfers	(13,663)	(17,885)	(3,511)	(12,758)	(17,585)	(7,728)	-	-	(9,873)	(557)
Total Governmental Activities	<u>68,472,715</u>	<u>72,292,235</u>	<u>75,610,543</u>	<u>78,180,891</u>	<u>80,949,503</u>	<u>84,797,053</u>	<u>87,696,372</u>	<u>89,551,535</u>	<u>92,289,814</u>	<u>94,277,249</u>
Business-Type Activities										
Miscellaneous Income	3,704	-	-	-	-	-	-	-	-	430
Transfers	13,663	17,885	3,511	12,758	17,585	7,728	-	-	-	-
Total Business-Type Activities	<u>17,367</u>	<u>17,885</u>	<u>3,511</u>	<u>12,758</u>	<u>17,585</u>	<u>7,728</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>430</u>
Total Primary Government	<u>\$ 68,490,082</u>	<u>\$ 72,310,120</u>	<u>\$ 75,614,055</u>	<u>\$ 78,193,649</u>	<u>\$ 80,967,088</u>	<u>\$ 84,804,781</u>	<u>\$ 87,696,372</u>	<u>\$ 89,551,535</u>	<u>\$ 92,289,814</u>	<u>\$ 94,277,679</u>
Change in Net Assets										
Governmental Activities	\$ (207,274)	\$ (198,558)	\$ 881,795	\$ (319,464)	\$ (1,146,914)	\$ (384,322)	\$ 860,891	\$ 2,996,580	\$ 1,948,485	\$ 1,910,076
Business-Type Activities	(18,525)	(28,247)	(8,933)	(256)	(5,739)	(10,508)	53,636	36,841	40,729	30,111
Total District	<u>\$ (225,799)</u>	<u>\$ (226,805)</u>	<u>\$ 872,862</u>	<u>\$ (319,720)</u>	<u>\$ (1,152,653)</u>	<u>\$ (394,830)</u>	<u>\$ 914,527</u>	<u>\$ 3,033,421</u>	<u>\$ 1,989,214</u>	<u>\$ 1,940,187</u>

Source: CAFR Schedule A-2.

**WESTFIELD BOARD OF EDUCATION
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**
(modified accrual basis of accounting)

**Exhibit J-3
GASB B-3**

Fiscal Year Ending June 30,

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund										
Restricted:	\$ 1,279,816	\$ 1,672,458	\$ 2,234,500	\$ 1,074,573	\$ 1,426,032	\$ 751,686	\$ 1,772,008	\$ 4,107,527	\$ 4,006,555	\$ 5,022,670
Committed:								952,984	1,537,139	1,154,265
Assigned:								350,088	1,106,658	
Unassigned:	4,159,322	3,638,680	3,270,853	3,577,772	2,397,430	2,353,924	2,002,994	810,591	858,583	587,609
Total General Fund	<u>\$ 5,439,139</u>	<u>\$ 5,311,138</u>	<u>\$ 5,505,353</u>	<u>\$ 4,652,345</u>	<u>\$ 3,823,463</u>	<u>\$ 3,105,609</u>	<u>\$ 3,775,002</u>	<u>\$ 6,221,190</u>	<u>\$ 7,508,934</u>	<u>\$ 6,764,543</u>
All Other Governmental Funds										
Restricted:	\$ 1,208,212	\$ 1,749,372	\$ 356,536	\$ 696,178	\$ 4,071,775	\$ 878,233	\$ 274,664			
Assigned, Reported In:										
Special Revenue Fund	-	-	-	-	-	-	-			
Capital Projects Fund	3,204,495	2,595,640	2,003,837	814,212	1,332,452	354,342	250,807	331,982	272,720	(1,527,195)
Debt Service Fund	83,294	100,990	156,127	221,810	383,987	280,497	1,610	44,671	43,095	1
Unassigned										29,669
Total All Other Governmental Funds	<u>\$ 4,496,001</u>	<u>\$ 4,446,002</u>	<u>\$ 2,516,500</u>	<u>\$ 1,732,200</u>	<u>\$ 5,788,214</u>	<u>\$ 1,513,072</u>	<u>\$ 527,081</u>	<u>\$ 376,653</u>	<u>\$ 315,815</u>	<u>\$ (1,497,526)</u>

Source: CAFR Schedule B-1.

**WESTFIELD BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

**Exhibit J-4
GASB B-4**

(modified accrual basis of accounting)

Fiscal Year Ending June 30,

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Tax levy	\$ 61,424,664	\$ 64,441,130	\$ 67,415,638	\$ 70,220,689	\$ 73,115,976	\$ 77,318,188	\$ 80,348,683	\$ 83,913,722	\$ 85,544,434	\$ 87,194,608
Tuition charges	3,022	972	15,946	46,970	65,835	41,593	115,759	99,326	159,866	135,874
Miscellaneous	514,710	2,245,807	975,136	1,145,285	778,224	346,487	363,321	1,080,276	596,361	580,255
State sources	10,589,318	11,145,003	11,733,847	14,051,672	14,321,950	11,695,883	11,301,842	8,337,913	11,108,358	14,155,460
Federal sources	1,287,025	1,419,828	1,743,075	1,628,936	1,692,456	1,558,796	1,960,528	2,424,224	2,425,263	1,835,010
Total revenue	73,818,739	79,252,739	81,883,642	87,093,552	89,974,441	90,960,947	94,090,133	95,855,461	99,834,282	103,901,208
Expenditures										
Instruction										
Regular Instruction	25,725,503	26,076,495	27,020,199	27,194,253	27,658,651	28,227,790	28,243,334	28,028,953	30,076,015	33,216,431
Special education instruction	3,901,563	4,048,762	4,477,216	4,867,750	5,130,827	5,469,359	6,318,663	6,858,506	6,954,087	7,347,902
Other special instruction	739,990	887,853	964,038	1,064,410	1,036,011	1,021,996	1,095,682	944,665	895,340	984,132
Other instruction	918,607	963,949	1,108,599	1,383,903	1,583,581	1,605,820	1,366,711	1,276,895	1,409,614	1,537,375
Support Services:										
Tuition	4,593,206	5,241,293	5,021,997	5,415,837	5,634,370	6,072,048	5,746,043	6,403,845	6,253,142	5,997,483
Student & inst. related services	8,764,583	9,218,910	9,742,219	10,076,246	10,814,687	11,161,627	11,366,482	11,606,752	12,384,045	11,303,844
General administration	1,230,554	1,265,718	1,213,660	1,734,286	1,267,341	1,301,004	1,677,350	1,674,901	1,941,964	3,354,346
School administrative services	2,754,975	2,750,019	2,825,371	2,778,235	3,057,529	3,123,940	3,286,095	3,220,902	3,402,281	3,577,560
Central services	-	1,060,738	995,079	1,062,189	1,031,740	1,038,582	1,082,127	1,083,510	1,126,129	-
Admin. information technology	-	1,209,907	1,327,889	1,349,481	1,228,255	1,165,669	1,029,346	886,613	747,492	-
Plant operations and maintenance	5,456,089	5,165,626	5,744,547	5,658,581	5,790,086	6,051,861	5,575,561	6,108,845	5,879,522	5,762,483
Pupil transportation	1,924,882	2,195,200	2,326,760	2,706,037	2,569,663	2,803,755	2,372,524	2,264,653	2,496,987	2,456,187
Other Support Services	1,127,310	130,270	800	-	-	-	-	-	-	-
Employee benefits	13,528,031	15,024,360	15,642,988	19,848,340	21,538,306	19,493,166	21,070,275	19,928,808	21,474,960	24,350,801
Capital outlay	5,324,727	1,912,367	2,804,567	1,223,444	5,385,498	4,509,549	1,199,271	378,769	674,997	3,645,813
Debt service:										
Principal	1,145,000	1,175,000	1,320,000	1,355,000	1,485,000	1,485,000	1,890,000	1,900,000	1,985,000	2,095,000
Interest and other charges	1,136,479	1,086,386	1,079,488	968,890	914,179	1,415,048	1,087,267	993,086	895,929	829,025
Total expenditures	78,271,498	79,412,854	83,615,418	88,686,882	96,125,724	95,946,215	94,406,731	93,559,703	98,597,503	106,458,383
Excess (Deficiency) of revenues over (under) expenditures	(4,452,759)	(160,114)	(1,731,776)	(1,593,330)	(6,151,283)	(4,985,267)	(316,598)	2,295,758	1,236,779	(2,557,175)
Other Financing sources (uses)										
Proceeds from borrowing	-	-	-	-	9,396,000	-	-	-	-	-
Capital leases (non-budgeted)	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-	3,247,187	-	4,038,132	-	-
Payments to escrow agent	-	-	-	-	-	(3,247,187)	-	(4,038,132)	-	-
Transfers in	494,843	105,529	200,000	31,220	508,041	22,600	-	-	-	9,477
Transfers out	(508,506)	(123,414)	(203,511)	(43,978)	(525,626)	(30,328)	-	-	(9,873)	(10,034)
Total other financing sources (uses)	(13,663)	(17,885)	(3,511)	(12,758)	9,378,415	(7,728)	-	-	(9,873)	(557)
Special Item										
Cancellation of Accrued Liability	-	-	-	(31,220)	-	-	-	-	-	-
Total special item	-	-	-	(31,220)	-	-	-	-	-	-
Net change in fund balances	\$ (4,466,423)	\$ (177,999)	\$ (1,735,287)	\$ (1,637,308)	\$ 3,227,132	\$ (4,992,995)	\$ (316,598)	\$ 2,295,758	\$ 1,226,906	\$ (2,557,732)
Debt service as a percentage of noncapital expenditures	3.13%	2.92%	2.97%	2.66%	2.64%	3.17%	3.19%	3.10%	2.94%	2.84%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

**WESTFIELD BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-5

(modified accrual basis of accounting)

	<u>Sale of Capital Assets</u>	<u>Donations</u>	<u>Rentals</u>	<u>Prior Year Refunds</u>	<u>Sale and Leaseback of Textbooks</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
Fiscal Year Ending June 30,							
2004	-	-	\$ 144,800	-	-	\$ 183,204	\$ 328,004
2005	-	-	\$ 189,000	-	-	\$ 489,331	\$ 678,331
2006	-	-	\$ 197,506	-	-	\$ 522,027	\$ 719,533
2007	-	-	\$ 194,760	-	-	\$ 678,640	\$ 873,400
2008	-	-	\$ -	-	-	\$ 444,466	\$ 444,466
2009	-	-	\$ -	-	-	\$ 203,760	\$ 203,760
2010	-	-	\$ -	-	-	\$ 268,569	\$ 268,569
2011	-	-	\$ -	-	-	\$ 936,833	\$ 936,833
2012	-	-	\$ -	-	-	\$ 401,122	\$ 401,122
2013	-	-	\$ -	-	-	\$ 403,936	\$ 403,936

Source: District records.

Revenue Capacity

WESTFIELD BOARD OF EDUCATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Exhibit J-6
 GASB C-11

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value) ^c
2004	6,603,100	1,620,769,600	0	4,200	180,796,500	1,988,100	22,763,300	1,832,924,800	0	2,617,735	1,835,542,535	3.511	5,319,738,148
2005	8,171,300	1,631,230,100	0	4,200	179,952,300	1,988,100	22,453,300	1,843,799,300	0	2,285,779	1,846,085,079	3.652	6,004,260,758
2006	11,748,100	1,636,037,000	0	4,200	178,200,400	1,988,100	21,679,100	1,849,656,900	0	2,015,192	1,851,672,092	3.792	6,600,938,501
2007	13,582,300	1,649,131,600	0	4,200	176,017,200	1,988,100	21,679,100	1,862,402,500	0	1,736,953	1,864,139,453	3.922	7,084,129,209
2008	11,548,700	1,670,669,600	0	4,200	176,297,300	1,988,100	21,679,100	1,882,187,000	0	2,575,778	1,884,762,778	4.103	7,533,990,696
2009	12,364,500	1,684,714,100	0	4,200	175,356,700	1,988,100	21,339,100	1,895,766,700	0	2,710,382	1,898,477,082	4.233	7,716,156,926
2010	8,838,700	1,697,417,200	0	4,200	174,633,900	1,988,100	21,339,100	1,904,221,200	0	1,927,282	1,906,148,482	4.403	7,619,290,133
2011	8,138,300	1,686,710,100	0	4,200	173,055,900	1,988,100	21,156,200	1,891,052,800	0	1,944,916	1,892,997,716	4.519	7,303,231,929
2012	8,234,800	1,673,159,900	0	4,200	170,812,600	1,988,100	20,980,600	1,875,180,200	0	1,835,609	1,877,015,809	4.646	7,235,990,001
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,856,354,000	0	1,956,540	1,858,310,540	4.785	7,109,068,630

Source: District records Tax list summary & Municipal Tax Assessor.

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

c Town of Westfield Annual Debt Statement

**WESTFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

**Exhibit J-7
GASB C-2**

(rate per \$100 of assessed value)

<u>Fiscal Year Ended June 30</u>	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct School Tax Rate</u>	<u>Town of Westfield</u>	<u>Union County</u>	<u>Total Tax Rate</u>
2004**	3.405	0.106	3.511	0.899	1.170	5.580
2005**	3.539	0.113	3.652	0.953	1.235	5.840
2006**	3.685	0.108	3.792	1.027	1.263	6.082
2007**	3.814	0.108	3.922	1.083	1.323	6.328
2008**	3.985	0.118	4.103	1.172	1.394	6.669
2009**	4.119	0.114	4.233	1.234	1.447	6.914
2010**	4.269	0.134	4.403	1.329	1.540	7.272
2011**	4.225	0.294	4.519	1.403	1.641	7.563
2012**	4.376	0.270	4.646	1.459	1.757	7.862
2013**	4.401	0.245	4.785	1.505	1.893	8.183

**Excludes Special Improvement District Taxes which are levied against properties situated within this district.

Union County - Includes County Open Space Recreation & Historic Preservation for years 2004 and subsequent.

Source: District Records and Municipal Tax Collector.

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

**WESTFIELD BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND TEN YEARS AGO**

**Exhibit J-8
GASB C-3**

Taxpayer	YEAR ENDED DEC. 31, 2012			YEAR ENDED DEC. 31, 2003		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
WYCHWOOD GARDENS	\$ 8,235,000		0.44%			
ECHO LAKE COUNTRY CLUB	\$ 6,592,300		0.35%			
ADCOR REALTY GROUP	\$ 6,566,000		0.35%			
EAST COAST DUNCAN HILL, LLC	\$ 5,100,000		0.27%			
WEILL, MAURICE	\$ 4,200,000		0.22%	N/A		
SUNRISE ASSISTED LIVING	\$ 4,176,700		0.22%			
	\$ 4,004,000		0.21%			
ERNSTOFF, ROBERT	\$ 3,500,000		0.19%			
CARDINAL DRIVE PARTNERS	\$ 2,500,000		0.13%			
BELL ATLANTIC	\$ 1,835,609		0.10%			
TOTAL	\$ 46,709,609		2.49%	\$ -		0.00%

- 126 -

SOURCE: DISTRICT CAFR & MUNICIPAL TAX ASSESSOR.

N/A - Not Available.

**WESTFIELD BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS**

**Exhibit J-9
GASB C-4**

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2003**	\$ 96,858,843	\$ 95,810,764	98.92%	N/A
2004**	\$ 103,365,699	\$ 102,475,045	99.14%	N/A
2005**	\$ 108,764,929	\$ 107,826,766	99.14%	N/A
2006**	\$ 114,061,861	\$ 112,786,758	98.88%	N/A
2007**	\$ 119,456,100	\$ 118,144,562	98.90%	N/A
2008**	\$ 126,926,806	\$ 125,314,414	98.73%	N/A
2009**	\$ 132,675,758	\$ 130,576,319	98.42%	N/A
2010**	\$ 139,574,683	\$ 137,028,887	98.18%	N/A
2011**	\$ 143,975,849	\$ 141,106,079	98.01%	N/A
2012**	\$ 148,525,823	\$ 146,458,309	98.61%	N/A

Source: Tax Collector, Town of Westfield

** Levy and Collections include taxes of a Special Improvement District whose boundaries do not include the entirety of the Town of Westfield.

N/A - Not Available.

Debt Capacity

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

**Exhibit J-10
GASB D-1**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2003	\$ 25,273,000	\$ -	\$ 63,215	\$ -	\$ -	\$ -	\$ 25,336,215	2.049%	\$ 849
2004	\$ 24,128,000	\$ -	\$ 42,143	\$ -	\$ -	\$ -	\$ 24,170,143	1.899%	\$ 812
2005	\$ 24,334,000	\$ -	\$ 21,072	\$ -	\$ -	\$ -	\$ 24,355,072	1.861%	\$ 823
2006	\$ 23,014,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,014,000	1.599%	\$ 778
2007	\$ 21,986,000	\$ -	\$ 303,174	\$ -	\$ -	\$ -	\$ 22,289,174	1.486%	\$ 754
2008	\$ 29,897,000	\$ -	\$ 269,004	\$ -	\$ -	\$ -	\$ 30,166,004	1.958%	\$ 1,024
2009	\$ 28,427,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,427,000	1.968%	\$ 959
2010	\$ 26,537,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,537,000	1.735%	\$ 875
2011	\$ 24,667,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,667,000	N/A	\$ 809
2012	\$ 22,682,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,682,000	N/A	\$ 740
2013	\$ 20,587,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,587,000	N/A	N/A

- 129 -

Source: District CAFR Schedules I-1

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

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

**Exhibit J-11
GASB D-2**

<u>GENERAL BONDED DEBT OUTSTANDING</u>					
<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value ^a of Property</u>	<u>Per Capita ^b</u>
2004	24,128,000	-	24,128,000	1.31%	\$ 811
2005	24,334,000	-	24,334,000	1.32%	\$ 823
2006	23,014,000	-	23,014,000	1.24%	\$ 778
2007	21,986,000	-	21,986,000	1.18%	\$ 744
2008	29,897,000	-	29,897,000	1.59%	\$ 1,015
2009	28,427,000	-	28,427,000	1.50%	\$ 959
2010	26,537,000	-	26,537,000	1.39%	\$ 875
2011	24,667,000	-	24,667,000	1.30%	\$ 809
2012	22,682,000	-	22,682,000	1.20%	\$ 740
2013	22,682,000	-	22,682,000	1.20%	N/A

Source(s): Town of Westfield Tax Assessor.
District Records.

- a See Exhibit J-6 for property tax data
- b See Exhibit J-14 for Population Data

**WESTFIELD BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2012**

**Exhibit J-12
GASB D-3**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Town of Westfield	\$19,497,458	100.00%	\$19,497,458
Other Debt			
County of Union - Town's Share	562,284,552	10.920%	61,401,473
Rahway Valley Sewarge Authority - Town's Share	184,962,180	14.310%	<u>26,468,088</u>
Subtotal Overlapping Debt			107,367,019
Net Direct Debt of School District			<u>22,682,000</u>
Total Direct and Overlapping Debt			<u><u>\$130,049,019</u></u>

Source(s): Town of Westfield Chief Financial Officer
Union County Treasurer's Office
Rahway Valley Sewarge Authority
Wesfeild School District, Official Statement dated July 18, 2013.

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

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

WESTFIELD BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Exhibit J-13
 GASB D-4

Legal Debt Margin Calculation for Fiscal Year 2012

	Equalized Valuation Basis
2010	
2011	
2012	
[A]	<u>\$ -</u>
Avg Equalized Valuation of Taxable Property	[A/3] \$ 7,270,080,053
School Borrowing Margin (4%)	[B] 290,803,202
Net Bonded School Debt	[C] <u>20,587,000</u>
Legal Debt Margin	[B-C] <u>\$ 270,216,202</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	\$ 181,135,665	\$ 202,137,107	\$ 225,513,674	\$ 251,633,366	\$ 277,143,315	\$ 296,828,654	\$ 304,859,355	\$ 302,359,911	\$ 296,709,540	\$ 290,803,202
Total Net Debt Applicable to Limit	<u>24,128,000</u>	<u>24,334,000</u>	<u>23,014,000</u>	<u>21,986,000</u>	<u>29,897,000</u>	<u>28,427,000</u>	<u>27,087,000</u>	<u>24,667,000</u>	<u>22,682,000</u>	<u>20,587,000</u>
Legal Debt Margin	<u>\$ 157,007,665</u>	<u>\$ 177,803,107</u>	<u>\$ 202,499,674</u>	<u>\$ 229,647,366</u>	<u>\$ 247,246,315</u>	<u>\$ 268,401,654</u>	<u>\$ 277,772,355</u>	<u>\$ 277,692,911</u>	<u>\$ 274,027,540</u>	<u>\$ 270,216,202</u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	13.32%	12.04%	10.21%	8.74%	10.79%	9.58%	8.89%	8.16%	7.64%	7.08%

- 132 -

Source(s): Town of Westfield Annual Debt Statement - Town of Westfield Finance Director.
 Westfield School District, Official Statement dated July 18, 2013.

Demographic and Economic Information

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

**Exhibit J-14
 GASB E-1**

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2003	29,834	1,236,678,968	41,452	3.10%
2004	29,753	1,272,684,575	42,775	2.50%
2005	29,581	1,308,752,183	44,243	2.50%
2006	29,589	1,439,090,604	48,636	2.70%
2007	29,556	1,500,026,112	50,752	2.40%
2008	29,450	1,540,441,150	52,307	3.20%
2009	29,644	1,444,344,612	48,723	5.70%
2010	30,316	1,529,381,568	50,448	5.70%
2011	30,487	1,581,055,820	51,860	5.50%
2012	30,639	\$ 1,588,938,540	\$ 51,860	5.60%

Source:

^a Population information provided by US Bureau of Census, Population Division - Estimates.

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

^c Per Capita Data represents County of Union available through 2011, estimated at 2011 levels for 2012.

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

Operating Information

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

**Exhibit J-16
 GASB F-1**

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Instruction										
Teachers	434	445	454	462	462	452	445	460	475	475
Classroom Aides	34	17	27	23	27	31	31	12	12	14
Vocational	-	-	-	-	-	-	-	-	-	-
Other Instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic School Programs	-	-	-	-	-	-	-	-	-	-
Adult/Continuing Education Programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & Instruction Related Services	127	151	153	152	160	163	161	178	194	197
General Administrative Services	3	3	3	3	3	3	3	7	7	7
School Administrative Services	43	42	42	42	41	41	41	39	40	40
Business Administrative Services	16	15	14	14	14	14	14	14	14	15
Admin Info Technology Services	9	9	9	9	9	6	6	7	9	9
Plant Operations and Maintenance	56	57	57	57	57	56	55	58	61	61
Pupil Transportation	-	-	-	-	-	-	-	-	-	-
Total	722	739	759	762	773	766	756	775	812	816

- 137 -

Source(s): District Personnel Records.
 Annual Budget Supporting Documentation.

**WESTFIELD BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

**Exhibit J-17
GASB F-6**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2003-04	5,817	70,665,292	12,148	10.64%	434	5,812	5,568	5.7%	95.8%
2004-05	5,900	75,288,760	12,761	5.04%	445	5,885	5,617	1.3%	95.4%
2005-06	6,031	78,719,010	13,052	2.29%	454	6,030	5,757	2.5%	95.5%
2006-07	6,086	85,139,548	13,989	7.18%	462	6,061	5,783	0.5%	95.4%
2007-08	6,166	88,341,047	14,327	2.41%	462	6,152	5,922	1.5%	96.3%
2008-09	6,232	88,536,618	14,207	-0.84%	452	6,219	5,964	1.1%	95.9%
2009-10	6,270	90,230,194	14,391	1.30%	445	6,255	6,020	0.6%	96.2%
2010-11	6,293	90,287,847	14,347	-0.30%	460	6,224	6,004	-0.5%	96.5%
2011-12	6,296	95,041,577	15,096	5.21%	475	6,272	6,063	0.8%	96.7%
2012-13	6,286	99,888,545	15,891	5.27%	475	6,286	6,040	0.2%	96.1%

- 138 -

Source(s): District Records.

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff obtained from Budget Supporting Documentation.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

WESTFIELD BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Exhibit J-18
GASB F-4

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
BUILDING										
ELEMENTARY										
FRANKLIN [1929] [1956] [2000]										
SQUARE FEET	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814
CAPACITY - STATE MODEL - STUDENTS	550	550	550	550	550	550	550	550	550	550
ENROLLMENT	586	585	591	600	634	608	629	642	636	636
JEFFERSON [1953] [1955] [1996]										
SQUARE FEET	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849
CAPACITY - STATE MODEL - STUDENTS	431	431	431	431	431	431	431	431	431	431
ENROLLMENT	503	470	491	470	452	421	444	468	469	483
MCKINLEY [1906] [1931] [2000]										
SQUARE FEET	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140
CAPACITY - STATE MODEL - STUDENTS	337	337	337	337	337	337	337	337	337	337
ENROLLMENT	311	316	334	387	367	331	348	368	355	349
TAMAQUES [1961]										
SQUARE FEET	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350
CAPACITY - STATE MODEL - STUDENTS	430	430	430	430	430	430	430	430	430	430
ENROLLMENT	479	471	468	465	486	435	426	437	431	441
WASHINGTON [1954] [1992]										
SQUARE FEET	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700
CAPACITY - STATE MODEL - STUDENTS	332	332	332	332	332	332	332	332	332	332
ENROLLMENT	334	326	347	337	366	330	329	333	325	319
WILSON [1935] [1963] [1996] [2000]										
SQUARE FEET	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595
CAPACITY - STATE MODEL - STUDENTS	449	449	449	449	449	449	449	449	449	449
ENROLLMENT	531	558	582	559	548	478	468	412	393	389
LINCOLN SCHOOL [1922] [2008]										
SQUARE FEET	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980
CAPACITY - STATE MODEL - STUDENTS	N/A	N/A	N/A	N/A	N/A	465	465	465	465	465
ENROLLMENT	N/A	N/A	N/A	N/A	N/A	323	285	257	260	283
INTERMEDIATE										
EDISON [1958] [1964]										
SQUARE FEET	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998
CAPACITY - STATE MODEL - STUDENTS	768	768	768	768	768	768	768	768	768	768
ENROLLMENT	709	735	719	748	777	724	759	767	828	826
ROOSEVELT [1926] [1964]										
SQUARE FEET	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890
CAPACITY - STATE MODEL - STUDENTS	683	683	683	683	683	683	683	683	683	683
ENROLLMENT	737	719	721	712	756	774	780	739	731	717
HIGH SCHOOL										
WESTFIELD HIGH SCHOOL [1950] [1906] [2002]										
SQUARE FEET	303,320	303,320	303,320	303,320	303,320	303,320	303,320	303,320	303,320	303,320
CAPACITY - STATE MODEL - STUDENTS	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713
ENROLLMENT	1,624	1,703	1,770	1,782	1,780	1,788	1,799	1,844	1,838	1,844
OTHER										
ADMINISTRATION [1914]										
SQUARE FEET	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410

SOURCE: DISTRICT RECORDS

NOTE: YEAR OF ORIGINAL CONSTRUCTION IS SHOWN IN PARENTHESES FOLLOWING THE NAME OF THE BUILDING. DATES, IF ANY FOR A SUBSEQUENT ADDITION ALSO FOLLOWS IN PARENTHESES.

NOTE: LINCOLN SCHOOL RENOVATED TO EARLY CHILDHOOD CENTER. ALL KINDERGARTEN STUDENTS RELOCATED FROM ELEMENTARY SCHOOLS TO LINCOLN FOR SEPTEMBER 2008.

NOTE: PRE-SCHOOL DISABLED STUDENTS RELOCATED FROM EDISON SCHOOL TO LINCOLN SCHOOL FOR SEPTEMBER 2008.

WESTFIELD BOARD OF EDUCATION
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST TEN FISCAL YEARS
 UNAUDITED

Exhibit J-19

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

School Facilities	Project # (s)	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
FRANKLIN ELEMENTARY SCHOOL	N/A	\$ 84,358	\$ 92,283	\$ 82,291	\$ 86,730	\$ 112,585	\$ 69,067	\$ 86,791	\$ 80,920	\$ 65,789	\$ 67,335
JEFFERSON ELEMENTARY SCHOOL	N/A	61,332	64,611	57,615	61,984	81,243	61,250	65,177	69,988	53,995	70,395
LINCOLN ELEMENTARY SCHOOL	N/A	34,582	29,298	26,126	30,782	34,711	-	26,582	35,710	24,200	27,568
MCKINLEY ELEMENTARY SCHOOL	N/A	78,366	94,148	83,954	78,026	98,216	66,772	83,162	73,710	58,944	57,153
TAMAQUES ELEMENTARY SCHOOL	N/A	61,973	74,817	66,716	61,099	64,206	46,628	54,873	67,348	64,985	72,149
WASHINGTON ELEMENTARY SCHOOL	N/A	47,041	71,123	63,422	47,234	59,841	39,050	48,077	47,002	42,065	49,943
WILSON ELEMENTARY SCHOOL	N/A	58,443	79,118	70,551	67,173	89,165	53,397	74,356	53,952	53,790	56,436
EDISON INTERMEDIATE SCHOOL	N/A	160,218	134,436	119,879	148,111	197,184	185,834	197,060	142,979	162,776	128,688
ROOSEVELT INTERMEDIATE SCHOOL	N/A	144,698	146,200	130,370	158,919	175,527	171,297	177,539	121,758	119,790	125,084
WESTFIELD HIGH SCHOOL	N/A	362,503	577,055	514,572	363,350	473,885	371,331	396,744	361,432	334,518	323,112
GRAND TOTAL		\$ 1,093,514	\$ 1,363,090	\$ 1,215,496	\$ 1,103,408	\$ 1,386,563	\$ 1,064,626	\$ 1,210,361	\$ 1,054,799	\$ 980,852	\$ 977,863

- 140 -
 SOURCE: DISTRICT RECORDS.

**WESTFIELD BOARD OF EDUCATION
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED**

Exhibit J-20

DESCRIPTION	COVERAGE	DEDUCTIBLE
School Property Policy - NJSBA Insurance Group		
Property		
Building & Contents	400,000,000.00	5,000.00
Extra Expense - Per Loss	50,000,000.00	5,000.00
Electronic Data Processing - NJSBA Insurance Group		
Hardware	1,000,000.00	1,000.00
Software	200,365.00	1,000.00
Extra Expense	50,000.00	1,000.00
Liability - NJSBA Insurance Group		
Bodily Injury & Property Damage		
Combined Single Limits		
Each Occurrence	11,000,000.00	
Fire Damage - Per Loss	1,000,000.00	
Employee Benefits Liability		
Each Occurrence	11,000,000.00	
Aggregate	11,000,000.00	
Medical Expense - Per Accident/Per Person	5,000/10,000	1,000.00
Crime		
Employee Dishonesty	1,000,000.00	1,000.00
Depositors Forgery	1,000,000.00	1,000.00
Money & Securities	50,000.00	500.00
Computer Fraud	100,000.00	1,000.00
Automobile Policy - NJSBA Insurance Group		
Bodily Injury & Property Damage		
Combined Single Limits		
Uninsured Motorists	11,000,000.00	
Medical Payments	1,000,000.00	
P.I.P.	10,000.00	
Collision / Comprehensive Deductible	250,000.00	1,000.00/1,000.00
Boiler & Machinery Policy - Insurance Group		
Limit per Accident	100,000,000.00	5,000.00
Extra Expense	10,000,000.00	5,000.00
Workers Compensation - NJSBA Insurance Group		
Employer's Liability	Statutory	
Bodily Injury	2,000,000.00	
Supplementary Workers Comp. - Chubb Insurance Group		
51 Week Max./Week	1,750.00	7 days
Environmental - Chubb Insurance Group		
	1,000,000.00/ 3,000,000.00	10,000.00
Excess Liability "Cap" Program - Fireman's Fund		
	50,000,000.00	Group Aggregate
Board of Education Legal Liability - NJSBA Insurance Group		
	11,000,000.00	20,000.00
Student Accident Policy - NJSBA Insurance Group		
	5,000,000.00	
Public Official Bonds - Selective Insurance		
Treasurer	379,000.00	
School Business Administrator	100,000.00	

Source: District Records.

SINGLE AUDIT SECTION

SECTION – K

HODULIK & MORRISON, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
1102 RARITAN AVENUE, P.O. BOX 1450
HIGHLAND PARK, NJ 08904
(732) 393-1000
(732) 393-1196 (FAX)

K-1

ANDREW G. HODULIK, CPA, RMA, PSA
ROBERT S. MORRISON, CPA, RMA, PSA

JO ANN BOOS, CPA, PSA

MEMBERS OF:
AMERICAN INSTITUTE OF CPAs
NEW JERSEY SOCIETY OF CPAs
REGISTERED MUNICIPAL ACCOUNTANTS O

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

Honorable President and Members
of the Board of Education
Westfield School District
Westfield, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Westfield School District, in the County of Union, 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 the District's basic financial statements, and have issued our report thereon dated November 15, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We also noted other matters that we reported to the Board of Education of the Westfield School District in a separate report entitled, Auditors Management Report on Administrative Findings dated November 15, 2013.

Purpose of this Report

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



HODULIK & MORRISON, P.A.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants

Highland Park, New Jersey
November 15, 2013

HODULIK & MORRISON, P.A.
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ANDREW G. HODULIK, CPA, RMA, PSA
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MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N

JO ANN BOOS, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members
of the Board of Education
Westfield School District
Westfield, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Westfield School District, County of Union, New Jersey compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" and the New Jersey Compliance Manual "State Grant Compliance Supplement" that could have a direct and material effect on each of the Westfield School District's major federal and state programs for the year ended June 30, 2013. The Westfield School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of the Westfield 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 Westfield School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Westfield School District's internal control over compliance.

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

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

Purpose of this Report

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

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
November 15, 2013

**WESTFIELD 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	Grant Period		Program or Award Amount	Balance at Balance at June 30, 2012		Cash Received	Budgetary Expenditures	Adjustments	Repayment of Balances	Balance at June 30, 2013		
			From	To		Deferred Revenue/ (Accounts Receivable)	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
Enterprise Fund:														
U.S. Department of Agriculture														
Passed through State Department of Education:														
Child Nutrition Cluster:														
Federal Food Distribution Program	10.555	N/A	7/1/12	6/30/13	\$ 25,771		25,770.71	(24,246.73)					1,523.98	
National School Lunch Program	10.555	N/A	7/1/12	6/30/13	51,916		48,252.31	(51,916.24)			(3,663.93)			
National School Lunch Program	10.555	N/A	7/1/11	6/30/12	55,809	(3,707.58)	3,707.58							
Total Child Nutrition Cluster						(3,707.58)	77,730.60	(76,162.97)			(3,663.93)		1,523.98	
Total Enterprise Fund						(3,707.58)	77,730.60	(76,162.97)			(3,663.93)		1,523.98	
General Fund														
U.S. Department of Education														
Passed through State Department of Education:														
Educational Jobs Fund - ARRA	84.410A	ARRA	7/1/11	6/30/12	159,634	(159,634.00)	159,634.00							
Department of Homeland Security														
Passed through State Department of Law & Public Safety:														
Public Assistance Grants - FEMA	97.036	N/A	7/1/12	6/30/13	9,477		9,477.20	(9,477.20)						
Total General Fund						(159,634.00)	169,111.20	(9,477.20)						
Special Revenue Fund:														
U.S. Department of Education														
Passed through State Department of Education:														
Special Education Cluster:														
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5730-13	9/1/12	8/31/13				(1,136,334.06)				(1,136,334.06)		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5730-12	9/1/11	8/31/12		(88,283.02)	88,283.07	(286,933.86)	(0.05)			(286,933.86)		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5730-11	9/1/10	8/31/11			137,876.93	(147,740.99)	9,864.06					
I.D.E.A. - Part B, Preschool	84.173	IDEA-5730-13	9/1/12	8/31/13				(41,320.00)				(41,320.00)		
I.D.E.A. - Part B, Preschool	84.173	IDEA-5730-12	9/1/11	8/31/12		(13,922.52)	5,288.00	(8,821.98)	8,634.52			(8,821.98)		
I.D.E.A. - Part B, Preschool	84.173	IDEA-5730-11	9/1/10	8/31/11		15,901.32			(15,901.32)					
Total Special Education Cluster						(86,304.22)	231,448.00	(1,621,150.89)	2,597.21			(1,473,409.90)		
No Child Left Behind (NCLB):														
Title I, Part A	84.010A	NCLB-5730-12	9/1/12	8/31/13				(102,905.39)				(102,905.39)		
Title I, Part A	84.010A	NCLB-5730-12	9/1/11	8/31/12		25,174.25		(34,997.16)	(11,299.09)			(21,122.00)		
Title I, Part A	84.010A	NCLB-5730-12	9/1/10	8/31/11		(1,480.95)			1,480.95					
Title II, Part A	84.367A	NCLB-5730-12	9/1/12	8/31/13				(39,234.21)				(39,234.21)		
Title II, Part A	84.367A	NCLB-5730-12	9/1/11	8/31/12		(447.20)	447.20	(33,165.00)				(33,165.00)		
Title II, Part A	84.367A	NCLB-5730-12	9/1/10	8/31/11		(840.18)			840.18					
Title II, Part A	84.367A	NCLB-5730-12	9/1/09	8/31/10		21,336.21			(21,336.21)					
Title II, Part D	84.318X	NCLB-5730-10	9/1/10	8/31/11		(236.00)			236.00					
Title II, Part D	84.318X	NCLB-5730-10	9/1/09	8/31/10		(933.68)			933.68					
Title III	84.365A	NCLB-5730-13	9/1/12	8/31/13		1.00		(10,552.81)	(1.00)			(10,552.81)		
Title III - Immigrant	84.365A	NCLB-5730-12	9/1/11	8/31/12		(2,527.70)	2,527.70	(2,274.63)				(2,274.63)		
Title III - Immigrant	84.365A	NCLB-5730-11	9/1/10	8/31/11		(4,287.12)	6,081.08	(1,793.96)						
Title III - Immigrant	84.365A	NCLB-5730-10	9/1/09	8/31/10		8,945.74			(8,945.74)					
Title IV - Drug Free Schools	84.186A	NCLB-5730-10	9/1/09	8/31/10		(3,373.87)			3,373.87					
Race To The Top	84.413A	N/A	9/1/11	11/30/15				(13,090.00)				(13,090.00)		
Total Special Revenue Fund						(44,973.72)	240,503.98	(1,859,164.05)	(32,120.15)			(1,695,753.94)		
TOTAL FEDERAL AWARDS						(208,315.30)	487,345.78	(1,944,804.22)	(32,120.15)			(1,699,417.87)	1,523.98	

Footnote(s):
N/A - Not Available

WESTFIELD 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 NO.	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2012				ADJUSTMENTS/ REPAY. OF PR. YRS. BALANCES	MEMO			
				DEF.REV/ (ACCTS.REC.)	DUE TO GRANTOR	CASH RECEIVED	BUDGETARY EXPENDITURES		(ACCTS.REC.)	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
General Fund												
State Department of Education:												
Special Education Categorical Aid	13-495-034-5120-089	2,621,839	7/1/12-6/30/13	\$	\$	\$ 2,373,778.00	\$ (2,621,839.00)	\$	\$	\$ (248,061.00)	\$	2,621,839.00
Special Education Categorical Aid	12-495-034-5120-089	2,139,242	7/1/11-6/30/12	(186,943.00)		186,943.00						
Transportation Aid	13-495-034-5120-014	119,317	7/1/12-6/30/13			108,647.00	(119,317.00)			(10,670.00)		119,317.00
Security Aid	13-495-034-5120-084	91,160	7/1/12-6/30/13			83,158.00	(91,160.00)			(8,002.00)		91,160.00
Extraordinary Aid	13-100-034-5120-473	1,257,514	7/1/12-6/30/13				(1,257,514.00)			(1,257,514.00)		1,257,514.00
Extraordinary Aid	12-100-034-5120-473	1,390,779	7/1/11-6/30/12	(1,390,779.00)		1,390,779.00						
Non-Public Transportation	13-495-034-5120-014	51,435	7/1/12-6/30/13				(51,435.40)		(51,435.40)			51,435.40
Non-Public Transportation	12-495-034-5120-014	63,252	7/1/11-6/30/12	(63,252.00)		63,252.00						
T.P.A.F. Social Security Aid	13-495-034-5095-002	3,364,519	7/1/12-6/30/13			3,197,080.95	(3,364,518.87)		(167,437.92)			3,364,518.87
On-behalf T.P.A.F. Pension Contribution	13-495-034-5095-006	2,632,908	7/1/12-6/30/13			2,632,908.00	(2,632,908.00)					2,632,908.00
On-behalf T.P.A.F. Post Retirement Medical	13-495-034-5095-001	3,133,794	7/1/12-6/30/13			3,133,794.00	(3,133,794.00)					3,133,794.00
On-behalf T.P.A.F. Non Contributory Insurance	13-495-034-5095-006	138,527	7/1/12-6/30/13			138,527.00	(138,527.00)					138,527.00
Total General Fund				(1,640,974.00)		13,308,866.95	(13,411,013.27)		(218,873.32)		(1,524,247.00)	13,411,013.27
Special Revenue Fund												
State Department of Education:												
N.J. Nonpublic Aid:												
Textbook Aid	12-100-034-5120-064	26,578	7/1/12-6/30/13			26,578.00	(25,211.65)			1,366.35		25,211.65
Textbook Aid	11-100-034-5120-064	25,417	7/1/11-6/30/12		2,742.00			(2,742.00)				
Auxiliary Services:												
Compensatory Education	13-100-034-5120-067	26,922	7/1/12-6/30/13			26,922.00	(26,922.00)					26,922.00
English as a Second Language	13-100-034-5120-067	3,922	7/1/12-6/30/13			3,922.00	(3,922.00)					3,922.00
Transportation	13-100-034-5120-067	5,121	7/1/12-6/30/13			5,121.00	(5,121.00)					5,121.00
Home Instruction	13-100-034-5120-067	1,385	7/1/12-6/30/13				(1,385.12)		(1,385.12)			1,385.12
Handicapped Services:												
Supplementary Instruction	13-100-034-5120-066	15,404	7/1/11-6/30/13			15,404.00	(15,404.00)					15,404.00
Examination & Classification	13-100-034-5120-066	28,820	7/1/11-6/30/13			28,820.00	(28,820.00)					28,820.00
Examination & Classification	12-100-034-5120-066	36,858	7/1/11-6/30/12		1,290.00			(1,290.00)				
Corrective Speech	13-100-034-5120-066	35,935	7/1/11-6/30/13			35,935.00	(29,263.00)			6,672.00		29,263.00
Corrective Speech	12-100-034-5120-066	52,052	7/1/11-6/30/12		10,559.00			(10,559.00)				
Nursing Services	13-100-034-5120-070	36,890	7/1/12-6/30/13			36,890.00	(36,151.45)			738.55		36,151.45
Nursing Services	12-100-034-5120-070	36,306	7/1/11-6/30/12		9.00			(9.00)				
Technology Initiative	13-100-034-5120-373	9,810	7/1/12-6/30/13			9,810.00	(9,592.23)			217.77		9,592.23
Technology Initiative	12-100-034-5120-373	24,000	7/1/11-6/30/12		151.70			(151.70)				
Total Special Revenue Fund					14,751.70	189,402.00	(181,792.45)	(14,751.70)	(1,385.12)	8,994.67		181,792.45
Debt Service Fund												
State Department of Education:												
Debt Service Aid	12-495-034-5120-075	353,654	7/1/12-6/30/13			353,654.00	(353,654.00)					353,654.00
Total Debt Service Fund						353,654.00	(353,654.00)					353,654.00
Capital Projects Fund												
State Department of Education:												
Additional State School Building Aid - EDA Grants	13-495-034-5120-017	6,571,130	Indefinite	(1,214,374.45)		55,331.47	(126,257.22)	10,262.85	(1,275,037.35)			6,571,130.00
Additional State School Building Aid - EDA Grants	13-495-034-5120-017	N/A	Indefinite			34,141.50		(34,141.50)				
Total Capital Projects Fund				(1,214,374.45)		89,472.97	(126,257.22)	(23,878.65)	(1,275,037.35)			6,571,130.00
Enterprise Fund												
State Department of Education:												
National School Lunch Prog. (State Share)	13-100-010-3350-023	2,891	7/1/12-6/30/13			2,681.89	(2,891.36)		(209.47)			2,891.36
National School Lunch Prog. (State Share)	12-100-010-3350-023	3,733	7/1/11-6/30/12	(240.82)		240.82						
Total Enterprise Fund				(240.82)		2,922.71	(2,891.36)		(209.47)			2,891.36
## Total State Financial Assistance				\$ (2,855,589.27)	\$ 14,751.70	\$ 13,944,318.63	\$ (14,075,608.30)	\$ (38,630.35)	\$ (1,495,505.26)	\$ 8,994.67	\$ (1,524,247.00)	\$ 20,520,481.08

- 149 -

WESTFIELD 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 NO.	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2012			BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAY. OF PR. YRS. BALANCES	MEMO			
				DEF REV./ (ACCTS.REC.)	DUE TO GRANTOR	CASH RECEIVED			(ACCTS.REC.)	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
Pursuant to the directive of the New Jersey State Department of Education, on-behalf payments for T.P.A.F. Pensions, Post-Retirement Medical and Non-Contributory Insurance are excluded from the scope of the State Single Audit and are not considered when determining Type A or Major Programs under NJOMB Circular 04-04.												
Reconciliation:												
Budgetary Expenditures							\$	14,075,608.30				
Less:												
T.P.A.F. - Post Retirement Medical								(3,133,794.00)				
T.P.A.F.Non Contributory Insurance								(138,527.00)				
T.P.A.F. Pension Contributions								<u>(2,632,908.00)</u>				
Amount subject to State Single Audit							\$	<u>8,170,379.30</u>				

NOTE: SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS.

**TOWN OF WESTFIELD SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2013**

NOTE 1. GENERAL

The accompanying schedules of expenditures of awards and financial assistance include federal and state award activity of the Board of Education, Town of Westfield School District. All federal and state awards received directly from federal and state agencies, as well as federal awards and state 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 with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the Board's general-purpose financial statements (GASB 34 – Model - 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 GENERAL PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A: 22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund accompanying schedules agree with amounts reported in the Board's general-purpose financial statements. The general-purpose financial statements present the special revenue fund on both a GAAP basis and a budgetary basis. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A: 22-44.2.

See Note 1(D) for a reconciliation of the budgetary basis to the GAAP basis of accounting for the special revenue fund. Award and financial assistance revenues are reported in the Board's general-purpose financial statements on a GAAP basis as presented on the following page:

**TOWN OF WESTFIELD SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2013**

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 0.00	\$13,464,088.27	\$13,464,088.27
Special Revenue Fund	1,835,010.32	181,792.45	2,016,802.77
Capital Projects Fund	0.00	155,925.73	155,925.73
Debt Service Fund	0.00	353,654.00	353,654.00
Food Service Fund	<u>76,162.97</u>	<u>2,891.36</u>	<u>79,054.33</u>
Total Assistance	<u>\$1,911,173.29</u>	<u>\$14,158,351.81</u>	<u>\$16,069,525.10</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Pensions 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.

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

Section 1 – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

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 No

Noncompliance material to general-purpose financial statements noted? _____ Yes X No

Federal Awards

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: unqualified

Any audit findings disclosed that are required to be reported in accordance with section.510(a) of Circular A-133? _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	<u>Special Education Cluster (IDEA)</u>
<u>84.027</u>	<u>I.D.E.A. Part B, Regular</u>
<u>84.173</u>	<u>I.D.E.A Part B, Preschool</u>
<u>84.010A</u>	<u>Title I, Part A</u>

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(continued)

Section 1 – Summary of Auditor’s Results (cont’d.)

Federal Awards (cont’d.)

Dollar threshold used to distinguish between type A and B programs: \$300,000.00

Auditee qualified as low-risk auditee? X Yes No

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000.00

Auditee qualified as low-risk auditee? Yes X No

Type of auditor’s report issued on compliance for major programs: unqualified

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

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>13-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>13-495-034-5120-084</u>	<u>Security Aid</u>
<u>13-495-034-5120-014</u>	<u>Transportation Aid</u>
<u>Project No. SP201327</u>	<u>EDA Grants Awards</u>

WESTFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(continued)

Section II – Financial Statement Findings

Significant Deficiency(s)

Current Fiscal Year - NONE

Non-Compliance:

Current Fiscal Year – NONE

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

Significant Deficiency(s):

Current Fiscal Year - NONE

Non-Compliance:

Current Fiscal Year – NONE

**WESTFIELD SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Status of Prior Year Findings

There were no findings for the fiscal year ended June 30, 2012.