

**BOARD OF EDUCATION  
OF THE  
TOWNSHIP OF WASHINGTON  
SCHOOL DISTRICT  
WASHINGTON TOWNSHIP, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2014**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
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## INTRODUCTORY SECTION

**Washington  
Township  
Public  
Schools**



**Central Administrative Offices**

206 East Holly Avenue • Sewell, New Jersey 08080

(856) 589-6644 • FAX (856) 256-8931

November 13, 2014

Honorable President Murphy and  
Members of the Board of Education  
Washington Township School District  
County of Gloucester, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Washington Township School District (District) for the fiscal year ended June 30, 2014, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report and the required supplementary information in compliance with Governmental Accounting Standards Board Statement 34 "*Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments.*" The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04 OMB, "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: Washington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in

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The mission of the Washington Township Public Schools is to provide a safe educational environment for all students to attain the skills and knowledge specified in the New Jersey Core Curriculum Content Standards at all grade levels so as to ensure their full participation in our global society as responsible, self-directed, and civic-minded citizens.

this report. The Washington Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These services include regular and vocational, as well as special education for gifted and handicapped youngsters. The following details the changes in the student enrollment within the District over the last five years.

#### AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2013-2014	7,550	(3.17%)
2012-2013	7,797	(3.64%)
2011-2012	8,081	(2.20%)
2010-2011	8,293	(2.81%)
2009-2010	8,502	(1.49%)
2008-2009	8,631	(2.52%)

#### 2) ECONOMIC CONDITION AND OUTLOOK:

Washington Township, Gloucester County, New Jersey, is a community comprised of predominately single-family residences (80% of the tax base). Our community, like most communities across the nation, is feeling the effects of the current economic climate. The community is extremely supportive of the educational system as evident in its active participation in the educational process. The District has been fiscally responsible in light of the economic hardships endured by the community and continues to bring their budget in under the mandated tax levy cap. Although the State of New Jersey and all the governmental entities received a downgrade in their bonding rating in 2011; Washington Township Board of Education received an AA rating from Standard and Poor when they went out to refinance sections of their bonds in 2013, evidencing the financial stability of the school district.

Enrollments for regular education students for the Washington Township School District have been declining since the 2001-2002 school year; however, enrollments for special needs students have been increasing. This has resulted in a reduction in staff along with a change in the classification of staff from regular education to special education. The District is in the process of studying the possibility of redistricting (reassigning home schools for students) for the 2015-16 school year.

Although the economic times have been challenging, the Washington Township School District has maintained its high standards and rigorous curriculum, continuing its tradition of being an award-winning school district which is the foremost reason why most residents have chosen to reside here. As a matter of fact, in 2013, Philly Magazine ranked Washington Township High School as one of the top 100 schools in the Philadelphia region.

### 3) MAJOR INITIATIVES

- Revision of the ELA (English Language Arts) curriculum and assessments in Grades K-5 to ensure alignment with the Common Core State Standards for English Language Arts.
- Implementation of a new K-5 mathematics curriculum aligned to the Common Core State Standards for Mathematics including the purchase of new texts, instructional materials, and technology-related resources/equipment.
- Development of a new comprehensive, articulated online 6-8 Digits Mathematics curriculum aligned with the 2010 Common Core State Standards and PARCC specifications including the purchase and implementation of new technology software components and several laptops/laptop carts for all schools.
- Professional development through a Rowan University Partnership Grant in which fourth grade teachers were provided job-embedded professional development through the Japanese model of lesson study under the leadership of Dr. Madden and Dr. Lee.
- First-year implementation of a new READ 180/System 44 program at one elementary school along with a new READ 180 program at our three middle schools and high school so as to meet the needs of our struggling special education and at-risk regular education student populations.
- Continued implementation of our K-12 continuum of instructional activities and/or courses of study designed to ensure student acquisition of the knowledge and skills specified in Standards 9.1 and 9.2 as they relate to personal financial literacy including the second year implementation of a high school 2.5 credit online high school course option for *Financial Literacy and Personal Finance*.
- Ongoing alignment of all courses of study with the Common Core State Standards for Math and ELA, Spring 2013 State testing results, the new increasingly-rigorous PARCC State testing specifications, and Biology Competency test results and requirements.

- Ongoing implementation and compliance with the provisions of *No Child Left Behind (NCLB)* Legislation, as well as implementation of initial aspects of professional development relating to the EE4NJ and Race to the Top Grant initiatives with special focus on annual progress targets for state testing results as well as student attainment of the state-established benchmarks relating to student progress, SATs, Advanced Placement Testing, graduation statistics, etc.
- *Evening programs* including: *Family Literacy, Family Math, Parenting Young Children Course* and *ESL Parent Workshops*, as well as Literacy and Mathematics workshops at the Early Childhood Center for parents.
- Implementation of additional time programs including: *Get SET, Homework Club, Good Morning Math, Working Writers, Page Turners, Friends Helping Friends, Summer Intervention/ Extended School Year Program, Summer Early Intervention Program, Teaching WELL (for ESL students), Summer Transition Programs (5<sup>th</sup> to 6<sup>th</sup> Grade), Middle School PARCC Academy, Middle School Morning Math, Middle School Prep Club, Supplemental Instructional Services (Grades 6, 7, 8), NJASK Academy, NJASK Summer Academy, NJASK Saturday Sessions, 10<sup>th</sup> Grade and 11<sup>th</sup> Grade HSPA Academies, 10<sup>th</sup> and 11<sup>th</sup> Grade Summer HSPA Academy, Summer 11<sup>th</sup> to 12<sup>th</sup> Grade HSPA Academy, Freshman Transition Programs*, as well as lunchtime intervention programs in preparation for the Biology Competency Test.
- Ongoing investigation, development, and implementation of a continuum of in-district instructional programs and student support initiatives to meet the unique needs of our special population students so as to reduce the number of students and costs associated with out-of-district placements. This included the implementation of a preschool and an elementary-level intermediate autism program.
- Ongoing implementation of the Anti-Bullying Bill of Rights legislation in all schools.
- Ongoing implementation of instructional software and/or web-based programs designed to improve and/or remediate reading deficiencies at the K-5 level including, for example, Waterford Early Literacy Program, Fast Forward, RAZ-Kids, Scholastic Read 180, Earobics, and Success Maker.
- Ongoing implementation and integration of instructional software and/or web-based programs designed to enhance instructional activities, improve student skill levels, and provide a means for student self-tutoring and/or ancillary instruction including, for example, Scholastic READ 180, Destiny library automation and integration management software, and the Study Island

program, along with professional development for Year 2 cohort teacher teams at the middle and high school levels by Dell technology professionals to support the implementation of Web 2.0 tools and other applications to further student acquisition of 21<sup>st</sup> Century skills.

- Purchase of a limited number of additional notebook carts and notebook computers to provide increased kindergarten, elementary, middle, and high school student access to computers for use in the classroom.
- Ongoing refinement and implementation of professional development opportunities for staff with a focus on implementation of *Professional Learning Communities* (PLCs) “in accordance with state mandates”, student needs, and the ongoing implementation of a mentoring plan for novice teachers.
- Professional development relating to the Wilson Reading System to ensure a broader knowledge base among elementary staff members of this specific literacy methodology to assist struggling readers. Sixteen (16) teachers were Level 1 Wilson certified by the end of the 2013-14 school year.
- Ongoing professional development opportunities to meet state standards, fulfill the 100-hour mandate, enhance the quality of pedagogy, and increase student achievement (K-12).
- Ongoing refinement and alignment of the high school mathematics curriculum to optimize student achievement and promote alignment with PARCC specifications as they relate to the new Common Core Standards for Mathematics.
- Implementation of a new K-12 comprehensive Physical Education curriculum aligned with the 2009 NJCCCS and relevant Common Core State Standards including the acquisition/purchase of new related instructional materials.
- Implementation of Advanced Placement (AP) courses for AP Physics B and Environmental Science.
- Ongoing refinement and alignment of Grades K-12 Language Arts Literacy curriculum/courses of study with the Common Core ELA State Standards and additional guidelines and specifications relating to the PARCC assessments, so as to ensure students’ optimal skill acquisition and achievement.
- Implementation of a new English as a Second Language (ESL) curriculum/courses of study for Grades K-12 including a new program description, content, materials, and resources aligned with the Common Core State Standards and standards for English Language Learners.
- Implementation of a new Social Studies curriculum/courses of study for Grades 9-12 including new textbooks, instructional materials/resources for all required core courses and elective courses.

- Development of computer education instruction programming and the purchase of instructional materials and software for Grades K-8 to ensure alignment with the NJ CCSS and PARCC readiness, in addition to, professional development on NetOp-Vision implementation as it pertains to formative assessment and the Marzano Teaching Framework. This also included revised curricula at the middle level for Financial Literacy in Grades 6, 7, and 8.
- Development of a new Business Education curriculum (Grades 9-12) including the acquisition/ purchase of new related instructional materials.
- Development of new Visual and Performing Arts curriculum/courses of study for Grades K-12 including the purchase of new related instructional materials and technology resources.
- Development of new curriculum and courses of study for our K-5 Gifted and Talented Program including the acquisition/purchase of new related instruction materials and technology resources, as well as, programmatic changes to the K-5 delivery of instruction. K-2 high-ability learners will receive services through differentiated instruction and cluster grouping supports. Selected students in Grades 3-5 will participate in the ELEMENTS (Elementary Learners Engaged in Math, Engineering, New Technologies, and Science) Program.
- Expanded implementation of our online K-5 and 6-8 STAR Computerized Testing System/Accelerated Reader program in all middle schools that now includes “all students” in Grades 7 and 8 so as to determine/support student needs, recommend specific targeted interventions and assess and monitor student progress in reading and mathematics.
- Ongoing alignment of curriculum/courses of study with 2009 NJCCCS and Common Core Standards for Mathematics and English Language Arts, new PARCC testing specifications, and instructional/ programmatic needs as indicated through analysis of assessment results.
- Ongoing implementation and refinement of benchmark assessments in all content areas – in many areas specific to the ELA/Math Common Core Standards and the new PARCC assessments.
- Refinement of our district’s specialized self-contained programs for students diagnosed on the autism spectrum including our Pre-K and Kindergarten Autism Program, Primary Level Autism Program, Intermediate Level Autism Program, and Middle School Autism Program.
- The refinement of curriculum and instruction to optimize student preparation for, and achievement on, the high school Biology Competency Test.

- Professional development to increase staff and student use of, and familiarity with, open-ended questions and various essay types in English/Language Arts.
- Professional development to ensure optimal use and integration of available and emerging technology resources. Professional development to support the implementation of Web 2.0 tools and other applications to further student acquisition of 21<sup>st</sup> century skills.
- Professional development to enhance and support the integration of professional learning communities (PLCs) throughout all district schools as an essential aspect of professional growth and as integral foundations for optimizing student achievement and quality instruction.
- Professional development to ensure the successful first-year implementation of our new Marzano Casual Teacher and Principal evaluation systems (ACHIEVE NJ) that included training related to the software and hardware essential to meeting state guidelines and requirements as part of this initiative.

Ongoing and Future Projects:

The district is committed to the implementation of the Core Curriculum Content Standards, the ELA/Mathematics Common Core State Standards and all aspects of preparations/initiatives needed for district personnel and students to meet the demands of the new PARCC assessments that have been mandated by the State of New Jersey for all public schools. As such, the district is engaged in the following:

- Implementation new comprehensive, articulated online 6-8 Digits Mathematics curriculum aligned with the 2010 Common Core Standards and PARCC specifications including the purchase and implementation of new essential instructional mathematics materials and technology software components. This initiative also included the addition of a new after-school Digits Math Club.
- The expansion of our district's READ 180 program from one elementary school to three elementary schools and from thirty (30) licenses for each of our three middle schools and high school to forty-five (45) licenses at all secondary schools so as to meet the needs of our struggling special education and at-risk regular education student populations at those sites.
- Continued refinement of the K-5 Language Arts Literacy curriculum. This includes ongoing professional development in all aspects of balanced literacy with special emphasis on standards-based lessons, close reading, complex

text, reading stamina, reader's workshop, writer's workshop, and ongoing alignment of curriculum with the Common Core State Standards.

- Continued professional development through the Japanese model of lesson study and strategies for cognitive coaching to improve teacher collaboration and instructional strategies.
- Expansion of an intervention period at the elementary level in order to meet the diverse and specific needs of students as determined by data analysis conducted during site-based data meetings and the creation of data walls/boards to track student progress and adjust interventions for struggling and gifted learners.
- Ongoing refinement of the K-5 Mathematics curriculum and assessments to ensure differentiated instruction, rigor, and a full alignment to the Common Core State Standards and PARCC readiness.
- Ongoing refinement of the K-2 report card in order to accurately and efficiently report on student progress as it relates to the Common Core State Standards.
- The purchase of a significant inventory of effective technology hardware and software tools and resources (i.e. Laptop Carts/Laptops and IPAD Carts/IPADS,) for all levels (elementary, middle and high school) to differentiate instruction to support student achievement and to ensure that all students can demonstrate the skills, comfort levels, and adaptability essential for the successful use of technology in the classroom, on state and local assessments – most particularly for the new PARCC assessments. These essential technology tools and related components serve as well, when integrated into instruction, to prepare our students to meet the demands for college and career readiness through the effective use of 21<sup>st</sup> century technology tools.
- Ongoing professional development related to the integration of technology and web-based tools/assessments to ensure PARCC readiness at all levels.
- Implementation and integration of instructional software and/or web-based programs designed to enhance instructional activities, improve student skill levels, and provide a means for student self-tutoring and/or ancillary instruction including, for example, Scholastic READ 180, Destiny library. This will include along with professional development for our *Year 3 cohort* teacher teams at the middle and high school levels by Dell technology professionals to support the implementation of Web 2.0 tools and other applications to further student acquisition of 21<sup>st</sup> century skills.

- Implementation of a new Computer Education (Grades K-5), Computer and Financial Literacy (Grades 6-8) including the acquisition/ purchase of new instructional materials and resources, as well as, the continued refinement of programming as it relates to PARCC readiness and practice.
- Implementation of the new Business Education curriculum (Grades 9-12) including the acquisition/purchase of new instructional materials, resources, tests and software.
- Implementation of a new Visual and Performing Arts curriculum/courses of study for Grades K-12 including the purchase of new related instructional materials and technology resources.
- Implementation of a new curriculum and courses of study for our K-12 Gifted and Talented Program including a specific focus on a STEM curricula (called ELEMENTS), ELA Common Core Standards alignment and enhanced technology integration.
- Development of new Mathematics curriculum for Grade K-12 for both the core courses (examples are Algebra 1, Geometry, Algebra 2, Pre-Calculus, Calculus) and elective courses (examples are AP Statistics, AP Computer Science, Computer Programming w/Visual Basic) aligned with the Common Core State Standards and new PARCC specifications including the purchase/acquisition of new essential instruction materials, resources, texts, and technology software/components.
- Development of new Guidance/Guidance Services curriculum for Grades K-12 including purchase of new support materials and resources, as necessary.
- Development of new Art curriculum/courses of study for Grades K-12 including the purchase of new related instructional materials and technology resources and textbooks as needed.
- Development of new Technology Education curriculum/courses of study for Grades 6-12 including the purchase of new related instructional materials and technology/software resources.
- Development of a new Speech/Child Study Team (CST) curricula for K-12 including any needed new instructional or non-instructional materials, technology and/or software resources.
- Professional development to ensure the successful second-year implementation of our new Marzano Casual Teacher and Principal Evaluation systems (ACHIEVE NJ) and work at the secondary level that includes training for cohorts of secondary level teachers in all content areas on Learning Goals and Scales.

- Investigation into and adoption of K-12 anti-bullying instructional (Olweus) and support programs as well as ongoing refinement of anti-bullying intervention and prevention protocols.
- Parent workshops at the elementary level designed to inform parents about elementary programming, supports parents can provide at home, and resources available to parents in the school and in the community.
- Parent workshops at the middle school level designed to inform parents about the ELA and Mathematics performance expectations of the new PARCC assessments for all grade levels, how the shifts in the Common Core ELA and Mathematics State Standards are being incorporated into daily instruction and to inform and train parents on the features of our new online Digits Math program.
- Professional development through a Rowan University ELA Common Core Academy Partnership Grant, under the leadership of Dr. Valarie Lee and Marjorie Madden, in which cohorts of middle school and high school teachers of English, social studies/history in both regular education and special education will enhance their content knowledge of these standards while also supporting the work of secondary principals ability to lead this CCSS implementation in these two content areas. Teachers will translate their learning to work in the classroom that has students building their knowledge through content-rich nonfiction; reading, writing and speaking grounded in evidence from text both literary, and informational and regular practice with complex text and its academic vocabulary.
- Investigation, development, and implementation of a continuum of in-district instructional programs and student support initiatives to meet the unique needs of our special population students so as to reduce the number of students and costs associated with out-of-district placements.
- Focus on ensuring optimal student growth for all students while giving special attention to the needs of at-risk learners along with appropriate investigation into instructional methodologies and programmatic enhancements to meet their needs. This includes ongoing emphasis and refinement of our K-12 *Response to Intervention* (RTI) programming.
- Ongoing development and implementation of a continuum of instructional programs and student support initiatives to meet the unique needs of our special population students and to support the implementation of in-district specialized program(s) for certain students currently placed in out-of-district settings.

- Ongoing implementation and refinement of benchmark assessments in all content areas – in many areas specific to the ELA/Math Common Core Standards and the new PARCC assessments.
- Ongoing alignment of all courses of study, as needed, with the Common Core State Standards for ELA and Mathematics, Spring 2014 State testing results, the high school Biology Competency test results, and alignment with the new PARCC State assessments.

**4) INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally-accepted accounting principles (GAAP). The internal control 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 cancelled or are included as re-appropriation of fund balance in the subsequent year. Those

amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2014.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally-accepted accounting principles, as promulgated by the Governmental Account 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. Please see Management's Discussion and analysis for summary schedules.

8) DEBT ADMINISTRATION: At June 30, 2014, the District's outstanding debt issues included \$20,845,000 of general obligation bonds.

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

10) RISK MANAGEMENT: The Board carried 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.

11) OTHER INFORMATION:

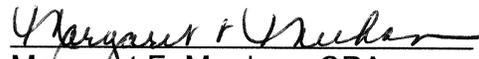
Independent Audit – State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman and Company LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Washington Township 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.

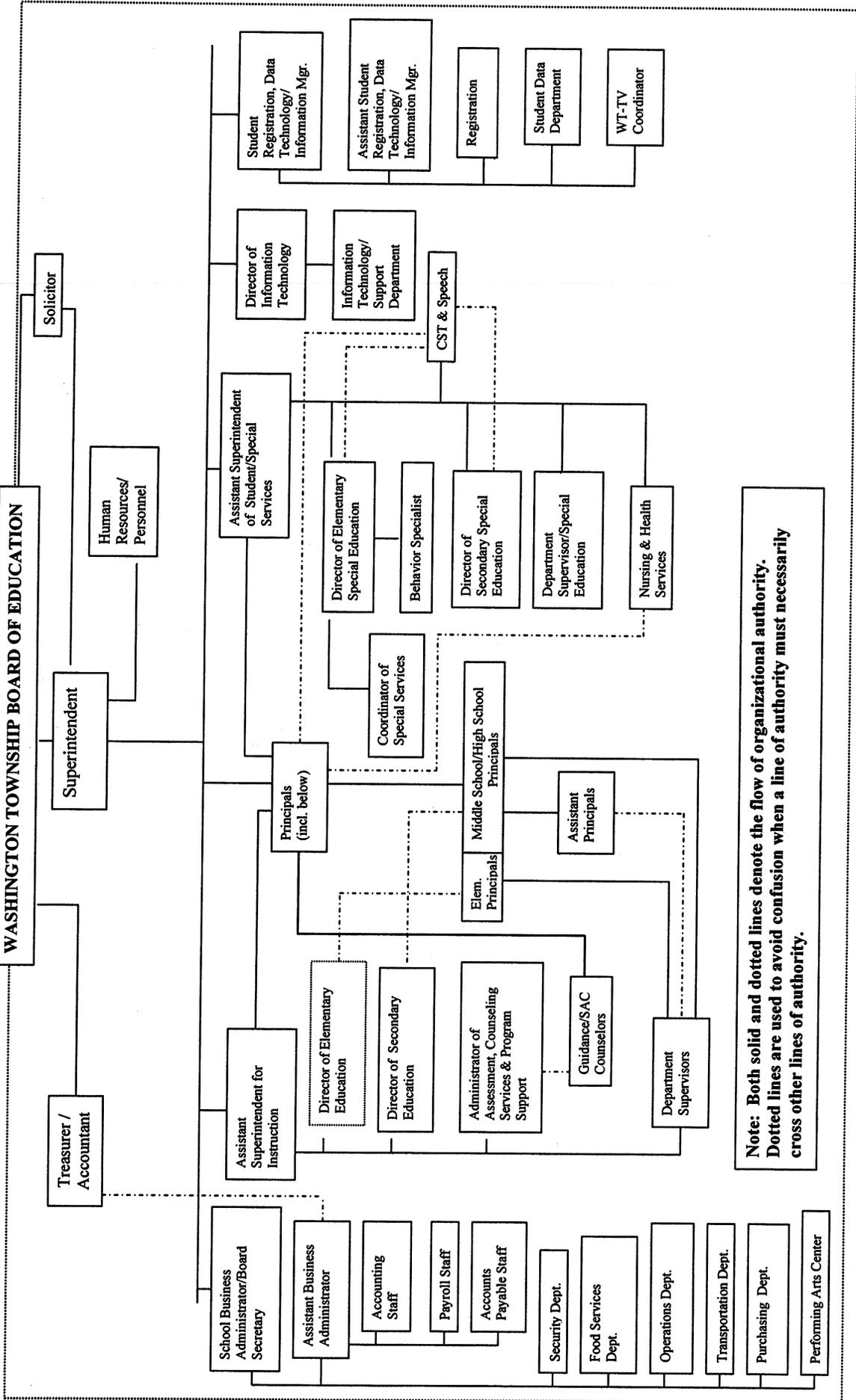
Respectfully submitted:

  
Robert H. Goldschmidt  
Superintendent

  
Margaret F. Meehan, CPA  
School Business Administrator/  
Board Secretary

  
Harold J. Finkle, CPA  
Assistant School Business Administrator

# ORGANIZATIONAL CHART



**Note: Both solid and dotted lines denote the flow of organizational authority. Dotted lines are used to avoid confusion when a line of authority must necessarily cross other lines of authority.**

**BOARD OF EDUCATION  
OF THE  
TOWNSHIP OF WASHINGTON  
SEWELL, NEW JERSEY**

**ROSTER OF OFFICIALS  
June 30, 2014**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Virginia Murphy, President	2015
Robert Abbott, Vice President	2016
Joshua Aronovitch	2015
Carol Chila	2017
Roy J. Dawson III	2015
James F. Murphy	2017
Chester Nawoyski	2015
Megan Watson	2017
Candice Zachowski	2016

**Other Officials**

Robert H. Goldschmidt, Superintendent

Margaret F. Meehan, CPA, School Business  
Administrator/Board Secretary

Joseph F. Betley, Esq., Solicitor

**BOARD OF EDUCATION  
OF THE  
TOWNSHIP OF WASHINGTON**

**Consultants and Advisors**

**Engineer**

Remington and Vernick  
232 Kings Highway East  
Haddonfield, NJ 08033

**Audit Firm**

Bowman & Company LLP  
601 White Horse Road  
Voorhees, NJ 08043-2492

**Attorney**

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

**Official Depository**

Colonial Bank FSB  
2745 S. Delsea Drive  
Vineland, NJ 08360

FINANCIAL SECTION

## **INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Washington School District in the County of Gloucester, State of New Jersey, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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

The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated November 13, 2014 on our consideration of the Township of Washington School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Washington School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Voorhees, New Jersey  
November 13, 2014

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

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 13, 2014.

***Internal Control Over Financial Reporting***

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Voorhees, New Jersey  
November 13, 2014

REQUIRED SUPPLEMENTARY INFORMATION  
PART I

**WASHINGTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited)**

The discussion and analysis of WASHINGTON TOWNSHIP School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2014 are as follows:

- In total, Net Position increased \$2,738,806 primarily due to accumulation of fund balance to be included in the subsequent years' budget.
- General revenues accounted for \$134,520,651 in revenue or 89% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$17,213,886 or 11% of total revenues of \$151,734,537.
- Total assets of governmental activities increased by \$2,837,283 largely due to the cancelation of prior year accruals and payables.
- The School District had \$148,995,730 in expenses; \$17,213,886 of these expenses were offset by program-specific charges for services, grants or contributions.
- Among major funds, the General Fund had \$140,962,453 in revenues, \$139,567,583 in expenditures, and \$1,160,320 in other financing uses. The General Fund's balance increased \$234,550 from 2013. This increase was anticipated by the Board of Education. The School District appropriated \$9.6 million into the original General Fund budget as tax relief for 2014-2015.

**Overview of the Financial Statements**

The financial section of this annual report consists of two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures; and Part II, budgetary comparison schedules, notes to the required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

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

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

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

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

**WASHINGTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited-Cont'd)**

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

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

**Reporting the School District as a Whole**

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

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

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

In the Statement of Net Position and the Statement of Activities, the School District reports governmental and business-type activities. Governmental activities are the activities where most of the School District's programs and services are reported, including but not limited to instruction, support services, operation and maintenance of plant, pupil transportation, and special schools.

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

**Fund Financial Statements**

The Fund financial reports provide detailed information about the School District's major funds. The School District uses several funds to account for a variety of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Special Revenue Fund, Debt Service, and the Capital Projects Fund; the School District has no Permanent Fund.

**Governmental Funds**

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

**WASHINGTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited-Cont'd)**

**The School District as a Whole**

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

Table 1 provides a summary of the School District's Net Position for 2014 and 2013.

	TABLE 1	
	Net Position	
	<u>2013-2014</u>	<u>2012-2013</u>
<b>Assets</b>		
Current and Other Assets	\$ 26,623,812	\$ 33,380,084
Capital Assets	<u>86,350,875</u>	<u>87,741,309</u>
Total Assets	<u>\$112,974,687</u>	<u>\$121,121,393</u>
<b>Deferred Outflows of Resources</b>		
Deferred Loss on Defeasance of Debt	<u>\$ 1,008,098</u>	<u>\$ 1,189,357</u>
<b>Liabilities</b>		
Current Liabilities	\$ 7,508,917	\$ 14,971,554
Non- Current Liabilities	<u>30,918,755</u>	<u>34,522,889</u>
Total Liabilities	<u>\$ 38,427,672</u>	<u>\$ 49,494,443</u>
<b>Net Position</b>		
Net Investment in Capital Assets	\$64,583,076	\$ 62,457,077
Restricted for:		
Capital Projects	3,697,276	2,523,245
Other Purposes	8,230,417	8,003,783
Unrestricted	<u>(955,656)</u>	<u>(167,798)</u>
Total Net Position	<u>\$ 75,555,113</u>	<u>\$ 72,816,307</u>

**WASHINGTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited-Cont'd)**

Table 2 shows a summary of changes in net position for Fiscal Year 2014.

TABLE 2

Changes in Net Position

	<u>2013-2014</u>	<u>2012-2013</u>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 2,397,826	\$ 2,709,220
Operating Grants and Contributions	14,816,060	15,839,636
General Revenues:		
Property Taxes, Levied for General Purpose, Net	76,572,161	74,973,363
Property Taxes Levied for Debt Service	3,062,028	3,314,529
Federal and State Aid, Restricted	52,494,963	52,220,072
Other	<u>2,391,499</u>	<u>1,070,309</u>
Total Revenues	<u>\$151,734,537</u>	<u>\$150,127,129</u>
 <b>Program Expenses</b>		
Governmental Activities:		
Instruction	\$59,739,456	\$56,783,522
Support Services:		
Tuition	7,028,827	7,238,859
Student Administrative Services	14,697,983	14,698,726
School Administrative Services	6,262,258	6,227,860
General and Business Administrative Services	4,500,228	4,821,197
Plant Operation and Maintenance	10,534,500	10,541,146
Pupil Transportation	5,594,501	5,447,768
Unallocated Benefits	35,398,679	33,208,489
Transfer to Charter School	186,230	162,550
Interest on Long-term Debt	953,352	959,295
Other Administrative Services	<u>                    </u>	<u>320,612</u>
Total Expenses, Governmental Activities	<u>\$144,896,014</u>	<u>\$140,410,024</u>
 Business-Type Activities Net Expenses (income):		
Food Service	\$ 3,350,498	\$ 3,184,210
Child Care Program	133,750	128,463
Telecommunications	13,034	14,357
Drivers' Education	60,690	59,383
Center for the Performing Arts	<u>541,745</u>	<u>588,632</u>
Total Expenses, Business-Type Activities	<u>4,099,717</u>	<u>3,975,045</u>
Total Expenses	<u>\$148,995,731</u>	<u>\$144,385,069</u>
Increase (Decrease) in Net Position	<u>\$ 2,738,806</u>	<u>\$ 5,742,060</u>

**WASHINGTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited-Cont'd)**

**Governmental Activities**

Municipal appropriations and state aid made up 99% of revenues for governmental activities for the School District for Fiscal Year 2014.

Instruction comprises 41% of District governmental expenses. Support services expenses make up 58% of the governmental expenses. Interest on Long-Term Debt Service is 1% of the governmental expenses.

The Statement of Activities shows the cost of the governmental activities' program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for Fiscal Year 2014. That is, it identifies the cost of these services supported by general revenues.

TABLE 3

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Instruction	\$ 59,739,456	\$ 57,784,581
Support Services :		
Tuition	7,028,983	7,028,827
Student and Instruction-Related Services	14,697,983	13,815,968
School Administrative Services	6,262,258	6,262,258
General and Business Administrative Services	4,500,228	4,337,020
Plant Operation and Maintenance	10,534,500	10,534,500
Pupil Transportation	5,594,501	5,594,501
Unallocated Benefits	35,398,679	24,471,882
Transfer to Charter Schools	186,230	186,230
Interest on Long-Term Debt	<u>953,352</u>	<u>721,298</u>
Total Expenses	<u>\$144,896,014</u>	<u>\$130,737,065</u>

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

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

Administrative services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administration services.

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

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

**WASHINGTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited-Cont'd)**

**Governmental Activities (Cont'd)**

Business and other support services include activities for support not classified elsewhere, including support services for business activities and support services for central activities.

Employee benefits includes the cost of benefits for the School District staff for social security, retirement contributions, workers' compensation, health benefits and other employee benefits.

The dependence upon municipal appropriations and state aid is apparent. The local communities and the state are the primary support for the Washington Township School District.

**The School District's Funds**

The School District's major funds are accounted for using the modified accrual basis of accounting. All Governmental funds had total revenues of \$148,164,500 expenditures of \$147,074,444 and other financing uses of \$317,733. The net change in fund balance for the year in the General Fund had an increase of \$234,550.

**General Fund Budgeting Highlights**

The School District's budget is prepared in accordance with New Jersey law. The most significant budgeted fund is the General Fund.

During the course of the 2014 fiscal year, the School District modified its General Fund budget numerous times.

For the General Fund, the final budget basis revenue estimate was \$128,003,991 which is equal to the original estimate.

During Fiscal Year 2014, the School District budgeted \$76,572,161 and \$50,797,795 for municipal appropriations and state aid revenues, respectively. The School District also received \$4,691,877 in reimbursed TPAF Social Security aid, \$6,234,931 in reimbursed TPAF and post retirement health benefits. This has resulted in favorable revenue variance.

The final budget basis expenditure appropriation estimate was \$137,133,551 which is equal to the original estimate.

**WASHINGTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited-Cont'd)**

**Capital Assets**

At the end of Fiscal Year 2014, the School District had \$86,214,739 invested in land, buildings, furniture and equipment.

Table 4 shows a summary of the fiscal 2014 balances.

TABLE 4

Capital Assets (Net of Depreciation)

	<u>2013-2014</u>	<u>2012-2013</u>
Land	\$ 5,590,700	\$ 5,590,700
Land Improvements	2,096,018	2,218,031
Construction in Progress	432,815	1,117,769
Buildings and Improvements	73,924,301	75,759,285
Furniture and Equipment	<u>4,170,905</u>	<u>2,921,885</u>
Totals	<u>\$86,214,739</u>	<u>\$87,607,670</u>

Overall capital assets decreased \$1,392,931 from Fiscal Year 2013 to Fiscal Year 2014.

**Debt Administration**

The School District receives state aid and municipal tax levy funds for the payment of debt.

**Current Financial Issues and Concerns**

The School District has a long record of financial stability. Despite unpredictable funding from the State of New Jersey, the district manages to provide an excellent educational opportunity for all the School District students. This has been accomplished through increases in the local tax levy. The School District's General Fund budget has grown steadily over the past five years. This has resulted primarily from the increase in fixed costs such as labor, employee benefits, utilities, diesel fuel, and out-of-district tuition.

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

These financial reports are designed to provide our citizens, taxpayers, and creditors with a general overview of the School District's finances and to show the accountability for money received from the state and local government. If you have questions about this report or need additional information, contact Margaret F. Meehan, Secretary to the Board of Education and School Business Administrator at: WASHINGTON TOWNSHIP BOARD OF EDUCATION, 206 East Holly Avenue, Sewell, New Jersey 08080.

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Statement of Net Position  
June 30, 2014

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 17,374,069.23	\$ 1,363,213.57	\$ 18,737,282.80
Receivables, net (Note 4)	3,993,319.38	238,237.63	4,231,557.01
Inventory (Note 5)		46,558.09	46,558.09
Restricted Assets:			
Restricted Cash and Cash Equivalents	1,034,767.11		1,034,767.11
Capital Reserve Account - Cash	2,573,647.62		2,573,647.62
Capital Assets, net (Note 8)	86,214,739.14	136,136.00	86,350,875.14
<b>Total Assets</b>	<b>111,190,542.48</b>	<b>1,784,145.29</b>	<b>112,974,687.77</b>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>			
Deferred Loss on Defeasance of Debt	1,008,097.67	-	1,008,097.67
<b>LIABILITIES:</b>			
Accounts Payable	2,438,187.31	3,920.74	2,442,108.05
Internal Balances	(753,661.03)	753,661.03	
Accrued Salaries and Benefits	627,381.13	17,613.40	644,994.53
Deposits Payable		1,304.94	1,304.94
Other Current Liabilities	4,009,063.68		4,009,063.68
Payable to State Government	51,456.46		51,456.46
Unearned Revenue	54,016.46	60,344.63	114,361.09
Accrued Interest on Bonds	245,628.86		245,628.86
Noncurrent Liabilities (Note 6):			
Due within One Year	4,909,465.62	10,111.89	4,919,577.51
Due beyond One Year	25,849,648.06	149,528.96	25,999,177.02
<b>Total Liabilities</b>	<b>37,431,186.55</b>	<b>996,485.59</b>	<b>38,427,672.14</b>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	64,446,940.49	136,136.00	64,583,076.49
Restricted for:			
Capital Projects	3,697,276.26		3,697,276.26
Other Purposes	8,230,416.56		8,230,416.56
Unrestricted	(1,607,179.70)	651,523.70	(955,656.00)
<b>Total Net Position</b>	<b>\$ 74,767,453.60</b>	<b>\$ 787,659.70</b>	<b>\$ 75,555,113.30</b>

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2014

Functions / Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
Instruction:							
Regular	\$ 44,004,430.84		\$ 1,954,874.94		\$ (42,049,555.90)		\$ (42,049,555.90)
Special Education	11,141,900.52				(11,141,900.52)		(11,141,900.52)
Other Special Instruction	2,858,018.85				(2,858,018.85)		(2,858,018.85)
Other Instruction	1,735,106.22				(1,735,106.22)		(1,735,106.22)
Support Services:							
Tuition	7,028,827.24				(7,028,827.24)		(7,028,827.24)
Student and Instruction Related Services	14,697,982.66		882,014.41		(13,815,968.25)		(13,815,968.25)
School Administrative Services	6,262,257.63				(6,262,257.63)		(6,262,257.63)
General and Business Administrative Services	4,500,227.61	\$ 163,207.95			(4,337,019.66)		(4,337,019.66)
Plant Operations and Maintenance	10,534,499.72				(10,534,499.72)		(10,534,499.72)
Pupil Transportation	5,594,500.64				(5,594,500.64)		(5,594,500.64)
Unallocated Benefits	35,398,679.41		10,926,797.95		(24,471,881.46)		(24,471,881.46)
Transfer to Charter School	186,230.33				(186,230.33)		(186,230.33)
Interest on Long-Term Debt	953,351.89		232,053.70		(721,298.19)		(721,298.19)
<b>Total Governmental Activities</b>	<b>144,896,013.56</b>	<b>163,207.95</b>	<b>13,995,741.00</b>	<b>-</b>	<b>(130,737,064.61)</b>	<b>-</b>	<b>(130,737,064.61)</b>
<b>Business-Type Activities:</b>							
Food Service	3,350,498.35	1,433,997.37	820,318.58			\$ (1,096,182.40)	\$ (1,096,182.40)
Child Care Program	133,750.22	170,387.77				36,637.55	36,637.55
Telecommunications	13,033.88	16,605.00				3,571.12	3,571.12
Center for the Performing Arts	541,744.37	546,878.07				5,133.70	5,133.70
Drivers Education	60,689.90	66,750.00				6,060.10	6,060.10
<b>Total Business-Type Activities</b>	<b>4,099,716.72</b>	<b>2,234,618.21</b>	<b>820,318.58</b>	<b>-</b>	<b>(1,044,779.93)</b>	<b>(1,044,779.93)</b>	<b>(1,044,779.93)</b>
<b>Total Primary Government</b>	<b>\$ 148,995,730.28</b>	<b>\$ 2,397,826.16</b>	<b>\$ 14,816,059.58</b>	<b>\$ -</b>	<b>(130,737,064.61)</b>	<b>(1,044,779.93)</b>	<b>(131,781,844.54)</b>
<b>General Revenues:</b>							
Taxes:							
Property Taxes, Levied for General Purposes, net					76,572,161.00		76,572,161.00
Taxes Levied for Debt Service					3,062,028.00		3,062,028.00
Federal and State Aid not Restricted					52,494,962.97		52,494,962.97
Investment Earnings					105,291.43	5,486.20	110,777.63
Miscellaneous Income					1,934,751.85	11,125.30	1,945,877.15
Accounts Receivable Canceled					(25,000.89)		(25,000.89)
Disposal of Assets					341,434.91		341,434.91
Donation of Assets					18,410.00		18,410.00
Transfers					(929,691.81)	929,691.81	
<b>Total General Revenues, Special Items, Extraordinary Items and Transfers</b>					<b>133,574,347.46</b>	<b>946,303.31</b>	<b>134,520,650.77</b>
<b>Change in Net Position</b>					<b>2,837,282.85</b>	<b>(98,476.62)</b>	<b>2,738,806.23</b>
<b>Net Position -- July 1</b>					<b>71,930,170.75</b>	<b>886,136.32</b>	<b>72,816,307.07</b>
<b>Net Position -- June 30</b>					<b>\$ 74,767,453.60</b>	<b>\$ 787,659.70</b>	<b>\$ 75,555,113.30</b>

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

FUND FINANCIAL STATEMENTS

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Balance Sheet  
Governmental Funds  
June 30, 2014

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 17,330,884.68	\$ 753,137.33	\$ 188,418.87	\$ 93,210.91	\$ 18,365,651.79
Interfund Accounts Receivable	2,456,462.60				2,456,462.60
Receivables from Other Governments	1,902,879.17	883,802.91	1,030,137.48		3,816,819.56
Other Accounts Receivable	114,387.19	28,899.14			143,286.33
Restricted Cash and Cash Equivalents	<u>2,573,647.62</u>				<u>2,573,647.62</u>
<b>Total Assets</b>	<u>\$ 24,378,261.26</u>	<u>\$ 1,665,839.38</u>	<u>\$ 1,218,556.35</u>	<u>\$ 93,210.91</u>	<u>\$ 27,355,867.90</u>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 2,393,511.48	\$ 32,565.38	\$ 11,819.75		\$ 2,437,896.61
Accrued Salaries and Benefits	621,796.42	4,862.32			626,658.74
Interfund Accounts Payable		1,566,582.02	64,164.50		1,630,746.52
Other Current Liabilities	4,009,063.68				4,009,063.68
Payable to State Government		32,513.00	18,943.46		51,456.46
Unearned Revenue	24,699.80	29,316.66			54,016.46
<b>Total Liabilities</b>	<u>7,049,071.38</u>	<u>1,665,839.38</u>	<u>94,927.71</u>	<u>-</u>	<u>8,809,838.47</u>
<b>Fund Balances:</b>					
Restricted:					
Capital Projects			1,123,628.64		1,123,628.64
Debt Service				\$ 93,210.91	93,210.91
Capital Reserve Account	2,573,647.62				2,573,647.62
Excess Surplus--Current Year	1,373,686.56				1,373,686.56
Excess Surplus--Designated for Subsequent Year's Expenditures	6,852,747.00				6,852,747.00
Legal Reserve--50% School Bus Advertising Revenue;					
Offset to Fuel Costs--Current Year	2,633.00				2,633.00
Legal Reserve--50% School Bus Advertising Revenue;					
Offset to Fuel Costs--Prior Year	1,350.00				1,350.00

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Balance Sheet  
Governmental Funds  
June 30, 2014

**LIABILITIES AND FUND BALANCES (CONT'D):**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Fund Balances (Continued):					
Assigned:					
Other Purposes	\$ 708,124.29				\$ 708,124.29
Designated for Subsequent Year's Expenditures	2,819,190.00				2,819,190.00
Unassigned	2,997,811.41				2,997,811.41
<b>Total Fund Balances</b>	<b>17,329,189.88</b>	-	<b>\$ 1,123,628.64</b>	<b>\$ 93,210.91</b>	<b>18,546,029.43</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 24,378,261.26</b>	<b>\$ 1,665,839.38</b>	<b>\$ 1,218,556.35</b>	<b>\$ 93,210.91</b>	<b>(245,628.86)</b>

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

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

The Internal Service Funds are used by management to charge the costs of paper, printing and engraving to individual funds. These activities are governmental activities. This amount is the unrestricted net assets in the Internal Service Fund.

Deferred loss on defeasance of debt is a consumption of net position that is applicable to a future reporting period and therefore is not reported in the funds.

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$155,264,188.37 and the accumulated depreciation is \$69,049,449.23.

Long-term liabilities, including bonds, capital leases and compensated absences payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Net position of governmental activities

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

\$ 74,767,453.60

(30,759,113.68)

86,214,739.14

1,008,097.67

3,329.90

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local Tax Levy	\$ 76,572,161.00			\$ 3,062,028.00	\$ 79,634,189.00
Tuition	485,863.34				485,863.34
Miscellaneous	1,507,944.37	\$ 34,677.93	\$ 11,081.33	40.00	1,553,743.63
State Sources	62,160,314.48	80,460.32		1,268,569.00	63,509,343.80
Federal Sources	236,169.33	2,745,190.84			2,981,360.17
<b>Total Revenues</b>	<b>140,962,452.52</b>	<b>2,860,329.09</b>	<b>11,081.33</b>	<b>4,330,637.00</b>	<b>148,164,499.94</b>
<b>EXPENDITURES:</b>					
Current:					
Regular Instruction	39,631,882.14	1,954,874.94			41,586,757.08
Special Education Instruction	11,032,084.53				11,032,084.53
Other Special Instruction	2,858,018.85				2,858,018.85
Other Instruction	1,735,106.22				1,735,106.22
Support Services and Undistributed Costs:					
Tuition	7,028,827.24				7,028,827.24
Student and Instruction Related Services	13,779,271.81				14,661,286.22
School Administrative Services	6,262,257.63	882,014.41			6,262,257.63
Other Administrative Services	3,961,739.40				3,961,739.40
Plant Operations and Maintenance	9,630,638.36				9,630,638.36
Pupil Transportation	5,347,321.44				5,347,321.44
Unallocated Benefits	35,290,605.36				35,290,605.36
Transfer to Charter Schools	186,230.33				186,230.33
Debt Service:					
Principal				3,545,000.00	3,545,000.00
Interest and Other Charges				793,650.00	793,650.00
Capital Outlay	2,823,599.22	23,439.74	307,882.06		3,154,921.02
<b>Total Expenditures</b>	<b>139,567,582.53</b>	<b>2,860,329.09</b>	<b>307,882.06</b>	<b>4,338,650.00</b>	<b>147,074,443.68</b>
Excess (Deficiency) of Revenues over Expenditures	1,394,869.99	-	(296,800.73)	(8,013.00)	1,090,056.26

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>OTHER FINANCING SOURCES (USES):</b>					
Capital Leases (Non-Budgeted)	\$ 636,960.00				\$ 636,960.00
Accounts Receivable Canceled			(25,000.89)		(25,000.89)
Operating Transfers	(1,797,280.33)		867,588.52		(929,691.81)
Total Other Financing Sources and Uses	<u>(1,160,320.33)</u>	<u>-</u>	<u>842,587.63</u>	<u>-</u>	<u>(317,732.70)</u>
Net Change in Fund Balances	234,549.66	-	545,786.90	(8,013.00)	772,323.56
Fund Balance -- July 1	17,094,640.22	-	577,841.74	101,223.91	17,773,705.87
Fund Balance -- June 30	<u>\$ 17,329,189.88</u>	<u>\$ -</u>	<u>\$ 1,123,628.64</u>	<u>\$ 93,210.91</u>	<u>\$ 18,546,029.43</u>

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2014

Total Net Change in Fund Balances - Governmental Funds	\$	772,323.56
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$	(4,724,739.72)
Capital Outlays (Exclusive of SDA Assessment)		2,990,374.40
		(1,734,365.32)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		3,545,000.00
Repayment of capital leases principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		631,339.74
Proceeds from capital lease issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position. Proceeds of long-term debt		(636,960.00)
The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(22,946.36)
The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, donations and capital grants) is to decrease net position.		341,434.91
Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.		46,200.47
In the statement of activities, certain operating expenses, (e.g., compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). This amount is the net effect of the difference in treatment of compensated absences.		(108,074.05)
The Internal Service Fund is used by management to charge the costs of paper, printing and engraving to individual funds. This amount is the change in net position for the Internal Service Fund, exclusive of any gain/(loss) on disposal of Internal Service Fund capital assets.		3,329.90
Change in Net Position of Governmental Activities	\$	2,837,282.85

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Statement of Net Position  
 Proprietary Funds  
 June 30, 2014

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	
<b>ASSETS:</b>							
Current Assets:							
Cash and Cash Equivalents	\$ 691,877.16	\$ 159,916.37	\$ 7,900.61	\$ 337,121.43	\$ 166,398.00	\$ 1,363,213.57	\$ 43,184.55
Intergovernmental/Accounts Receivable:							
State	4,982.23					4,982.23	
Federal	147,820.22					147,820.22	
Other Accounts Receivable	7,217.44	45,128.20	7,780.00	70,437.74		85,435.18	2,560.00
Interfund Accounts Receivable			1,142.81			46,271.01	432.25
Inventories	46,558.09					46,558.09	
<b>Total Current Assets</b>	<b>898,455.14</b>	<b>205,044.57</b>	<b>16,823.42</b>	<b>407,559.17</b>	<b>166,398.00</b>	<b>1,694,280.30</b>	<b>46,176.80</b>
Noncurrent Assets:							
Furniture, Machinery and Equipment	1,175,520.74	37,999.90		83,435.17	43,752.00	1,340,707.81	
Less Accumulated Depreciation	(1,121,492.13)	(4,846.51)		(53,075.77)	(25,157.40)	(1,204,571.81)	
<b>Total Noncurrent Assets</b>	<b>54,028.61</b>	<b>33,153.39</b>	<b>-</b>	<b>30,359.40</b>	<b>18,594.60</b>	<b>136,136.00</b>	<b>-</b>
<b>Total Assets</b>	<b>952,483.75</b>	<b>238,197.96</b>	<b>16,823.42</b>	<b>437,918.57</b>	<b>184,992.60</b>	<b>1,830,416.30</b>	<b>46,176.80</b>
<b>LIABILITIES:</b>							
Current Liabilities:							
Compensated Absences Payable	10,111.89					10,111.89	
Accounts Payable	1,398.77	2,239.59		141.69	140.69	3,920.74	290.70
Interfund Accounts Payable	339,554.42	50,291.23		410,086.39		799,932.04	41,833.81
Accrued Salaries and Benefits	762.66	4,256.75	2,168.51	4,353.48	6,072.00	17,613.40	722.39
Deposits Payable				1,304.94		1,304.94	
Unearned Revenue	60,344.63					60,344.63	
<b>Total Current Liabilities</b>	<b>412,172.37</b>	<b>56,787.57</b>	<b>2,168.51</b>	<b>415,886.50</b>	<b>6,212.69</b>	<b>893,227.64</b>	<b>42,846.90</b>
Noncurrent Liabilities:							
Compensated Absences Payable	144,678.52	-	-	4,850.44	-	149,528.96	-
<b>Total Liabilities</b>	<b>556,850.89</b>	<b>56,787.57</b>	<b>2,168.51</b>	<b>420,736.94</b>	<b>6,212.69</b>	<b>1,042,756.60</b>	<b>42,846.90</b>
<b>NET POSITION:</b>							
Net Investment in Capital Assets Unrestricted	54,028.61	33,153.39	14,654.91	30,359.40	18,594.60	136,136.00	
	341,604.25	148,257.00		(13,177.77)	160,185.31	651,523.70	3,329.90
<b>Total Net Position</b>	<b>\$ 395,632.86</b>	<b>\$ 181,410.39</b>	<b>\$ 14,654.91</b>	<b>\$ 17,181.63</b>	<b>\$ 178,779.91</b>	<b>\$ 787,659.70</b>	<b>\$ 3,329.90</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Statement of Revenues, Expenses and Changes in Fund Net Position  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education		Total Enterprise
<b>OPERATING REVENUES:</b>							
Charges for Services:							
Daily Sales - Reimbursable Programs	\$ 848,010.90					\$ 848,010.90	
Daily Sales - Non-Reimbursable Programs	527,387.07		\$ 16,605.00			527,387.07	
Other Activity Income				\$ 277,210.28		277,210.28	
Admissions	48,342.84					48,342.84	
Special Functions		\$ 170,387.77				170,387.77	
Tuition				257,960.90		257,960.90	
Rentals				11,706.89		11,706.89	
Registration	10,256.56				\$ 66,750.00	66,750.00	
Miscellaneous						21,963.45	
Services Provided to Other Funds							\$ 163,207.95
<b>Total Operating Revenues</b>	<b>1,433,997.37</b>	<b>170,387.77</b>	<b>16,605.00</b>	<b>546,878.07</b>	<b>66,750.00</b>	<b>2,234,618.21</b>	<b>163,207.95</b>
<b>OPERATING EXPENSES:</b>							
Salaries	1,322,786.25	93,900.02	13,033.88	93,856.30	50,517.29	1,574,093.74	9,571.53
Employee Benefits	1,014,816.44			359.11		1,015,175.55	
Repairs and Maintenance	35,304.77			26,612.85	4,811.41	66,729.03	627.48
Other Purchased Services		810.97		319,775.21	950.00	321,536.18	
Communications/Telephone				28,652.22		28,652.22	
Rental of Buildings		30,054.23		42,013.19		72,067.42	
Travel	365.78					365.78	
General Supplies	40,988.18	6,567.21		12,430.64		59,986.03	150,115.97
Depreciation	22,001.10	1,749.66		6,381.66	4,375.20	34,507.62	
Cost of Sales	892,349.98					892,349.98	
Miscellaneous	21,885.85	668.13		11,663.19	36.00	34,253.17	
<b>Total Operating Expenses</b>	<b>3,350,498.35</b>	<b>133,750.22</b>	<b>13,033.88</b>	<b>541,744.37</b>	<b>60,689.90</b>	<b>4,099,716.72</b>	<b>160,314.98</b>
<b>Operating Income (Loss)</b>	<b>(1,916,500.98)</b>	<b>36,637.55</b>	<b>3,571.12</b>	<b>5,133.70</b>	<b>6,060.10</b>	<b>(1,865,098.51)</b>	<b>2,892.97</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Statement of Revenues, Expenses and Changes in Fund Net Position  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	
<b>NONOPERATING REVENUES (EXPENSES):</b>							
State Sources:							
State School Lunch Program	\$ 19,065.67					\$ 19,065.67	
Federal Sources:							
National School Lunch Program	587,243.76					587,243.76	
National School Breakfast Program	67,058.47					67,058.47	
Special Milk Program	9,769.60					9,769.60	
Food Distribution Program	137,181.08					137,181.08	
Accrued Salaries and Benefits Canceled	7,849.00					7,849.00	
Interest and Investment Revenue	4,269.27			\$ 457.13	\$ 2,343.94	\$ 436.93	
	<u>832,436.85</u>	<u>475.23</u>	<u>457.13</u>	<u>1,216.93</u>	<u>2,343.94</u>	<u>836,930.08</u>	<u>436.93</u>
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(1,084,064.13)</b>		<b>4,028.25</b>	<b>6,350.63</b>	<b>8,404.04</b>	<b>(1,028,168.43)</b>	<b>3,329.90</b>
Income (Loss) before Contributions and Transfers							
Transfer In - General Fund	929,691.81					929,691.81	
Total Contributions and Transfers	<u>929,691.81</u>					<u>929,691.81</u>	
Change in Net Position	(154,372.32)	37,112.78	4,028.25	6,350.63	8,404.04	(98,476.62)	3,329.90
Net Position -- July 1	550,005.18	144,297.61	10,626.66	10,831.00	170,375.87	886,136.32	-
Net Position -- June 30	<u>\$ 395,632.86</u>	<u>\$ 181,410.39</u>	<u>\$ 14,654.91</u>	<u>\$ 17,181.63</u>	<u>\$ 178,779.91</u>	<u>\$ 787,659.70</u>	<u>\$ 3,329.90</u>

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Statement of Cash Flows  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Receipts from Customers	\$ 1,435,659.51	\$ 170,387.77	\$ 11,380.00	\$ 505,391.23	\$ 66,525.00	\$ 2,189,343.51	\$ 160,647.95
Payments to Employees	(1,322,786.44)	(93,117.31)	(12,104.87)	(96,895.48)	(50,839.29)	(1,575,743.39)	(10,295.90)
Payments for Employee Benefits	(1,029,691.81)					(1,029,691.81)	
Payments to Suppliers	(986,317.43)	(38,123.60)		(441,117.45)	(5,656.72)	(1,471,215.20)	(150,452.75)
Net Cash Provided by (used for) Operating Activities	(1,903,136.17)	39,146.86	(724.87)	(32,621.70)	10,028.99	(1,887,306.89)	(100.70)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>							
State Sources	19,145.38					19,145.38	
Federal Sources	775,753.59					775,753.59	
Payments to Federal Government	(2,989.24)					(2,989.24)	
Transfers from Other Funds	730,912.09					888,891.74	
Operating Subsidies and Transfers to Other Funds		(36,452.23)	(7,974.37)	157,979.65		(44,426.60)	(22,403.33)
Net Cash Provided by (used for) Non-Capital Financing Activities	1,522,821.82	(36,452.23)	(7,974.37)	157,979.65	-	1,636,374.87	(22,403.33)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
Purchases of Capital Assets	-	(32,005.99)	-	(4,998.00)	-	(37,003.99)	-
Net Cash Used for Capital and Related Financing Activities	-	(32,005.99)	-	(4,998.00)	-	(37,003.99)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Interest and Dividends	4,269.27	-	-	1,216.93	-	5,486.20	-
Net Cash Provided by (used for) Investing Activities	4,269.27	-	-	1,216.93	-	5,486.20	-
Net Increase (Decrease) in Cash and Cash Equivalents	(376,045.08)	(29,311.36)	(8,699.24)	121,576.88	10,028.99	(282,449.81)	(22,504.03)
Balances -- July 1	1,067,922.24	189,227.73	16,599.85	215,544.55	156,369.01	1,645,663.38	65,688.58
Balances -- June 30	\$ 691,877.16	\$ 159,916.37	\$ 7,900.61	\$ 337,121.43	\$ 166,398.00	\$ 1,363,213.57	\$ 43,184.55

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Statement of Cash Flows  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Operating Income (Loss)	\$ (1,916,500.98)	\$ 36,637.55	\$ 3,571.12	\$ 5,133.70	\$ 6,060.10	\$ (1,865,098.51)	\$ 2,892.97
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:							
Depreciation and Net Amortization	22,001.10	1,749.66		6,381.66	4,375.20	34,507.62	
(Increase) Decrease in Inventories	6,572.72					6,572.72	
(Increase) Decrease in Accounts Receivable	(600.62)		(5,225.00)	(34,717.44)		(40,543.06)	(2,560.00)
Increase (Decrease) in Accounts Payable	(1,995.59)	(23.06)		29.85	140.69	(1,848.11)	290.70
Increase (Decrease) in Accrued Salaries and Benefits	(0.19)	782.71	929.01	(3,039.18)	(322.00)	(1,649.65)	(724.37)
Increase (Decrease) in Deposits Payable	2,262.76			(6,769.40)	(225.00)	(6,994.40)	
Increase (Decrease) in Unearned Revenue	(14,875.37)			359.11		2,262.76	
Increase (Decrease) in Compensated Absences Payable						(14,516.26)	
Total Adjustments	13,364.81	2,509.31	(4,295.99)	(37,755.40)	3,968.89	(22,208.38)	(2,993.67)
Net Cash Provided by (used for) Operating Activities	\$ (1,903,136.17)	\$ 39,146.86	\$ (724.87)	\$ (32,621.70)	\$ 10,028.99	\$ (1,887,306.89)	\$ (100.70)

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Statement of Fiduciary Net Position  
 Fiduciary Funds  
 June 30, 2014

	Private-Purpose Trust Funds		Agency Funds		
	Unemployment Compensation	Private-Purpose Scholarship Fund	Student Activity	Vendors/ Bidders	Payroll
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 917,950.39	\$ 23,514.15	\$ 411,611.44	\$ 20,627.00	\$ 1,297,964.72
Total Assets	917,950.39	23,514.15	\$ 411,611.44	\$ 20,627.00	\$ 1,297,964.72
<b>LIABILITIES:</b>					
Accounts Payable	4,246.95				
Deposits Payable				\$ 20,627.00	
Interfund Accounts Payable					\$ 30,653.49
Payable to Student Groups			\$ 411,611.44		1,267,311.23
Payroll Deductions and Withholdings					
Total Liabilities	4,246.95	-	\$ 411,611.44	\$ 20,627.00	\$ 1,297,964.72
<b>NET POSITION:</b>					
Held in Trust for Unemployment Claims and Other Purposes Reserved for Scholarships	913,703.44	23,514.15			
Total Net Position	\$ 913,703.44	\$ 23,514.15			

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Statement of Changes in Fiduciary Net Position  
 Fiduciary Funds  
 For the Fiscal Year Ended June 30, 2014

	Private-Purpose Trust Funds	
	Unemployment Compensation Trust	Private-Purpose Scholarship Fund
<b>ADDITIONS:</b>		
Contributions:		
Employee Salary Deductions	\$ 124,379.83	
Investment Earnings:		
Interest	5,191.34	\$ 285.19
Total Additions	129,571.17	285.19
<b>DEDUCTIONS:</b>		
Scholarships		500.00
Unemployment Claims	61,645.77	
Total Deductions	61,645.77	500.00
Change in Net Position	67,925.40	(214.81)
Net Position -- July 1	845,778.04	23,728.96
Net Position -- June 30	\$ 913,703.44	\$ 23,514.15

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2014

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

The financial statements of the Township of Washington School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

**Description of the Financial Reporting Entity**

The School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K-12 at the School District's eleven schools. The School District has an approximate enrollment at June 30, 2014 of 7,626.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Component Units**

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

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

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the School District has no component units, and is not a component unit of another governmental agency.

**Government-wide and Fund Financial Statements**

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

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

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

The School District reports the following major governmental funds (cont'd):

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

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

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

The School District reports the following major proprietary funds:

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

**Center for Performing Arts Fund** - This fund accounts for the financial activity related to performances at the School District's Center for the Performing Arts.

**Child Care Program Fund** - This fund accounts for financial activity related to providing day care services for School District employee's children during school.

**Driver's Education** - This fund accounts for financial activities related to providing driver's education for students.

**Telecommunications Fund** - This fund accounts for a student run enterprise.

Additionally, the School District reports the following fund types:

**Internal Service Funds**

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The School District maintains two internal service funds, one for paper, and another for printing.

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

Additionally, the School District reports the following fund types (cont'd):

**Fiduciary Funds**

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

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

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

**Scholarship Fund** - Revenues consist of donations and interest income. Expenditures represent scholarships to students.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

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

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

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

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

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

**Encumbrances**

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

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

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

**Cash, Cash Equivalents and Investments**

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Cash, Cash Equivalents and Investments (Cont'd)**

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

**Inventories**

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

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

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

**Tuition Receivable**

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

**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2014.

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

**Short-Term Interfund Receivables / Payables**

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Capital Assets**

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

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

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

The School District does not possess any infrastructure assets.

**Deferred Loss on Refunding of Debt**

Deferred loss on refunding arising from the issuance of the refunding bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

**Tuition Payable**

Tuition charges for the fiscal year ended June 30, 2014 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**Unearned Revenue**

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

**Compensated Absences**

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

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

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

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

**Bond Discounts / Premiums**

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

**Net Position**

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

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

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

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

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

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

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

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

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

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

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

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

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

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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

In March 2012, the GASB issued Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*. GASBS 66 is to improve accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. This Statement is effective for periods beginning after December 15, 2012. The adoption of GASBS 66, however, does not have a material impact on the School District's financial statements.

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

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

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

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

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

In November 2013, the GASB issued Statement 71, *Pension Transition for Contributions made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. GASBS 71 is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The requirements of this Statement will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and nonemployer contributing entities. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements and expects the impact to be material when considered in conjunction with the adoption of Statement No. 68.

**Note 2: CASH AND CASH EQUIVALENTS**

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

As of June 30, 2014, the School District's bank balances of \$28,940,208.14 were exposed to custodial credit risk as follows:

Insured by Federal Deposit Insurance Corporation (FDIC)	\$ 1,196,368.38
Uninsured and uncollateralized	6,243,493.44
Collateralized by securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name	<u>21,500,346.32</u>
Total	<u><u>\$ 28,940,208.14</u></u>

**New Jersey Cash Management Fund** - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2014, the School District's deposits with the New Jersey Cash Management Fund were \$116.53.

**Note 3: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District by inclusion of \$1.00 on November 20, 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 School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**Note 3: CAPITAL RESERVE ACCOUNT**

The activity of the capital reserve for the July 1, 2013 to June 30, 2014 fiscal year is as follows:

Balance July 1, 2013		\$ 1,945,403.17
Increased by:		
Deposits:		
Board Resolution (June 23, 2014)	\$ 1,500,000.00	
Unexpended Balance of Capital Projects	36,330.15	
Interest Earnings	<u>6,914.30</u>	
		<u>1,543,244.45</u>
		3,488,647.62
Decreased by:		
Withdrawals:		
Budgeted Transfer to Capital Projects Fund		<u>915,000.00</u>
Balance June 30, 2014		<u><u>\$ 2,573,647.62</u></u>

The June 30, 2014 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

**Note 4: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2014 consisted of various miscellaneous accounts and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

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

<u>Fund</u>	<u>Inter-Governmental</u>	<u>Other</u>	<u>Interfund</u>	<u>Total</u>
General	\$ 1,902,879.17	\$ 114,387.19	\$ 30,653.49	\$ 2,047,919.85
Special Revenue	883,802.91	28,899.14		912,702.05
Capital Projects	1,030,137.48			1,030,137.48
Proprietary	<u>152,802.45</u>	<u>87,995.18</u>		<u>240,797.63</u>
	<u>\$ 3,969,622.01</u>	<u>\$ 231,281.51</u>	<u>\$ 30,653.49</u>	<u>\$ 4,231,557.01</u>

**Note 5: INVENTORY**

Inventory recorded at June 30, 2014 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 28,844.65
Supplies	<u>17,713.44</u>
	<u>\$ 46,558.09</u>

**Note 6: LONG-TERM LIABILITIES**

During the fiscal year ended June 30, 2014, the following changes occurred in long-term obligations for governmental activities:

	<u>Principal Outstanding July 1, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2014</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 24,390,000.00		\$ (3,545,000.00)	\$ 20,845,000.00	\$ 3,525,000.00
Obligations under Capital Lease	1,514,203.81	\$ 636,960.00	(631,339.74)	1,519,824.07	522,034.00
Compensated Absences	7,875,143.31	108,074.05		7,983,217.36	862,431.62
Premium on Bonds	<u>569,385.23</u>		<u>(158,312.98)</u>	<u>411,072.25</u>	
Governmental Activity Long-term Liabilities	<u>\$ 34,348,732.35</u>	<u>\$ 745,034.05</u>	<u>\$ (4,334,652.72)</u>	<u>\$ 30,759,113.68</u>	<u>\$ 4,909,465.62</u>
<b>Business-Type Activities:</b>					
Compensated Absences	<u>\$ 174,157.11</u>	<u>\$ -</u>	<u>\$ (14,516.26)</u>	<u>\$ 159,640.85</u>	<u>\$ 10,111.89</u>

The bonds payable are generally liquidated by the debt service fund, while obligations under capital lease are liquidated by the general fund.

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

On March 1, 2005, the School District issued \$16,271,000 of School Bonds, Series 2005 to do certain facilities upgrades. The bonds originally carried a rate of 4.25% with a final maturity in 2030, but on April 3, 2012, the School District issued \$7,205,000 of School Refunding Bonds, Series 2012 to advance refund and redeem all of the School District's outstanding callable School Bonds, Series 2005, maturing in the years 2015 through and including 2023.

On March 13, 2007, the School District issued \$8,040,000 of School Refunding Bonds, Series 2007 to advance refund a portion of the School District's outstanding callable School Bonds, Series 2005 maturing in the years 2024 through and including 2030. The bonds originally carried a rate of 4.00% with a final maturity in 2030.

On April 3, 2012, the School District issued \$7,205,000 of School Refunding Bonds, Series 2012 to advance refund and redeem all of the School District's outstanding callable School Bonds, Series 2005, maturing in the years 2015 through and including 2023. The bonds originally carried rates ranging between 2.00% to 4.00% with a final maturity in 2023.

On November 15, 2012, the School District issued \$9,095,000.00 in general obligation refunding bonds with a variable interest rate of 1.5% to 3.0% to currently refund \$9,210,000.00 of outstanding callable School Refunding Bonds, Series 2004 with an interest rate of 5.0%.

**Note 6: LONG-TERM LIABILITIES (Cont'd)**

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 3,525,000.00	\$ 683,050.00	\$ 4,208,050.00
2016	3,450,000.00	577,100.00	4,027,100.00
2017	820,000.00	473,400.00	1,293,400.00
2018	840,000.00	456,500.00	1,296,500.00
2019	870,000.00	422,900.00	1,292,900.00
2020-2024	4,690,000.00	1,794,275.00	6,484,275.00
2025-2029	5,555,000.00	886,200.00	6,441,200.00
2030	1,095,000.00	43,800.00	1,138,800.00
	<u>\$ 20,845,000.00</u>	<u>\$ 5,337,225.00</u>	<u>\$ 26,182,225.00</u>

**Bonds Authorized but not Issued** - As of June 30, 2014, the School District had no authorizations to issue additional bonded debt.

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

**Obligations under Capital Lease** - The School District is leasing copier, computer, and telephone equipment totaling \$1,519,824.07 under capital leases. All capital leases are for terms of five years. The following is a schedule of the future minimum lease payments under these capital leases at June 30, 2014:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 522,034.00	\$ 18,187.81	\$ 540,221.81
2016	421,279.01	10,761.65	432,040.66
2017	321,280.77	5,424.09	326,704.86
2018	163,259.85	2,174.82	165,434.67
2019	91,970.44	561.59	92,532.03
	<u>\$ 1,519,824.07</u>	<u>\$ 37,109.96</u>	<u>\$ 1,556,934.03</u>

**Note 7: OPERATING LEASES**

At June 30, 2014, the School District had operating lease agreements in effect for copy machines, mail machines, and textbooks. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2015	\$1,759,519.71
2016	1,275,541.91
2017	1,090,284.73
2018	861,723.67
2019	549,602.58
	<u>\$5,536,672.60</u>

Rental payments under operating leases for the fiscal year ended June 30, 2014 were \$1,955,217.43.

**Note 8: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2014 is as follows:

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>Governmental Activities:</b>				
Land	\$ 5,590,700.00			\$ 5,590,700.00
Construction in Progress	<u>1,117,768.93</u>	<u>\$ 489,151.45</u>	<u>\$ (1,174,105.18)</u>	<u>432,815.20</u>
Total Capital Assets not being Depreciated	6,708,468.93	489,151.45	(1,174,105.18)	6,023,515.20
Land Improvements	3,616,118.78		47,700.00	3,663,818.78
Buildings and Improvements	132,780,096.51	1,554,996.83	93,415.00	134,428,508.34
Equipment	<u>9,486,184.16</u>	<u>946,226.12</u>	<u>715,935.77</u>	<u>11,148,346.05</u>
Totals at Historical Cost	<u>152,590,868.38</u>	<u>2,990,374.40</u>	<u>(317,054.41)</u>	<u>155,264,188.37</u>
Less Accumulated Depreciation:				
Land Improvements	(1,398,087.91)	(181,747.95)	12,035.33	(1,567,800.53)
Buildings and Improvements	(57,020,811.60)	(3,778,573.50)	295,177.24	(60,504,207.86)
Equipment	<u>(6,564,299.32)</u>	<u>(764,418.27)</u>	<u>351,276.75</u>	<u>(6,977,440.84)</u>
Total Accumulated Depreciation	<u>(64,983,198.83)</u>	<u>(4,724,739.72) *</u>	<u>658,489.32</u>	<u>(69,049,449.23)</u>
Governmental Activities Capital Assets, Net	<u>\$ 87,607,669.55</u>	<u>\$ (1,734,365.32)</u>	<u>\$ 341,434.91</u>	<u>\$ 86,214,739.14</u>
<b>Business-Type Activities:</b>				
Equipment	\$ 1,303,703.82	\$ 37,003.99		\$ 1,340,707.81
Less Accumulated Depreciation	<u>(1,170,064.19)</u>	<u>(34,507.62)</u>		<u>(1,204,571.81)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 133,639.63</u>	<u>\$ 2,496.37</u>	<u>\$ -</u>	<u>\$ 136,136.00</u>

\* Depreciation expense was charged to governmental functions as follows:

Instruction Regular Programs	\$2,417,673.76
Instruction Special Programs	109,815.99
Support Services Students	36,696.44
Support Services General Administration	1,009,512.97
Support Services Plant Operations and Maintenance	903,861.36
Support Services Pupil Transportation	<u>247,179.20</u>
Total Depreciation Expense	<u>\$ 4,724,739.72</u>

**Note 9: PENSION PLANS**

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

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

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

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

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

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

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

**Note 9: PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)** - The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2014	\$ 314,919.00	\$ 1,268,181.00	\$ 1,583,100.00	\$ 1,583,100.00
2013	576,986.00	1,147,913.00	1,724,899.00	1,724,899.00
2012	696,366.00	1,169,246.00	1,865,612.00	1,865,612.00

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

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

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

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2014	\$ 75,792.24	-	\$ 75,792.24	\$ 75,792.24
2013	44,435.41	-	44,435.41	44,435.41
2012	28,626.35	-	28,626.35	28,626.35

**Note 10: STATE POST-RETIREMENT MEDICAL BENEFITS**

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2013, there were 100,134 retirees receiving postemployment medical benefits, and the State contributed \$1.07 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service. The State paid \$173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in fiscal year 2013.

**Note 11: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2014, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement medical costs were \$2,362,053 and \$3,872,878, respectively.

**Note 12: RISK MANAGEMENT**

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

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

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

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

<b><u>Fiscal Year Ended June 30,</u></b>	<b><u>District Contributions</u></b>	<b><u>Employee Contributions</u></b>	<b><u>Amount Reimbursed</u></b>	<b><u>Ending Balance</u></b>
2014	-	\$ 124,379.83	\$ 61,645.77	\$ 913,703.44
2013	-	119,192.27	80,000.52	845,778.05
2012	-	117,448.90	252,450.61	800,414.35

**Joint Insurance Pool** - The School District is a member of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSD JIF).

The Fund provides the School District with the following coverage:

- Property (Including earthquake and flood coverage)
- General Liability
- Commercial Crime
- Automobile Liability
- Workers' Compensation
- Boiler and Machinery
- Commercial Umbrella
- Educator's Legal Liability

Annual contributions to the Fund, including a reserve for contingencies, are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

Additional information regarding the Fund can be found at [http://spelljif.com/new\\_about\\_gcssid.html](http://spelljif.com/new_about_gcssid.html).

**Note 13: DEFERRED COMPENSATION**

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

Ameriprise  
 AXA Equitable  
 Hartford  
 Lincoln Investment Planning, Inc.  
 ASPIre Financial Services, LLC  
 MetLife Resources  
 Symetra Life Insurance Company  
 Siracusa Benefits program  
 AIG Variable Annuity Life Insurance (VALIC)  
 VOYA

**Note 14: COMPENSATED ABSENCES**

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may not be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward without supervisor approval. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2014, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$7,983,217.36 and \$159,640.85, respectively.

**Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2014 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 2,456,462.60	
Special Revenue		\$ 1,566,582.02
Capital Projects		64,164.50
Proprietary	46,703.26	841,765.85
Fiduciary		30,653.49
	<u>\$ 2,503,165.86</u>	<u>\$ 2,503,165.86</u>

**Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONT'D)**

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2015, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Interfund Transfers:

	<u>Transfers In:</u>		
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Food Service Fund</u>
<b><u>Transfer Out:</u></b>			
General Fund	\$(1,844,691.81)	\$ 915,000.00	
Special Revenue Fund			
Capital Projects Fund	47,411.48	(47,411.48)	
Debt Service Fund			
Food Service Fund			\$ 929,691.81
Total Transfers	<u><u>\$(1,797,280.33)</u></u>	<u><u>\$ 867,588.52</u></u>	<u><u>\$ 929,691.81</u></u>

During the fiscal year ended June 30, 2014, the general fund transferred \$915,000.00 to the capital projects fund for the local share of a capital project and \$929,691.81 to the food service enterprise fund as a board contribution to cover certain food service enterprise fund expenditures. Additionally, the capital projects fund transferred \$11,081.33 and \$36,330.15 to the general fund for interest earned on deposits and the local share of unexpended balances of completed capital projects, respectively.

**Note 16: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

**Litigation** - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 17: CONCENTRATIONS**

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 18: COMMITMENTS**

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2014 that are to continue into the subsequent fiscal year(s). The following commitments related to the capital projects fund existed as of June 30, 2014:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount</u>
Whitman Roof	3/25/14	<u>\$ 642,706.00</u>

**Note 19: DEFICIT UNRESTRICTED NET POSITION—GOVERNMENTAL ACTIVITIES**

As of June 30, 2014, a deficit of \$1,607,179.70 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibit A-1 is as follows:

Balances, June 30 2014:

Fund Balance		
(Exclusive of Capital Projects Fund):		
Restricted for Debt Service	\$ 93,210.91	Exhibit B-1
General Fund:		
Unassigned	2,997,811.41	Exhibit B-1
Assigned:		
Other Purposes	708,124.29	Exhibit B-1
Designated for Subsequent Year's Expenditures	2,819,190.00	Exhibit B-1
Internal Service Fund:		
Unassigned	3,329.90	Exhibit B-5
Liabilities:		
Accrued Interest on Bonds	(245,628.86)	Exhibit B-1
Compensated Absences	<u>(7,983,217.36)</u>	Exhibit B-1
Unrestricted Net Position (Deficit)	<u>\$ (1,607,179.70)</u>	Exhibit A-1

**Note 20: FUND BALANCES****RESTRICTED**

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

**General Fund -**

**For Legally Restricted Appropriations** - In accordance with N.J.S.A. 18A:39-31, the School District has restricted \$1,350.00 and \$2,633.00 of school bus advertising revenue to be designated for utilization in the 2014-15 budget and the 2015-16 budget, respectively, to offset fuel costs.

**Note 20: FUND BALANCES (CONT'D)****RESTRICTED (CONT'D)****General Fund (Cont'd) -**

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014 is \$6,183,923.56 presented on the budgetary basis of accounting (Exhibit C-1). Excluding the last state aid payments not recognized on a GAAP basis, the excess fund balance at June 30, 2014 is \$1,373,686.56 as reported on the balance sheet. Additionally, \$6,852,747 of excess fund balance generated during 2012-2013 has been restricted and designated for utilization in the 2014-2015 budget.

**For Capital Reserve Account** - As of June 30, 2014, the balance in the capital reserve account is \$2,573,647.62. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**Capital Projects Fund** - As of June 30, 2014, \$1,123,628.64 of capital projects fund balance is restricted for future capital expenditures.

**Debt Service Fund** - As of June 30, 2014, \$93,210.91 of debt service fund balance is restricted for future debt service expenditures.

**ASSIGNED**

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

**General Fund -**

**For Subsequent Year's Expenditures** - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2015 \$2,819,190.00 of general fund balance at June 30, 2014.

**Other Purposes** - As of June 30, 2014, the School District had \$708,124.29 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**UNASSIGNED**

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

**General Fund** - As of June 30, 2014, \$2,997,811.41 of general fund balance was unassigned.

REQUIRED SUPPLEMENTARY INFORMATION  
PART II

BUDGETARY COMPARISON SCHEDULES

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 76,572,161.00		\$ 76,572,161.00	\$ 76,572,161.00	\$ 485,863.34
Tuition	431,000.00		431,000.00	1,507,944.37	1,076,944.37
Unrestricted Miscellaneous Revenue					
Total - Local Sources	77,003,161.00	-	77,003,161.00	78,565,968.71	1,562,807.71
State Sources:					
Categorical Special Education Aid	4,519,182.00		4,519,182.00	4,519,182.00	
Equalization Aid	38,162,410.00		38,162,410.00	38,162,410.00	
Adjustment Aid	3,559,441.00		3,559,441.00	3,559,441.00	
Categorical Security Aid	747,449.00		747,449.00	747,449.00	
Categorical Transportation Aid	2,909,313.00		2,909,313.00	2,909,313.00	
Nonpublic School Transportation Aid				94,496.00	94,496.00
Tuition Reimbursements for Homeless Students				108,216.53	108,216.53
Extraordinary Special Education Costs Aid	900,000.00		900,000.00	1,222,304.00	322,304.00
Other State Aids				10,053.00	10,053.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				4,691,866.95	4,691,866.95
On-behalf TPAF Pension Contributions (non-budgeted)				6,234,931.00	6,234,931.00
Total - State Sources	50,797,795.00	-	50,797,795.00	62,259,662.48	11,461,867.48
Federal Sources:					
Other Restricted Miscellaneous Revenues	94,999.00		94,999.00	109,170.27	14,171.27
Special Education Medicaid Initiative	108,036.00		108,036.00	126,999.06	18,963.06
Total - Federal Sources	203,035.00	-	203,035.00	236,169.33	33,134.33
Total Revenues	128,003,991.00	-	128,003,991.00	141,061,800.52	13,057,809.52

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
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 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES:</b>					
<b>GENERAL CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 849,443.00	24,126.00	\$ 873,569.00	\$ 858,510.73	\$ 15,058.27
Grades 1 - 5	11,549,966.00	(1,125.06)	11,548,840.94	11,349,023.45	199,817.49
Grades 6 - 8	9,726,811.00	208,070.78	9,934,881.78	9,827,259.65	107,622.13
Grades 9 - 12	11,361,179.00	526,962.66	11,888,141.66	11,515,046.53	373,095.13
Regular Programs - Home Instruction:					
Salaries of Teachers	120,000.00		120,000.00	119,723.00	277.00
Other Salaries for Instruction	617,600.00	(617,600.00)			
Purchased Professional - Educational Services	110,000.00	69,850.00	179,850.00	164,046.30	15,803.70
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	2,342,756.00	609,599.80	609,599.80	606,830.12	2,769.68
Purchased Professional - Educational Services	261,635.00	(11,051.00)	2,342,756.00	2,046,613.69	296,142.31
Purchased Technical Services	2,560,222.90	(21,525.25)	250,584.00	176,460.01	74,123.99
Other Purchased Services (400-500 Series)	992,875.82	657,029.70	2,538,697.65	2,083,583.71	455,113.94
General Supplies	32,231.47	(1,296.46)	1,649,905.52	864,180.03	785,725.49
Textbooks	3,750.00		30,935.01	20,604.92	10,330.09
Other Objects			3,750.00		3,750.00
<b>Total Regular Programs</b>	<b>40,528,470.19</b>	<b>1,443,041.17</b>	<b>41,971,511.36</b>	<b>39,631,882.14</b>	<b>2,339,629.22</b>
<b>Special Education:</b>					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,120,835.00	48,029.14	1,168,864.14	1,168,862.53	1.61
Other Salaries for Instruction	7,084.00	4,642.00	11,726.00	10,910.50	815.50
General Supplies	13,585.00	81,168.77	94,753.77	49,160.36	45,593.41
Textbooks	2,531.65		2,531.65	225.50	2,306.15
<b>Total - Learning and/or Language Disabilities</b>	<b>1,144,035.65</b>	<b>133,839.91</b>	<b>1,277,875.56</b>	<b>1,229,158.89</b>	<b>48,716.67</b>
<b>Visual Impairments:</b>					
Salaries of Teachers	52,036.00	-	52,036.00	51,355.00	681.00
<b>Total - Visual Impairments</b>	<b>52,036.00</b>	<b>-</b>	<b>52,036.00</b>	<b>51,355.00</b>	<b>681.00</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Special Education (Cont'd):					
Behavioral Disabilities:					
Salaries of Teachers	\$ 310,106.00	\$ 12,380.75	\$ 322,486.75	\$ 314,493.75	\$ 7,993.00
Other Salaries for Instruction	28,217.00	(7,084.00)	21,133.00	21,133.00	
General Supplies	4,320.00	1,568.00	5,888.00	4,233.00	1,655.00
Textbooks	672.00		672.00		672.00
<b>Total - Behavioral Disabilities</b>	<b>343,315.00</b>	<b>6,864.75</b>	<b>350,179.75</b>	<b>339,859.75</b>	<b>10,320.00</b>
Multiple Disabilities:					
Salaries of Teachers	212,366.00	92,099.60	304,465.60	304,465.27	0.33
Other Salaries for Instruction	30,693.00	(16,151.60)	14,541.40	14,460.90	80.50
General Supplies	7,200.00	24,688.60	31,888.60	5,907.35	25,981.25
<b>Total - Multiple Disabilities</b>	<b>250,259.00</b>	<b>100,636.60</b>	<b>350,895.60</b>	<b>324,833.52</b>	<b>26,062.08</b>
Resource Room/Center:					
Salaries of Teachers	7,677,592.00	238,700.89	7,916,292.89	7,916,292.49	0.40
Other Salaries for Instruction	387,652.00	(94,764.97)	292,887.03	292,887.03	
Purchased Professional - Educational Services	167,409.00	148,000.00	315,409.00	310,265.77	5,143.23
Other Purchased Services (400-500 Series)	61,737.00	(10,300.00)	51,437.00	43,168.00	8,269.00
General Supplies	23,199.27	47,806.74	71,006.01	36,794.98	34,211.03
Textbooks	3,781.90		3,781.90	1,262.21	2,519.69
<b>Total - Resource Room/Center</b>	<b>8,321,371.17</b>	<b>329,442.66</b>	<b>8,650,813.83</b>	<b>8,600,670.48</b>	<b>50,143.35</b>
Autism:					
Salaries of Teachers	166,086.00	(15,266.00)	150,820.00	150,720.00	100.00
General Supplies		902.00	902.00		902.00
<b>Total - Autism</b>	<b>166,086.00</b>	<b>(14,364.00)</b>	<b>151,722.00</b>	<b>150,720.00</b>	<b>1,002.00</b>
Preschool Disabilities - Part-time:					
Salaries of Teachers	243,566.00	(8,888.88)	234,677.12	234,677.12	
Other Salaries for Instruction	90,108.00	8,616.45	98,724.45	98,612.32	112.13
General Supplies	2,250.00	17,468.00	19,718.00	2,197.45	17,520.55
<b>Total - Preschool Disabilities - Part-Time</b>	<b>335,924.00</b>	<b>17,195.57</b>	<b>353,119.57</b>	<b>335,486.89</b>	<b>17,632.68</b>
<b>Total - Special Education</b>	<b>10,613,026.82</b>	<b>573,615.49</b>	<b>11,186,642.31</b>	<b>11,032,084.53</b>	<b>154,557.78</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information  
Budgetary Comparison Schedule  
GENERAL FUND

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Basic Skills/Remedial:					
Salaries of Teachers	\$ 2,459,723.00	\$ (31,967.21)	\$ 2,427,755.79	\$ 2,427,755.79	\$ 9,273.02
Other Salaries for Instruction	315,855.00	(50,084.82)	265,770.18	256,497.16	12,729.82
General Supplies	37,200.00		37,200.00	24,470.18	9.00
Other Objects	300.00	31.00	331.00	322.00	
<b>Total - Basic Skills/Remedial</b>	<b>2,813,078.00</b>	<b>(82,021.03)</b>	<b>2,731,056.97</b>	<b>2,709,045.13</b>	<b>22,011.84</b>
Bilingual Education:					
Salaries of Teachers	171,294.00	(22,128.00)	149,166.00	148,973.00	193.00
Purchased Professional - Educational Services	3,500.00		3,500.00		3,500.00
Other Purchased Services (400-500 Series)	13,557.00		13,557.00		13,557.00
General Supplies	4,700.00		4,700.00	0.72	4,699.28
<b>Total - Bilingual Education</b>	<b>193,051.00</b>	<b>(22,128.00)</b>	<b>170,923.00</b>	<b>148,973.72</b>	<b>21,949.28</b>
School Sponsored Occurricular Activities - Instruction:					
Salaries	669,098.00		669,098.00	489,509.02	179,588.98
Purchased Services (300-500 Series)	3,250.00		3,250.00	731.00	2,519.00
Supplies and Materials	48,257.44	(232.00)	48,025.44	37,167.02	10,858.42
Other Objects	34,115.00	232.00	34,347.00	22,226.16	12,120.84
<b>Total - School-Sponsored Activities - Instruction</b>	<b>754,720.44</b>	<b>-</b>	<b>754,720.44</b>	<b>549,633.20</b>	<b>205,087.24</b>
School Sponsored Athletics - Instruction:					
Salaries	821,999.00		821,999.00	797,427.21	24,571.79
Purchased Services (300-500 Series)	154,233.00	(500.00)	153,733.00	103,088.64	50,644.36
Supplies and Materials	88,452.58	3,070.00	91,522.58	81,070.89	10,451.69
Other Objects	33,390.00		33,390.00	31,112.00	2,278.00
<b>Total - School-Sponsored Athletics - Instruction</b>	<b>1,098,074.58</b>	<b>2,570.00</b>	<b>1,100,644.58</b>	<b>1,012,698.74</b>	<b>87,945.84</b>
Other Instructional Programs - Instruction:					
Salaries	32,030.00	3,899.15	35,929.15	35,928.84	0.31
<b>Total - Other Instructional Programs - Instruction</b>	<b>32,030.00</b>	<b>3,899.15</b>	<b>35,929.15</b>	<b>35,928.84</b>	<b>0.31</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Summer School - Instruction:					
Salaries	\$ 90,689.00		\$ 90,689.00	\$ 82,230.50	\$ 8,458.50
Other Salaries of Instruction	60,000.00		60,000.00	54,614.94	5,385.06
<b>Total - Summer School - Instruction</b>	<b>150,689.00</b>	<b>-</b>	<b>150,689.00</b>	<b>136,845.44</b>	<b>13,843.56</b>
<b>Total - Instruction</b>	<b>56,183,140.03</b>	<b>\$ 1,918,976.78</b>	<b>58,102,116.81</b>	<b>55,257,091.74</b>	<b>2,845,025.07</b>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	666,869.00	(87,500.00)	579,369.00	401,098.46	178,270.54
Tuition to Other LEAs Within the State-Special	277,797.00		277,797.00	219,029.07	58,767.93
Tuition to County Voc. School District - Regular	255,450.00	17,500.00	272,950.00	261,225.27	11,724.73
Tuition to CSSD & Regional Day Schools	2,073,228.00	2,800.00	2,076,028.00	1,910,565.50	165,462.50
Tuition to Private School for the Disabled - W/I State	4,897,768.00	(448,065.00)	4,449,703.00	4,179,326.94	270,376.06
Tuition - State Facilities	57,582.00		57,582.00	57,582.00	
<b>Total Undistributed Expenditures - Instruction</b>	<b>8,228,694.00</b>	<b>(515,265.00)</b>	<b>7,713,429.00</b>	<b>7,028,827.24</b>	<b>684,601.76</b>
Undistributed Expenditures - Attendance and Social Work Services:					
Salaries	364,029.00	13,789.54	377,818.54	371,068.55	6,749.99
Purchased Professional - Technical Services	91,450.00		91,450.00	83,125.00	8,325.00
Other Purchased Services (400-500 Series)	2,782.00		2,782.00	2,001.18	780.82
Supplies and Materials	5,875.00	0.15	5,875.15	368.10	5,507.05
Other Objects	500.00		500.00	500.00	
<b>Total Undistributed Expenditures - Attendance and Social Work</b>	<b>464,636.00</b>	<b>13,789.69</b>	<b>478,425.69</b>	<b>456,562.83</b>	<b>21,862.86</b>
Total Undistributed Expenditures - Health Services:					
Salaries	980,755.00	34,754.50	1,015,509.50	1,015,368.27	141.23
Purchased Professional - Technical Services	16,625.00	1,800.00	18,425.00	18,424.00	1.00
Other Purchased Services (400-500 Series)	753.00		753.00	711.48	41.52
Supplies and Materials	15,629.00	7,511.00	23,140.00	22,978.27	161.73
Other Objects	1,200.00	(180.00)	1,020.00	1,020.00	
<b>Total Undistributed Expenditures - Health Services</b>	<b>1,014,962.00</b>	<b>43,885.50</b>	<b>1,058,847.50</b>	<b>1,058,502.02</b>	<b>345.48</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures - Speech, OT, PT & Related Services:					
Salaries	\$ 1,623,474.00	\$ (69,000.00)	\$ 1,554,474.00	\$ 1,523,710.41	\$ 30,763.59
Supplies and Materials	21,071.45	(5,460.00)	15,611.45	15,567.40	44.05
<b>Total Undistributed Expenditures - Speech, OT, PT &amp; Related Services</b>	<b>1,644,545.45</b>	<b>(74,460.00)</b>	<b>1,570,085.45</b>	<b>1,539,277.81</b>	<b>30,807.64</b>
Undistributed Expenditures - Other Support Students - Extra Services					
Salaries	1,751,565.00	(99,178.37)	1,652,386.63	1,479,464.19	172,922.44
Supplies and Materials					
<b>Total Undistributed Expenditures - Other Support Students - Extra Services</b>	<b>1,751,565.00</b>	<b>(99,178.37)</b>	<b>1,652,386.63</b>	<b>1,479,464.19</b>	<b>172,922.44</b>
Undistributed Expenses - Guidance:					
Salaries of Other Professional Staff	2,526,929.00	(37,999.77)	2,488,929.23	2,453,847.21	35,082.02
Salaries of Secretarial and Clerical Assistants	115,010.00	(235.35)	114,774.65	112,653.32	2,121.33
Other Salaries	29,242.00	1,735.35	30,977.35	30,977.35	
Purchased Professional - Educational Services	63,650.00	11,000.00	74,650.00	38,898.85	35,751.15
Other Purchased Professional and Technical Services	52,750.00	52,750.00	105,500.00	47,462.50	5,287.50
Other Purchased Services (400-500 Series)	104,459.00	(7,531.00)	96,928.00	21,677.71	75,250.29
Supplies and Materials	44,495.00	(283.60)	44,211.40	36,284.85	7,926.55
Other Objects	140.00	140.00	280.00	100.00	40.00
<b>Total Undistributed Expenditures - Guidance</b>	<b>2,936,675.00</b>	<b>(33,314.37)</b>	<b>2,903,360.63</b>	<b>2,741,901.79</b>	<b>161,458.84</b>
Undistributed Expenses - Child Study Teams:					
Salaries of Other Professional Staff	2,561,846.00	(78,478.00)	2,483,368.00	2,372,580.92	110,787.08
Salaries of Secretarial and Clerical Assistants	393,734.00	(17,700.00)	376,034.00	371,688.86	4,345.14
Other Salaries	60,570.00	1,000.00	61,570.00	61,418.21	151.79
Purchased Professional - Educational Services	1,244,688.00	(224,912.85)	1,019,775.15	906,769.62	113,005.53
Other Purchased Professional and Technical Services	24,000.00	24,000.00	48,000.00	24,000.00	24,000.00
Miscellaneous Purchased Services	41,486.00	(3,546.36)	37,939.64	25,105.91	12,833.73
Supplies and Materials	17,500.00	24,962.00	42,462.00	41,598.02	863.98
Other Objects	9,850.00	(2,663.18)	7,186.82	5,185.00	2,001.82
<b>Total Undistributed Expenditures - Child Study Teams</b>	<b>4,353,674.00</b>	<b>(301,338.39)</b>	<b>4,052,335.61</b>	<b>3,808,346.54</b>	<b>243,989.07</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information  
Budgetary Comparison Schedule  
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For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	\$ 564,180.00	\$ 8,944.66	\$ 573,124.66	\$ 573,124.66	\$ 52,265.42
Salaries of Other Professional Staff	183,744.00	(8,944.66)	174,799.34	122,533.92	1,598.60
Salaries of Secretarial and Clerical Assistants	245,557.00		245,557.00	243,958.40	
Purchased Professional - Educational Services	850.00	(850.00)	250.00	250.00	250.00
Other Purchased Professional and Technical Services	250.00		29,633.00	20,615.89	9,017.11
Other Purchased Services	29,633.00		58,202.13	12,504.98	45,697.15
Supplies and Materials	58,202.13		26,835.00	17,364.00	9,471.00
Other Objects	26,835.00				
<b>Total Undistributed Expenditures - Improvement Instructional Services</b>	<b>1,109,251.13</b>	<b>(850.00)</b>	<b>1,108,401.13</b>	<b>990,101.85</b>	<b>118,299.28</b>
Undistributed Expenditures - Educational Media/Library:					
Salaries	1,211,287.00	(43,133.64)	1,168,153.36	1,116,290.40	51,862.96
Salaries of Technology Coordinators	62,500.00		62,500.00	13,982.34	48,517.66
Purchased Professional - Technical Services	92,464.00	1,719.30	94,183.30	93,465.19	718.11
Other Purchased Services (400-500 Series)	174,934.00	(4,066.09)	170,867.91	86,767.86	84,100.05
Supplies and Materials	149,992.73	(603.44)	149,389.29	142,597.22	6,792.07
Other Objects	790.00		790.00	690.00	100.00
<b>Total Undistributed Expenditures - Educational Media/Library</b>	<b>1,691,967.73</b>	<b>(46,083.87)</b>	<b>1,645,883.86</b>	<b>1,453,793.01</b>	<b>192,090.85</b>
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	136,287.00		136,287.00	1,711.25	134,575.75
Purchased Professional - Educational Services	323,183.21	1,750.00	324,933.21	222,583.30	102,349.91
Other Purchased Services (400-500 Series)	43,999.00	927.10	44,926.10	23,292.43	21,633.67
Supplies and Materials	10,635.39		10,635.39	3,734.79	6,900.60
<b>Total Undistributed Expenditures - Instructional Staff Training Services</b>	<b>514,104.60</b>	<b>2,677.10</b>	<b>516,781.70</b>	<b>251,321.77</b>	<b>265,459.93</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures - Support Services General Administration:					
Salaries	\$ 334,102.00	\$ 2,219.57	\$ 336,321.57	\$ 335,849.32	\$ 472.25
Legal Services	250,000.00	497.15	250,497.15	250,103.15	394.00
Audit Fees	80,000.00		80,000.00	71,500.00	8,500.00
Other Purchased Professional Services	25,000.00	3,802.52	28,802.52	28,802.52	
Purchased Technical Services	2,800.00		2,800.00	500.00	2,300.00
Communications/Telephone	291,182.00	(51,000.25)	240,181.75	170,654.68	69,527.07
Miscellaneous Purchased Services	147,212.00	(3,582.03)	143,629.97	105,304.62	38,325.35
General Supplies	22,548.71	(2,419.57)	20,129.14	14,698.22	5,430.92
BOE In-House Training/Meeting Supplies	2,800.00	1,200.00	4,000.00	2,713.97	1,286.03
Judgements Against the School District		53,370.00	53,370.00	53,370.00	
Miscellaneous Expenditures	7,610.00	(1,000.00)	6,610.00	2,636.00	3,974.00
BOE Membership Dues and Fees	29,000.00		29,000.00	26,662.70	2,337.30
<b>Total Undistributed Expenditures - Support Services General Administration</b>	<b>1,192,254.71</b>	<b>3,087.39</b>	<b>1,195,342.10</b>	<b>1,062,795.18</b>	<b>132,546.92</b>
Undistributed Expenditures - Support Services School Administration:					
Salaries of Principals/Assist. Principals/Program Directors	2,717,063.00	22,327.82	2,739,390.82	2,739,390.82	
Salaries of Other Professional Staff	1,276,348.00	28,672.18	1,305,020.18	1,258,970.78	46,049.40
Salaries of Secretarial and Clerical Assistants	2,043,664.00		2,043,664.00	2,039,232.32	4,431.68
Purchased Professional - Technical Services	134,825.00	238.47	135,063.47	133,838.47	1,225.00
Other Purchased Services (400-500 Series)	50,951.00		50,951.00	47,648.25	3,302.75
Supplies and Materials	24,180.00	(10.00)	24,170.00	17,464.99	6,705.01
Other Objects	31,800.00	(1,108.47)	30,691.53	25,712.00	4,979.53
<b>Total Undistributed Expenditures - Support Services School Administration</b>	<b>6,278,831.00</b>	<b>50,120.00</b>	<b>6,328,951.00</b>	<b>6,262,257.63</b>	<b>66,693.37</b>
Undistributed Expenditures - Central Services:					
Salaries	1,506,764.00		1,506,764.00	1,482,047.66	24,716.34
Purchased Professional Services	102,500.00	(500.00)	102,000.00	79,957.75	22,042.25
Purchased Technical Services	158,991.29	3,900.00	162,891.29	128,278.30	34,612.99
Miscellaneous Purchased Services	176,601.00	(4,427.10)	172,173.90	121,199.90	50,974.00
Supplies and Materials	59,310.97	38,588.00	97,898.97	28,760.31	69,138.66
Miscellaneous Expenditures	17,645.00	500.00	18,145.00	7,595.07	10,549.93
<b>Total Undistributed Expenditures - Central Services</b>	<b>2,021,812.26</b>	<b>38,060.90</b>	<b>2,059,873.16</b>	<b>1,847,838.99</b>	<b>212,034.17</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures - Admin. Info. Technology:					
Salaries	\$ 779,321.00	\$ (18,000.00)	\$ 761,321.00	\$ 724,432.11	\$ 36,888.89
Purchased Technical Services	190,575.00	38,848.76	229,423.76	200,387.75	29,036.01
Other Purchased Services (400-500 Series)	48,876.00	(4,745.00)	44,131.00	9,372.52	34,758.48
Supplies and Materials	64,028.53	77,200.00	141,228.53	116,662.85	24,565.68
Other Objects	725.00		725.00	250.00	475.00
<b>Total Undistributed Expenditures - Admin. Info. Technology</b>	<b>1,083,525.53</b>	<b>93,303.76</b>	<b>1,176,829.29</b>	<b>1,051,105.23</b>	<b>125,724.06</b>
Undistributed Expenditures - Required Maint. for School Facilities:					
Salaries	780,072.00		780,072.00	643,181.04	136,890.96
Cleaning, Repair & Maintenance Services	565,846.66	(4,953.55)	560,893.11	257,498.44	303,394.67
General Supplies	250,985.58	642.20	251,627.78	104,525.34	147,102.44
<b>Total Undistributed Expenditures - Required Maint. for School Facilities</b>	<b>1,596,904.24</b>	<b>(4,311.35)</b>	<b>1,592,592.89</b>	<b>1,005,204.82</b>	<b>587,388.07</b>
Undistributed Expenditures - Custodial Services:					
Salaries	3,255,895.00	(202,287.00)	3,053,608.00	2,859,008.66	194,599.34
Salaries of Non-Instructional Aides	414,059.00	173,521.00	587,580.00	505,381.32	82,198.68
Purchased Professional - Technical Services	197,659.00	174,999.68	372,658.68	362,822.18	9,836.50
Cleaning, Repair & Maintenance Services	415,593.97	(70,145.10)	345,448.87	236,171.10	109,277.77
Other Purchased Property Services	193,149.00	(0.26)	193,148.74	175,741.30	17,407.44
Insurance	377,603.00	2,517.00	380,120.00	360,296.55	19,823.45
Miscellaneous Purchased Services	1,000.00	975.00	1,975.00	1,950.00	25.00
General Supplies	511,543.44	56,512.35	568,055.79	474,244.40	93,811.39
Energy (Natural Gas)	396,065.00	197,600.24	593,665.24	571,047.11	22,618.13
Energy (Electricity)	2,595,644.00	(80,330.01)	2,515,313.99	2,310,951.87	204,362.12
Other Objects	22,000.00		22,000.00	10,304.00	11,696.00
<b>Total - Custodial Services</b>	<b>8,380,211.41</b>	<b>253,362.90</b>	<b>8,633,574.31</b>	<b>7,867,918.49</b>	<b>765,655.82</b>
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	284,297.00	33,450.99	317,747.99	317,747.99	
Cleaning, Repair & Maintenance Services	147,000.00	(24,389.17)	122,610.83	112,292.11	10,318.72
General Supplies	84,000.00	1,664.67	85,664.67	82,920.61	2,744.06
Other Objects	500.00		500.00	80.00	420.00
<b>Total Undistributed Expenditures - Care and Upkeep of Grounds</b>	<b>515,797.00</b>	<b>10,726.49</b>	<b>526,523.49</b>	<b>513,040.71</b>	<b>13,482.78</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information  
Budgetary Comparison Schedule  
GENERAL FUND

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures - Security:					
Salaries	\$ 227,186.00		\$ 227,186.00	\$ 219,790.39	\$ 7,395.61
Purchased Professional - Technical Services	800.00		800.00		800.00
Cleaning, Repair & Maintenance Services	13,800.00	\$ (5,918.00)	7,882.00	6,848.86	1,033.14
General Supplies	10,965.44	16,395.80	27,361.24	12,835.09	14,526.15
Other Objects		5,000.00	5,000.00	5,000.00	
<b>Total Undistributed Expenditures - Security</b>	<b>252,751.44</b>	<b>15,477.80</b>	<b>268,229.24</b>	<b>244,474.34</b>	<b>23,754.90</b>
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation	1,827,605.00	(41,168.30)	1,786,436.70	1,762,828.00	23,608.70
(Between Home & School) - Regular					
Salaries for Pupil Transportation	80,476.00	4,098.82	84,574.82	83,713.13	861.69
(Between Home & School) - Special					
Salaries for Pupil Transportation					
(Other Than Between Home & School)					
Management Fee - ESC Transportation Program	180,311.00	60,764.21	60,764.21	50,785.62	9,978.59
Other Purchased Professional and Technical Services	14,361.00	(56,000.00)	124,311.00	123,929.00	382.00
Cleaning, Repair & Maintenance Services	37,212.00	8,000.00	45,212.00	11,924.84	2,436.16
Lease Purchase Payments - School Buses	284,241.00	4,065.50	288,306.50	36,911.41	8,300.59
Contracted Services (Between Home & School) - Vendor	326,209.00	(124,869.00)	201,340.00	288,306.50	9,170.33
Contracted Services (Other than Between Home & School) - Vendor	282,850.00	(85,267.75)	197,582.25	113,986.41	83,595.84
Contracted Services (Special Ed Students) - Vendors	1,694,357.00	99,869.00	1,794,226.00	1,767,644.17	26,581.83
Contracted Services - Aid in Lieu of Payments - Non Public Schools	210,000.00		210,000.00	205,322.68	4,677.32
Miscellaneous Purchased Services - Transportation	56,748.00	379.30	57,127.30	54,147.79	2,979.51
General Supplies	8,184.30		8,184.30	3,111.44	5,072.86
Transportation Supplies	540,522.00	135,145.00	675,667.00	647,780.78	27,886.22
Other Objects	4,520.00	817.56	5,337.56	4,760.00	577.56
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>5,547,596.30</b>	<b>5,834.34</b>	<b>5,553,430.64</b>	<b>5,347,321.44</b>	<b>206,109.20</b>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	1,765,090.00		1,765,090.00	1,640,952.47	124,137.53
Other Retirement Contributions - PERS	1,851,713.00	1.00	1,851,714.00	1,681,237.08	170,476.92
Workmen's Compensation	904,053.00	(2,895.75)	901,157.25	854,161.40	46,995.85
Health Benefits	20,129,401.00	(1,735,618.88)	18,393,782.12	17,256,142.18	1,137,639.94
Tuition Reimbursement	300,000.00		300,000.00	230,198.45	69,801.55
Other Employee Benefits	2,430,717.00	294,012.04	2,724,729.04	2,701,115.83	23,613.21
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>27,380,974.00</b>	<b>(1,444,501.59)</b>	<b>25,936,472.41</b>	<b>24,363,807.41</b>	<b>1,572,665.00</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures - Transfer to Charter Schools	\$ 159,997.00	\$ 70,000.00	\$ 229,997.00	\$ 186,230.33	\$ 43,766.67
Undistributed Expenditures- Non-budgeted: On-behalf TPAF Pension Contributions	-	-	-	6,234,931.00	(6,234,931.00)
Undistributed Expenditures - Non-budgeted Reimbursed TPAF Social Security Contributions	-	-	-	4,691,866.95	(4,691,866.95)
Total Undistributed Expenses	78,120,729.80	(1,918,977.07)	76,201,752.73	81,486,891.57	(5,285,138.84)
Total Current Expense	134,303,869.83	(0.29)	134,303,869.54	136,743,983.31	(2,440,113.77)
<b>CAPITAL OUTLAY:</b>					
Equipment: Undistributed Expenditures: Custodial Services	66,093.00	9,713.86	75,806.86	9,527.00	66,279.86
Total - Equipment	66,093.00	9,713.86	75,806.86	9,527.00	66,279.86
Facilities Acquisition and Construction Services: Construction Services Assessment for Debt Service on SDA Funding	2,580,631.95 182,956.00	(9,713.57)	2,570,918.38 182,956.00	1,994,156.22 182,956.00	576,762.16
Total - Facilities Acquisition and Construction Services	2,763,587.95	(9,713.57)	2,753,874.38	2,177,112.22	576,762.16
Assets Acquired Under Capital Leases (Non-Budgeted): Undistributed Expenditures: Lease Purchase Agreement - Principal	-	-	-	636,960.00	(636,960.00)
Total Capital Outlay	2,829,680.95	0.29	2,829,681.24	2,823,599.22	6,082.02
Total Expenditures	137,133,550.78	-	137,133,550.78	139,567,582.53	(2,434,031.75)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,129,559.78)	-	(9,129,559.78)	1,494,217.99	10,623,777.77

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Other Financing Sources (Uses):					
Transfer Out--Enterprise Funds	\$ (997,131.00)		\$ (997,131.00)	\$ (929,691.81)	\$ 67,439.19
Transfer Out--Capital Reserve to Capital Projects Fund	(915,000.00)		(915,000.00)	(915,000.00)	
Transfer In--Capital Projects Fund (Interest Earned on Capital Projects Fund)				11,081.33	11,081.33
Transfer In--Capital Projects Fund to Capital Reserve				36,330.15	36,330.15
Capital Leases (Non-Budgeted)				636,960.00	636,960.00
<b>Total - Other Financing Sources (Uses)</b>	<u>(1,912,131.00)</u>	-	<u>(1,912,131.00)</u>	<u>(1,160,320.33)</u>	<u>751,810.67</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(11,041,690.78)</u>	-	<u>(11,041,690.78)</u>	<u>333,897.66</u>	<u>11,375,588.44</u>
Fund Balances, July 1	21,805,529.22	-	21,805,529.22	21,805,529.22	-
Fund Balances, June 30	<u>\$ 10,763,838.44</u>	<u>\$ -</u>	<u>\$ 10,763,838.44</u>	<u>\$ 22,139,426.88</u>	<u>\$ 11,375,588.44</u>
<b>Recapitulation:</b>					
Restricted:					
Capital Reserve				\$ 2,573,647.62	
Excess Surplus--Current Year				6,183,923.56	
Excess Surplus--Prior Year--Designated for Subsequent Year's Expenditures				6,852,747.00	
Legal Reserve--50% School Bus Advertising Revenue; Offset to Fuel Costs--Current Year				2,633.00	
Legal Reserve--50% School Bus Advertising Revenue; Offset to Fuel Costs--Prior Year				1,350.00	
Assigned:					
Year-End Encumbrances				708,124.29	
Designated for Subsequent Year's Expenditures				2,819,190.00	
Unassigned				<u>2,997,811.41</u>	
Reconciliation to Governmental Funds Statements (GAAP):				22,139,426.88	
Last State Aid Payments Not Recognized on GAAP Basis				<u>(4,810,237.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 17,329,189.88</u>	

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information  
Budgetary Comparison Schedule  
SPECIAL REVENUE FUND  
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Revenue from Local Sources	-	\$ 62,696.88	\$ 62,696.88	\$ 34,567.64	\$ (28,129.24)
State Sources:					
Nonpublic Aid	\$ 83,374.00	28,861.00	112,235.00	79,721.32	(32,513.68)
Total - State Sources	83,374.00	28,861.00	112,235.00	79,721.32	(32,513.68)
Federal Sources:					
N.C.L.B.:					
Title I	170,837.00	255,114.77	425,951.77	366,462.01	(59,489.76)
Title II - Part A	113,061.00	63,633.86	176,694.86	162,763.65	(13,931.21)
Title III	11,333.00	6,733.00	18,066.00	15,413.87	(2,652.13)
Title III - Immigrant	9,510.00	(828.72)	8,681.28	8,681.28	
I.D.E.I.A. Part B:					
Basic	1,402,027.00	874,075.00	2,276,102.00	2,023,125.63	(252,976.37)
Preschool	70,152.00	43,117.00	113,269.00	97,546.00	(15,723.00)
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary Teaching American History	27,418.00	12,684.00	40,102.00	40,102.00	
		21,721.41	21,721.41	21,721.41	
Total - Federal Sources	1,804,338.00	1,276,250.32	3,080,588.32	2,735,815.85	(344,772.47)
Total Revenues	1,887,712.00	1,367,808.20	3,255,520.20	2,850,104.81	(405,415.39)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 SPECIAL REVENUE FUND  
 For the Fiscal Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	\$ 204,269.00	\$ 51,850.00	\$ 256,119.00	\$ 225,222.75	\$ 30,896.25
Other Salaries for Instruction	229,355.00	88,544.14	317,899.14	288,168.46	29,730.68
Purchased Professional Technical Services	121,993.00	13,621.60	135,614.60	82,055.60	53,559.00
Purchased Professional Educational Services	57,216.00	14,471.00	71,687.00	50,079.09	21,607.91
Other Purchased Services		1,400.00	1,400.00	1,400.00	
Tuition	692,649.00	420,379.72	1,113,028.72	1,028,836.12	84,192.60
General Supplies	115,661.00	200,024.65	315,685.65	264,787.27	50,898.38
Textbooks	8,214.00	2,262.00	10,476.00	2,999.53	7,476.47
Other Objects	1,000.00	8,853.00	9,853.00	8,685.50	1,167.50
<b>Total Instruction</b>	<u>1,430,357.00</u>	<u>801,406.11</u>	<u>2,231,763.11</u>	<u>1,952,234.32</u>	<u>279,528.79</u>
Support Services:					
Salaries	164,048.00	27,177.65	191,225.65	151,453.86	39,771.79
Personal Services--Employee Benefits	77,539.00	4,485.02	82,024.02	68,548.44	13,475.58
Purchased Professional Technical Services	87,474.00	409,639.98	497,113.98	471,878.81	25,235.17
Purchased Professional Educational Services	11,730.00	12,545.00	24,275.00	23,367.22	907.78
Miscellaneous Purchased Services	6,214.00	29,616.42	35,830.42	31,364.13	4,466.29
Travel		6,646.48	6,646.48	2,339.46	4,307.02
General Supplies	75,350.00	83,891.54	159,241.54	125,478.83	33,762.71
<b>Total Support Services</b>	<u>422,355.00</u>	<u>574,002.09</u>	<u>996,357.09</u>	<u>874,430.75</u>	<u>121,926.34</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	35,000.00	(7,600.00)	27,400.00	23,439.74	3,960.26
Non-Instructional Equipment					
<b>Total Facilities Acquisition and Construction Services</b>	<u>35,000.00</u>	<u>(7,600.00)</u>	<u>27,400.00</u>	<u>23,439.74</u>	<u>3,960.26</u>
<b>Total Expenditures</b>	<u>1,887,712.00</u>	<u>1,367,808.20</u>	<u>3,255,520.20</u>	<u>2,850,104.81</u>	<u>405,415.39</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Note to Required Supplementary Information  
 For the Fiscal Year Ended June 30, 2014

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources / Inflows of Resources:</b>		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 141,061,800.52	\$ 2,850,104.81
<b>Differences - Budget to GAAP:</b>		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		10,224.28
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	4,710,889.00	
State aid payments recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(4,810,237.00)	
<b>Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds</b>	<b>\$ 140,962,452.52</b>	<b>\$ 2,860,329.09</b>
<b>Uses / Outflows of Resources:</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 139,567,582.53	\$ 2,850,104.81
<b>Differences - Budget to GAAP:</b>		
Encumbrances for goods or services ordered but not received are reported in the year the orders are placed for budgetary purposes, but in the year the goods or services are received for financial reporting purposes.		10,224.28
<b>Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)</b>	<b>\$ 139,567,582.53</b>	<b>\$ 2,860,329.09</b>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2014

	N.C.L.B.							
	Total	Title I	Title II Part A	Title III	Title III Immigrant	NJ Non-Public Textbook Aid	NJ Non-Public Nursing Services Aid	Total Brought Forward
<b>REVENUES:</b>								
Federal Sources	\$ 2,735,815.85	\$ 366,462.01	\$ 162,763.65	\$ 15,413.87	\$ 8,681.28	\$ 2,999.53	\$ 14,745.00	\$ 2,182,495.04
State Sources	79,721.32							61,976.79
Local Sources	34,567.64							34,567.64
<b>Total Revenues</b>	<u>2,850,104.81</u>	<u>366,462.01</u>	<u>162,763.65</u>	<u>15,413.87</u>	<u>8,681.28</u>	<u>2,999.53</u>	<u>14,745.00</u>	<u>2,279,039.47</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers	225,222.75	119,805.00	61,096.00	2,368.00	5,920.00			36,033.75
Other Salaries for Instruction	288,168.46	121,941.35		5,437.20	1,315.75			159,474.16
Purchased Professional Technical Services	82,055.60			845.00				81,210.60
Purchased Professional Educational Services	50,079.09							50,079.09
Other Purchased Services	1,400.00							1,400.00
Tuition	1,028,836.12			5,008.33	892.00			1,028,836.12
General Supplies	264,787.27	61,299.05				2,999.53		197,587.89
Textbooks	2,999.53							
Other Objects	8,685.50							8,685.50
<b>Total Instruction</b>	<u>1,952,234.32</u>	<u>303,045.40</u>	<u>61,096.00</u>	<u>13,658.53</u>	<u>8,127.75</u>	<u>2,999.53</u>	<u>-</u>	<u>1,563,307.11</u>
Support Services:								
Salaries	151,453.86		703.00					150,750.86
Personal Services--Employee Benefits	68,548.44	29,591.31	11,698.68	597.10	553.53			26,107.82
Purchased Professional Technical Services	471,878.81		66,300.00					405,578.81
Purchased Professional Educational Services	23,367.22	8,622.22					14,745.00	
Miscellaneous Purchased Services	31,364.13	7,031.00	8,178.49	577.00				15,577.64
Travel	2,339.46	1,912.45	188.38	238.63				
General Supplies	125,478.83	4,259.88	14,599.10	342.61				106,277.24
<b>Total Support Services</b>	<u>874,430.75</u>	<u>51,416.86</u>	<u>101,667.65</u>	<u>1,755.34</u>	<u>553.53</u>	<u>-</u>	<u>14,745.00</u>	<u>704,292.37</u>
Facilities Acquisition and Construction Services:								
Instructional Equipment	23,439.74	11,999.75						11,439.99
Non-Instructional Equipment								
<b>Total Facilities Acquisition and Construction Services</b>	<u>23,439.74</u>	<u>11,999.75</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,439.99</u>
<b>Total Expenditures</b>	<u>\$ 2,850,104.81</u>	<u>\$ 366,462.01</u>	<u>\$ 162,763.65</u>	<u>\$ 15,413.87</u>	<u>\$ 8,681.28</u>	<u>\$ 2,999.53</u>	<u>\$ 14,745.00</u>	<u>\$ 2,279,039.47</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2014

	I. D. E. A. Part B					
	Total Carried Forward	Basic	Preschool	Carl D. Perkins Vocational and Technical Education Act of 1988-Secondary	Teaching American History	Total Brought Forward
<b>REVENUES:</b>						
Federal Sources	\$ 2,182,495.04	\$ 2,023,125.63	\$ 97,546.00	\$ 40,102.00	\$ 21,721.41	\$ 61,976.79
State Sources	61,976.79					34,567.64
Local Sources	34,567.64					
<b>Total Revenues</b>	<b>2,279,039.47</b>	<b>2,023,125.63</b>	<b>97,546.00</b>	<b>40,102.00</b>	<b>21,721.41</b>	<b>96,544.43</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers	36,033.75	31,852.75				4,181.00
Other Salaries for Instruction	159,474.16	159,474.16				
Purchased Professional Technical Services	81,210.60	68,434.00		8,076.60		4,700.00
Purchased Professional Educational Services	50,079.09					50,079.09
Other Purchased Services	1,400.00	1,400.00				
Tuition	1,028,836.12	960,996.12	67,840.00		13,671.48	25,326.62
General Supplies	197,587.89	136,868.38				
Textbooks						
Other Objects	8,685.50	107.50				325.00
<b>Total Instruction</b>	<b>1,563,307.11</b>	<b>1,359,132.91</b>	<b>67,840.00</b>	<b>30,001.08</b>	<b>21,721.41</b>	<b>84,611.71</b>
Support Services:						
Salaries	150,750.86	149,951.82				799.04
Personal Services--Employee Benefits	26,107.82	26,107.82				
Purchased Professional Technical Services	405,578.81	375,872.81	29,706.00			
Purchased Professional Educational Services						
Miscellaneous Purchased Services	15,577.64			4,700.92		10,876.72
Travel						
General Supplies	106,277.24	106,020.28				256.96
<b>Total Support Services</b>	<b>704,292.37</b>	<b>657,952.73</b>	<b>29,706.00</b>	<b>4,700.92</b>	<b>-</b>	<b>11,932.72</b>
Facilities Acquisition and Construction Services:						
Instructional Equipment	11,439.99	6,039.99		5,400.00		
Non-Instructional Equipment						
<b>Total Facilities Acquisition and Construction Services</b>	<b>11,439.99</b>	<b>6,039.99</b>	<b>-</b>	<b>5,400.00</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 2,279,039.47</b>	<b>\$ 2,023,125.63</b>	<b>\$ 97,546.00</b>	<b>\$ 40,102.00</b>	<b>\$ 21,721.41</b>	<b>\$ 96,544.43</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**

Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2014

	Total Carried Forward	N.J. Nonpublic Auxiliary Services, Ch. 192, L. 1977	Examination and Classification	N.J. Nonpublic Handicapped Services, Ch. 193, L. 1977	Supplementary Instruction	NJ Non-Public Technology Aid	Miscellaneous Local Grants
<b>REVENUES:</b>							
Federal Sources	\$ 61,976.79	\$ 9,576.72	\$ 5,257.14	\$ 21,561.12	\$ 4,162.80	\$ 2,845.98	\$ 34,567.64
State Sources	34,567.64						
Local Sources	96,544.43	18,573.03	18,573.03	21,561.12	4,162.80	2,845.98	34,567.64
Total Revenues							
	\$ 61,976.79	\$ 9,576.72	\$ 5,257.14	\$ 21,561.12	\$ 4,162.80	\$ 2,845.98	\$ 34,567.64
	34,567.64						
	96,544.43	18,573.03	18,573.03	21,561.12	4,162.80	2,845.98	34,567.64
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers	4,181.00						
Other Salaries for Instruction	4,700.00						4,181.00
Purchased Professional Technical Services	50,079.09	18,573.03	5,257.14	21,561.12	4,162.80		4,700.00
Purchased Professional Educational Services							525.00
Other Purchased Services							
Tuition	25,326.62						
General Supplies	325.00						
Textbooks							
Other Objects							
Total Instruction	84,611.71	18,573.03	5,257.14	21,561.12	4,162.80	2,845.98	32,211.64
Support Services:							
Salaries	799.04						799.04
Personal Services--Employee Benefits							
Purchased Professional Technical Services							
Purchased Professional Educational Services	10,876.72	9,576.72					1,300.00
Miscellaneous Purchased Services							
Travel	256.96						256.96
General Supplies							
Total Support Services	11,932.72	9,576.72					2,356.00
Facilities Acquisition and Construction Services:							
Instructional Equipment							
Non-Instructional Equipment							
Total Facilities Acquisition and Construction Services							
Total Expenditures	\$ 96,544.43	\$ 18,573.03	\$ 5,257.14	\$ 21,561.12	\$ 4,162.80	\$ 2,845.98	\$ 34,567.64

CAPITAL PROJECTS FUND

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

**CAPITAL PROJECTS FUND**

Summary Schedule of Project Expenditures  
For the Fiscal Year Ended June 30, 2014

Project Title/Issue	Expenditures to Date			Unexpended Balance June 30, 2014
	Appropriations	Prior Years	Current Year	
(a) Washington Township High School - Air Conditioning / Security / Athletics / Storage	\$ 9,615,076.00	\$ 9,495,442.82		\$ 119,633.18
(b) Washington Township High School - Science Labs	828,853.00	750,099.69		78,753.31
(c) Washington Township High School - Security Cameras	173,310.00	132,752.82		40,557.18
(d) Washington Township High School - Roof	549,831.00	542,401.26		7,429.74
(e) Washington Township High School - High Jump	98,875.00	92,887.60		5,987.40
(f) Asbestos Abatement	130,978.68	123,758.72		7,219.96
(g) Washington Township High School - Classroom Renovations	109,702.22	71,477.18		38,225.04
(h) Washington Township High School - Overhangs	37,213.31	33,700.00		3,513.31
(i) Whitman Elementary School - Asphalt Repair and Replacement	62,388.50	55,037.30		7,351.20
(j) Washington Township High School - Roof	568,941.42	534,617.36	\$ 6,946.88	27,377.18
(k) Birches Elementary School - Parking Lot Paving	203,629.00	171,383.79		32,245.21
(l) Washington Township High School - Roof	501,607.33	491,317.35	3,000.00	7,289.98
(m) Washington Township High School - Parking Lot Resurfacing	561,165.00	531,502.62		29,662.38
(n) Operations - Replace Blacktop	79,135.00	2,816.25	74,135.00	2,183.75
(o) Thomas Jefferson Elementary School - Replace Gym Foyer Doors	25,000.00		25,000.00	
(p) Whitman Roof	915,000.00		198,800.18	716,199.82
	<u>\$ 14,460,705.46</u>	<u>\$ 13,029,194.76</u>	<u>\$ 307,882.06</u>	<u>\$ 1,123,628.64</u>

**Recapitulation:**

Restricted for Capital Projects:

Year-End Encumbrances

Designated for Subsequent Year's Expenditures

\$ 642,706.00

480,922.64

\$ 1,123,628.64

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2014

**Revenues:**

Interest Earned on Deposits	\$ 11,081.33
	<u>11,081.33</u>
Total Revenues	<u>11,081.33</u>

**Expenditures:**

Other Purchased Professional and Technical Services	14,560.18
Construction Services	<u>293,321.88</u>
	<u>307,882.06</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(296,800.73)</u>
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## Other Financing Sources and (Uses):

Transfer from Capital Reserve	915,000.00
SDA Grants Recievable Canceled	(61,331.04)
Transfers to General Fund:	
Interest Earned on Deposits	<u>(11,081.33)</u>
	<u>842,587.63</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>545,786.90</u>
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Fund Balance -- July 1	<u>577,841.74</u>
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Fund Balance -- June 30	<u><u>\$ 1,123,628.64</u></u>
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**Recapitulation:**

Restricted for Capital Projects:	
Year-End Encumbrances	\$ 642,706.00
Designated for Subsequent Year's Expenditures	<u>480,922.64</u>
	<u><u>\$ 1,123,628.64</u></u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Washington Township High School - Air Conditioning / Security / Athletics / Storage  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 3,345,967.00		\$ 3,345,967.00	\$ 3,345,967.00
Bond Proceeds and Transfers	<u>6,269,109.00</u>		<u>6,269,109.00</u>	<u>6,269,109.00</u>
Total Revenues	<u>9,615,076.00</u>	<u>-</u>	<u>9,615,076.00</u>	<u>9,615,076.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	590,637.64		590,637.64	699,822.60
Construction Services	<u>8,904,805.18</u>		<u>8,904,805.18</u>	<u>8,915,253.40</u>
Total Expenditures	<u>9,495,442.82</u>	<u>-</u>	<u>9,495,442.82</u>	<u>9,615,076.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 119,633.18</u>	<u>\$ -</u>	<u>\$ 119,633.18</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	5500-010-05-0AIE			
Grant Date	10-26-2004			
Bond Authorization Date	3-16-2005			
Bonds Authorized	\$ 16,271,000.00			
Bonds Issued	\$ 16,271,000.00			
Original Authorized Cost	\$ 9,615,076.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 9,615,076.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	98.76%			
Original Target Completion Date	8-31-2006			
Revised Target Completion Date	12-31-2013			

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Washington Township High School - Science Labs  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 430,963.00		\$ 430,963.00	\$ 430,963.00
Transfer from Capital Reserve	<u>397,890.00</u>		<u>397,890.00</u>	<u>397,890.00</u>
Total Revenues	<u>828,853.00</u>	<u>-</u>	<u>828,853.00</u>	<u>828,853.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	83,053.26		83,053.26	83,053.26
Construction Services	<u>667,046.43</u>		<u>667,046.43</u>	<u>745,799.74</u>
Total Expenditures	<u>750,099.69</u>	<u>-</u>	<u>750,099.69</u>	<u>828,853.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 78,753.31</u>	<u>\$ -</u>	<u>\$ 78,753.31</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5500-010-05-0ARU
Grant Date	12-22-2005
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,002,706.00
Additional Authorized Cost	(173,853.00)
Revised Authorized Cost	\$ 828,853.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	90.50%
Original Target Completion Date	08-25-2006
Revised Target Completion Date	12-31-2013

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Washington Township High School - Security Cameras  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ 173,310.00	-	\$ 173,310.00	\$ 173,310.00
Total Revenues	173,310.00	-	173,310.00	173,310.00
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	16,539.82	-	16,539.82	16,539.82
Construction Services	116,213.00	-	116,213.00	156,770.18
Total Expenditures	132,752.82	-	132,752.82	173,310.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 40,557.18	\$ -	\$ 40,557.18	\$ -

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 173,310.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 173,310.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	76.60%
Original Target Completion Date	08-31-2006
Revised Target Completion Date	12-31-2013

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Washington Township High School - Roof  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 229,824.00		\$ 229,824.00	\$ 229,824.00
Transfer from Capital Reserve	<u>320,007.00</u>		<u>320,007.00</u>	<u>320,007.00</u>
Total Revenues	<u>549,831.00</u>	<u>-</u>	<u>549,831.00</u>	<u>549,831.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	17,976.75		17,976.75	22,406.00
Construction Services	<u>524,424.51</u>		<u>524,424.51</u>	<u>527,425.00</u>
Total Expenditures	<u>542,401.26</u>	<u>-</u>	<u>542,401.26</u>	<u>549,831.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 7,429.74</u>	<u>\$ -</u>	<u>\$ 7,429.74</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	5500-010-09-1001			
Grant Date	7-31-2009			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 549,831.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 549,831.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	98.65%			
Original Target Completion Date	12-31-2010			
Revised Target Completion Date	12-31-2011			

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Washington Township High School - High Jump  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds and Transfers	\$ 38,875.00		\$ 38,875.00	\$ 38,875.00
Transfer from Capital Reserve	60,000.00		60,000.00	60,000.00
Total Revenues	98,875.00	-	98,875.00	98,875.00
<b>Expenditures and Other Financing Uses</b>				
Construction Services	92,887.60		92,887.60	98,875.00
Total Expenditures	92,887.60	-	92,887.60	98,875.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 5,987.40	\$ -	\$ 5,987.40	\$ -

**Additional Project Information:**

Project Number	Unavailable
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 60,000.00
Additional Authorized Cost	38,875.00
Revised Authorized Cost	\$ 98,875.00
Percentage Increase over Original Authorized Cost	64.79%
Percentage Completion	93.94%
Original Target Completion Date	12-31-2010
Revised Target Completion Date	N/A

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Asbestos Abatement  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 60,640.00	\$ (10,607.32)	\$ 50,032.68	\$ 50,032.68
Bond Proceeds and Transfers	(9,054.00)		(9,054.00)	(9,054.00)
Transfer from Capital Reserve	90,000.00		90,000.00	90,000.00
	<u>141,586.00</u>	<u>(10,607.32)</u>	<u>130,978.68</u>	<u>130,978.68</u>
Total Revenues				
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	8,554.81		8,554.81	11,200.00
Construction Services	115,203.91		115,203.91	119,778.68
	<u>123,758.72</u>	<u>-</u>	<u>123,758.72</u>	<u>130,978.68</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 17,827.28</u>	<u>\$ (10,607.32)</u>	<u>\$ 7,219.96</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	Various
Grant Date	12-23-2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 150,640.00
Additional Authorized Cost	(19,661.32)
Revised Authorized Cost	\$ 130,978.68
Percentage Increase over Original Authorized Cost	-
Percentage Completion	94.49%
Original Target Completion Date	12-31-2010
Revised Target Completion Date	6-30-2013

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Washington Township High School - Classroom Renovations  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 54,412.00	\$ (25,464.78)	\$ 28,947.22	\$ 28,947.22
Transfer from Capital Reserve	<u>80,755.00</u>	<u>                    </u>	<u>80,755.00</u>	<u>80,755.00</u>
Total Revenues	<u>135,167.00</u>	<u>(25,464.78)</u>	<u>109,702.22</u>	<u>109,702.22</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	10,716.18		10,716.18	45,641.22
Construction Services	<u>60,761.00</u>	<u>                    </u>	<u>60,761.00</u>	<u>64,061.00</u>
Total Expenditures	<u>71,477.18</u>	<u>-</u>	<u>71,477.18</u>	<u>109,702.22</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 63,689.82</u>	<u>\$ (25,464.78)</u>	<u>\$ 38,225.04</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	5500-010-10-G1AB			
Grant Date	12-23-2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 135,167.00			
Additional Authorized Cost	(25,464.78)			
Revised Authorized Cost	\$ 109,702.22			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	65.16%			
Original Target Completion Date	12-31-2010			
Revised Target Completion Date	6-30-2013			

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Washington Township High School - Overhangs  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 14,877.00	\$ (4,163.69)	\$ 10,713.31	\$ 10,713.31
Bond Proceeds and Transfers	4,420.00		4,420.00	4,420.00
Transfer from Capital Reserve	22,080.00		22,080.00	22,080.00
Total Revenues	<u>41,377.00</u>	<u>(4,163.69)</u>	<u>37,213.31</u>	<u>37,213.31</u>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	<u>33,700.00</u>		<u>33,700.00</u>	<u>37,213.31</u>
Total Expenditures	<u>33,700.00</u>	<u>-</u>	<u>33,700.00</u>	<u>37,213.31</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 7,677.00</u>	<u>\$ (4,163.69)</u>	<u>\$ 3,513.31</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5500-010-10-G1AD
Grant Date	12-23-2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 36,957.00
Additional Authorized Cost	256.31
Revised Authorized Cost	\$ 37,213.31
Percentage Increase over Original Authorized Cost	0.69%
Percentage Completion	90.56%
Original Target Completion Date	12-31-2010
Revised Target Completion Date	N/A

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Whitman Elementary School - Asphalt Repair and Replacement  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds and Transfers	\$ (22,847.50)		\$ (22,847.50)	\$ (22,847.50)
Transfer from Capital Reserve	85,236.00		85,236.00	85,236.00
Total Revenues	<u>62,388.50</u>	<u>-</u>	<u>62,388.50</u>	<u>62,388.50</u>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	55,037.30		55,037.30	62,388.50
Total Expenditures	<u>55,037.30</u>	<u>-</u>	<u>55,037.30</u>	<u>62,388.50</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 7,351.20</u>	<u>\$ -</u>	<u>\$ 7,351.20</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number				N/A
Grant Date				N/A
Bond Authorization Date				N/A
Bonds Authorized				N/A
Bonds Issued				N/A
Original Authorized Cost	\$ 85,236.00			
Additional Authorized Cost	(22,847.50)			
Revised Authorized Cost	\$ 62,388.50			
Percentage Increase over Original Authorized Cost		-		
Percentage Completion		88.22%		
Original Target Completion Date		12-31-2010		
Revised Target Completion Date		N/A		

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Washington Township High School - Roof  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 235,754.00	\$ (16,812.58)	\$ 218,941.42	\$ 218,941.42
Transfer from Capital Outlay	<u>350,000.00</u>	<u>                    </u>	<u>350,000.00</u>	<u>350,000.00</u>
Total Revenues	<u>585,754.00</u>	<u>(16,812.58)</u>	<u>568,941.42</u>	<u>568,941.42</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	41,878.24		41,878.24	56,051.42
Construction Services	<u>492,739.12</u>	<u>6,946.88</u>	<u>499,686.00</u>	<u>512,890.00</u>
Total Expenditures	<u>534,617.36</u>	<u>6,946.88</u>	<u>541,564.24</u>	<u>568,941.42</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 51,136.64</u>	<u>\$ (23,759.46)</u>	<u>\$ 27,377.18</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	5500-010-10-G1AF			
Grant Date	12-23-2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 585,754.00			
Additional Authorized Cost	(16,812.58)			
Revised Authorized Cost	\$ 568,941.42			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	95.19%			
Original Target Completion Date	12-31-2011			
Revised Target Completion Date	N/A			

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Birches Elementary School - Parking Lot Paving  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds and Transfers	\$ (6,938.00)		\$ (6,938.00)	\$ (6,938.00)
Transfer from Capital Outlay	<u>210,567.00</u>		<u>210,567.00</u>	<u>210,567.00</u>
Total Revenues	<u>203,629.00</u>	<u>-</u>	<u>203,629.00</u>	<u>203,629.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services				2,000.00
Construction Services	<u>171,383.79</u>		<u>171,383.79</u>	<u>201,629.00</u>
Total Expenditures	<u>171,383.79</u>	<u>-</u>	<u>171,383.79</u>	<u>203,629.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 32,245.21</u>	<u>\$ -</u>	<u>\$ 32,245.21</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 210,567.00
Additional Authorized Cost	(6,938.00)
Revised Authorized Cost	\$ 203,629.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	84.16%
Original Target Completion Date	12-31-2012
Revised Target Completion Date	N/A

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Washington Township High School - Roof  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SCC/SDA Grant	\$ 204,519.00	\$ (4,282.67)	\$ 200,236.33	\$ 200,236.33
Bond Proceeds and Transfers	6,938.00		6,938.00	6,938.00
Transfer from Capital Outlay	294,433.00		294,433.00	294,433.00
Total Revenues	<u>505,890.00</u>	<u>(4,282.67)</u>	<u>501,607.33</u>	<u>501,607.33</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	25,338.40		25,338.40	27,100.00
Construction Services	465,978.95	3,000.00	468,978.95	474,507.33
Total Expenditures	<u>491,317.35</u>	<u>3,000.00</u>	<u>494,317.35</u>	<u>501,607.33</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 14,572.65</u>	<u>\$ (7,282.67)</u>	<u>\$ 7,289.98</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	5500-010-10-G1AE			
Grant Date	12-23-2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 498,952.00			
Additional Authorized Cost	2,655.33			
Revised Authorized Cost	\$ 501,607.33			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	98.55%			
Original Target Completion Date	12-31-2012			
Revised Target Completion Date	N/A			

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
Washington Township High School - Parking Lot Resurfacing  
From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds and Transfers	\$ (51,835.00)		\$ (51,835.00)	\$ (51,835.00)
Transfer from Capital Reserve	613,000.00		613,000.00	613,000.00
<b>Total Revenues</b>	<u>561,165.00</u>	<u>-</u>	<u>561,165.00</u>	<u>561,165.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	33,226.02		33,226.02	35,000.00
Construction Services	498,276.60		498,276.60	526,165.00
<b>Total Expenditures</b>	<u>531,502.62</u>	<u>-</u>	<u>531,502.62</u>	<u>561,165.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 29,662.38</u>	<u>\$ -</u>	<u>\$ 29,662.38</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 613,000.00
Additional Authorized Cost	(51,835.00)
Revised Authorized Cost	\$ 561,165.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	94.71%
Original Target Completion Date	6-30-2013
Revised Target Completion Date	N/A

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Operations - Replace Blacktop  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds and Transfers	\$ 4,135.00		\$ 4,135.00	\$ 4,135.00
Transfer from Capital Reserve	<u>75,000.00</u>		<u>75,000.00</u>	<u>75,000.00</u>
Total Revenues	<u>79,135.00</u>	<u>-</u>	<u>79,135.00</u>	<u>79,135.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	2,816.25		2,816.25	5,000.00
Construction Services		<u>\$ 74,135.00</u>	<u>74,135.00</u>	<u>74,135.00</u>
Total Expenditures	<u>2,816.25</u>	<u>74,135.00</u>	<u>76,951.25</u>	<u>79,135.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 76,318.75</u>	<u>\$ (74,135.00)</u>	<u>\$ 2,183.75</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 75,000.00
Additional Authorized Cost	4,135.00
Revised Authorized Cost	\$ 79,135.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	97.24%
Original Target Completion Date	12-31-2013
Revised Target Completion Date	N/A

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Thomas Jefferson Elementary School - Replace Gym Foyer Doors  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ 25,000.00	_____	\$ 25,000.00	\$ 25,000.00
Total Revenues	25,000.00	-	25,000.00	25,000.00
<b>Expenditures and Other Financing Uses</b>				
Construction Services	_____	\$ 25,000.00	25,000.00	25,000.00
Total Expenditures	-	25,000.00	25,000.00	25,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 25,000.00	\$ (25,000.00)	-	-

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 25,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 25,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	100.00%
Original Target Completion Date	12-31-2013
Revised Target Completion Date	N/A

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Whitman Roof  
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	_____	\$ 915,000.00	\$ 915,000.00	\$ 915,000.00
Total Revenues	_____ -	_____ 915,000.00	_____ 915,000.00	_____ 915,000.00
<b>Expenditures and Other Financing Uses</b>				
Salaries				
Other Purchased Professional and Technical Services		14,560.18	14,560.18	61,583.60
Construction Services	_____	_____ 184,240.00	_____ 184,240.00	_____ 853,416.40
Total Expenditures	_____ -	_____ 198,800.18	_____ 198,800.18	_____ 915,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ _____ -	\$ _____ 716,199.82	\$ _____ 716,199.82	\$ _____ -

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 915,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 915,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	21.73%
Original Target Completion Date	12-31-2014
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Net Position  
 June 30, 2014

		<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele-Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
<b>ASSETS:</b>							
Current Assets:							
Cash and Cash Equivalents	\$	691,877.16	\$ 159,916.37	\$ 7,900.61	\$ 337,121.43	\$ 166,398.00	\$ 1,363,213.57
Intergovernmental Accounts Receivable:							
State		4,982.23					4,982.23
Federal		147,820.22					147,820.22
Other Accounts Receivable		7,217.44		7,780.00	70,437.74		85,435.18
Interfund Accounts Receivable			45,128.20	1,142.81			46,271.01
Inventories		46,558.09					46,558.09
<b>Total Current Assets</b>		<u>898,455.14</u>	<u>205,044.57</u>	<u>16,823.42</u>	<u>407,559.17</u>	<u>166,398.00</u>	<u>1,694,280.30</u>
Noncurrent Assets:							
Furniture, Machinery and Equipment		1,175,520.74	37,999.90		83,435.17	43,752.00	1,340,707.81
Less Accumulated Depreciation		<u>(1,121,492.13)</u>	<u>(4,846.51)</u>		<u>(53,075.77)</u>	<u>(25,157.40)</u>	<u>(1,204,571.81)</u>
<b>Total Noncurrent Assets</b>		<u>54,028.61</u>	<u>33,153.39</u>	<u>-</u>	<u>30,359.40</u>	<u>18,594.60</u>	<u>136,136.00</u>
<b>Total Assets</b>		<u>952,483.75</u>	<u>238,197.96</u>	<u>16,823.42</u>	<u>437,918.57</u>	<u>184,992.60</u>	<u>1,830,416.30</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Net Position  
 June 30, 2014

	Food Service	Child Care Program	Tele- Comm	Center for the Performing Arts	Drivers Education	Total
<b>LIABILITIES:</b>						
Current Liabilities:						
Compensated Absences Payable	\$ 10,111.89					\$ 10,111.89
Accounts Payable	1,398.77	\$ 2,239.59		\$ 141.69	\$ 140.69	3,920.74
Interfund Accounts Payable	339,554.42	50,291.23		410,086.39		799,932.04
Accrued Salaries and Benefits	762.66	4,256.75	\$ 2,168.51	4,353.48	6,072.00	17,613.40
Deposits Payable				1,304.94		1,304.94
Unearned Revenue	60,344.63					60,344.63
Total Current Liabilities	412,172.37	56,787.57	2,168.51	415,886.50	6,212.69	893,227.64
Noncurrent Liabilities:						
Compensated Absences Payable	144,678.52			4,850.44		149,528.96
Total Liabilities	556,850.89	56,787.57	2,168.51	420,736.94	6,212.69	1,042,756.60
<b>NET POSITION:</b>						
Net Investment in Capital Assets	54,028.61	33,153.39		30,359.40	18,594.60	136,136.00
Unrestricted	341,604.25	148,257.00	14,654.91	(13,177.77)	160,185.31	651,523.70
Total Net Position	\$ 395,632.86	\$ 181,410.39	\$ 14,654.91	\$ 17,181.63	\$ 178,779.91	\$ 787,659.70

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2014

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele-Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>						
Charges for Services:						
Daily Sales - Reimbursable Programs	\$ 848,010.90					\$ 848,010.90
Daily Sales - Non-Reimbursable Programs	527,387.07		\$ 16,605.00			527,387.07
Other Activity Income				\$ 277,210.28		277,210.28
Admissions						16,605.00
Special Functions	48,342.84					48,342.84
Tuition		\$ 170,387.77				170,387.77
Rentals						257,960.90
Registration					\$ 66,750.00	66,750.00
Miscellaneous	10,256.56			11,706.89		21,963.45
<b>Total Operating Revenues</b>	<b>1,433,997.37</b>	<b>170,387.77</b>	<b>16,605.00</b>	<b>546,878.07</b>	<b>66,750.00</b>	<b>2,234,618.21</b>
<b>OPERATING EXPENSES:</b>						
Salaries	1,322,786.25					1,574,093.74
Employee Benefits	1,014,816.44		13,033.88	93,856.30	50,517.29	1,015,175.55
Repairs and Maintenance	35,304.77			26,612.85	4,811.41	66,729.03
Other Purchased Services		810.97		319,775.21	950.00	321,536.18
Communications/Telephone/Electric				28,652.22		28,652.22
Rental of Buildings		30,054.23		42,013.19		72,067.42
Travel	365.78					365.78
General Supplies	40,988.18			12,430.64		59,986.03
Depreciation	22,001.10			6,381.66	4,375.20	34,507.62
Cost of Sales	892,349.98					892,349.98
Miscellaneous	21,885.85	668.13		11,663.19	36.00	34,253.17
<b>Total Operating Expenses</b>	<b>3,350,498.35</b>	<b>133,750.22</b>	<b>13,033.88</b>	<b>541,744.37</b>	<b>60,689.90</b>	<b>4,099,716.72</b>
<b>Operating Income (Loss)</b>	<b>(1,916,500.98)</b>	<b>36,637.55</b>	<b>3,571.12</b>	<b>5,133.70</b>	<b>6,060.10</b>	<b>(1,865,098.51)</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2014

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele-Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
State Sources:						
State School Lunch Program	\$ 19,065.67					\$ 19,065.67
Federal Sources:						
National School Lunch Program	587,243.76					587,243.76
National School Breakfast Program	67,058.47					67,058.47
Special Milk Program	9,769.60					9,769.60
Food Distribution Program	137,181.08					137,181.08
Accrued Salaries and Benefits Canceled	7,849.00	\$ 475.23	\$ 457.13		\$ 2,343.94	11,125.30
Interest and Investment Revenue	<u>4,269.27</u>			<u>\$ 1,216.93</u>		<u>5,486.20</u>
<b>Total Nonoperating Revenues (Expenses)</b>	<u>832,436.85</u>	<u>475.23</u>	<u>457.13</u>	<u>1,216.93</u>	<u>2,343.94</u>	<u>836,930.08</u>
Income (Loss) before Contributions and Transfers	(1,084,064.13)	37,112.78	4,028.25	6,350.63	8,404.04	(1,028,168.43)
Transfer In - General Fund	<u>929,691.81</u>					<u>929,691.81</u>
Total Contributions and Transfers	<u>929,691.81</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>929,691.81</u>
Change in Net Position	(154,372.32)	37,112.78	4,028.25	6,350.63	8,404.04	(98,476.62)
Net Position -- July 1	<u>550,005.18</u>	<u>144,297.61</u>	<u>10,626.66</u>	<u>10,831.00</u>	<u>170,375.87</u>	<u>886,136.32</u>
Net Position -- June 30	<u>\$ 395,632.86</u>	<u>\$ 181,410.39</u>	<u>\$ 14,654.91</u>	<u>\$ 17,181.63</u>	<u>\$ 178,779.91</u>	<u>\$ 787,659.70</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2014

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele-Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts from Customers	\$ 1,435,659.51	\$ 170,387.77	\$ 11,380.00	\$ 505,391.23	\$ 66,525.00	\$ 2,189,343.51
Payments to Employees	(1,322,786.44)	(93,117.31)	(12,104.87)	(96,895.48)	(50,839.29)	(1,575,743.39)
Payments for Employee Benefits	(1,029,691.81)					(1,029,691.81)
Payments to Suppliers	(986,317.43)	(38,123.60)		(441,117.45)	(5,656.72)	(1,471,215.20)
Net Cash Provided by (used for) Operating Activities	<u>(1,903,136.17)</u>	<u>39,146.86</u>	<u>(724.87)</u>	<u>(32,621.70)</u>	<u>10,028.99</u>	<u>(1,887,306.89)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>						
State Sources	19,145.38					19,145.38
Federal Sources	775,753.59					775,753.59
Payments to Federal Government	(2,989.24)					(2,989.24)
Transfers from Other Funds	730,912.09	(36,452.23)	(7,974.37)	157,979.65		888,891.74
Operating Subsidies and Transfers to Other Funds						(44,426.60)
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>1,522,821.82</u>	<u>(36,452.23)</u>	<u>(7,974.37)</u>	<u>157,979.65</u>	<u>-</u>	<u>1,636,374.87</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchases of Capital Assets	-	(32,005.99)	-	(4,998.00)	-	(37,003.99)
Net Cash Used for Capital and Related Financing Activities	<u>-</u>	<u>(32,005.99)</u>	<u>-</u>	<u>(4,998.00)</u>	<u>-</u>	<u>(37,003.99)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Interest and Dividends	4,269.27	-	-	1,216.93	-	5,486.20
Net Cash Provided by (used for) Investing Activities	<u>4,269.27</u>	<u>-</u>	<u>-</u>	<u>1,216.93</u>	<u>-</u>	<u>5,486.20</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(376,045.08)	(29,311.36)	(8,699.24)	121,576.88	10,028.99	(282,449.81)
Cash and Cash Equivalents -- July 1	1,067,922.24	189,227.73	16,599.85	215,544.55	156,369.01	1,645,663.38
Cash and Equivalents -- June 30	<u>\$ 691,877.16</u>	<u>\$ 159,916.37</u>	<u>\$ 7,900.61</u>	<u>\$ 337,121.43</u>	<u>\$ 166,398.00</u>	<u>\$ 1,363,213.57</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2014

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele-Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Totals</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)						
by Operating Activities:						
Operating Income (Loss)	\$ (1,916,500.98)	\$ 36,637.55	\$ 3,571.12	\$ 5,133.70	\$ 6,060.10	\$ (1,865,098.51)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:						
Depreciation and Net Amortization	22,001.10	1,749.66		6,381.66	4,375.20	34,507.62
(Increase) Decrease in Inventories	6,572.72					6,572.72
(Increase) Decrease in Accounts Receivable	(600.62)		(5,225.00)	(34,717.44)		(40,543.06)
Increase (Decrease) in Accounts Payable	(1,995.59)	(23.06)		29.85	140.69	(1,848.11)
Increase (Decrease) in Accrued Salaries and Benefits	(0.19)	782.71	929.01	(3,039.18)	(322.00)	(1,649.65)
Increase (Decrease) in Deposits Payable				(6,769.40)	(225.00)	(6,994.40)
Increase (Decrease) in Unearned Revenue	2,262.76					2,262.76
Increase (Decrease) in Compensated Absences Payable	(14,875.37)			359.11		(14,516.26)
Total Adjustments	<u>13,364.81</u>	<u>2,509.31</u>	<u>(4,295.99)</u>	<u>(37,755.40)</u>	<u>3,968.89</u>	<u>(22,208.38)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (1,903,136.17)</u>	<u>\$ 39,146.86</u>	<u>\$ (724.87)</u>	<u>\$ (32,621.70)</u>	<u>\$ 10,028.99</u>	<u>\$ (1,887,306.89)</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Governmental Activities - Internal Service Funds  
 Combining Statement of Net Position  
 June 30, 2014

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Total</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 41,275.60	\$ 1,908.95	\$ 43,184.55
Other Accounts Receivable		2,560.00	2,560.00
Interfund Accounts Receivable		432.25	432.25
Total Current Assets	<u>41,275.60</u>	<u>4,901.20</u>	<u>46,176.80</u>
Total Assets	<u>41,275.60</u>	<u>4,901.20</u>	<u>46,176.80</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable		290.70	290.70
Interfund Accounts Payable	41,275.60	558.21	41,833.81
Accrued Salaries and Benefits		722.39	722.39
Total Current Liabilities	<u>41,275.60</u>	<u>1,571.30</u>	<u>42,846.90</u>
Total Liabilities	<u>41,275.60</u>	<u>1,571.30</u>	<u>42,846.90</u>
<b>NET POSITION:</b>			
Unrestricted		<u>3,329.90</u>	<u>3,329.90</u>
Total Net Position	<u>\$ -</u>	<u>\$ 3,329.90</u>	<u>\$ 3,329.90</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Governmental Activities - Internal Service Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2014

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Charges for Services:			
Services Provided to Other Funds	\$ 139,462.29	\$ 23,745.66	\$ 163,207.95
Total Operating Revenues	<u>139,462.29</u>	<u>23,745.66</u>	<u>163,207.95</u>
<b>OPERATING EXPENSES:</b>			
Salaries		9,571.53	9,571.53
Repairs and Maintenance		627.48	627.48
General Supplies	139,462.29	10,653.68	150,115.97
Total Operating Expenses	<u>139,462.29</u>	<u>20,852.69</u>	<u>160,314.98</u>
Operating Income (Loss)	<u>-</u>	<u>2,892.97</u>	<u>2,892.97</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Accrued Salaries and Benefits Canceled	<u>-</u>	<u>436.93</u>	<u>436.93</u>
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>436.93</u>	<u>436.93</u>
Change in Net Position		3,329.90	3,329.90
Net Position -- July 1	<u>-</u>	<u>-</u>	<u>-</u>
Net Position -- June 30	<u>\$ -</u>	<u>\$ 3,329.90</u>	<u>\$ 3,329.90</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Governmental Activities - Internal Service Funds  
 Combining Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2014

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from Customers	\$ 139,462.29	\$ 21,185.66	\$ 160,647.95
Payments to Employees		(10,295.90)	(10,295.90)
Payments to Suppliers	<u>(139,462.29)</u>	<u>(10,990.46)</u>	<u>(150,452.75)</u>
Net Cash Provided by (used for) Operating Activities	<u>-</u>	<u>(100.70)</u>	<u>(100.70)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Transfers to Other Funds	<u>(19,558.87)</u>	<u>(2,844.46)</u>	<u>(22,403.33)</u>
Net Cash Provided by Non-Capital Financing Activities	<u>(19,558.87)</u>	<u>(2,844.46)</u>	<u>(22,403.33)</u>
Net Increase in Cash and Cash Equivalents	(19,558.87)	(2,945.16)	(22,504.03)
Cash and Cash Equivalents -- July 1	<u>60,834.47</u>	<u>4,854.11</u>	<u>65,688.58</u>
Cash and Equivalents -- June 30	<u>\$ 41,275.60</u>	<u>\$ 1,908.95</u>	<u>\$ 43,184.55</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ -	\$ 2,892.97	\$ 2,892.97
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
(Increase) Decrease in Accounts Receivable		(2,560.00)	(2,560.00)
Increase (Decrease) in Accounts Payable		290.70	290.70
Increase (Decrease) in Accrued Salaries and Benefits		<u>(724.37)</u>	<u>(724.37)</u>
Total Adjustments	<u>-</u>	<u>(2,993.67)</u>	<u>(2,993.67)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ -</u>	<u>\$ (100.70)</u>	<u>\$ (100.70)</u>

## FIDUCIARY FUNDS

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
 Combining Statement of Fiduciary Net Position  
 June 30, 2014

	Private-Purpose Trust Funds		Agency Funds			
	Unemployment Compensation Trust	Scholarship Fund	Student Activity	Vendors/ Bidders	Payroll	Total
<b>ASSETS:</b>						
Cash and Cash Equivalents	\$ 917,950.39	\$ 23,514.15	\$ 411,611.44	\$ 20,627.00	\$ 1,297,964.72	\$ 2,671,667.70
Total Assets	917,950.39	23,514.15	411,611.44	20,627.00	1,297,964.72	2,671,667.70
<b>LIABILITIES:</b>						
Accounts Payable	4,246.95					4,246.95
Deposits Payable				\$ 20,627.00		20,627.00
Interfund Accounts Payable					\$ 30,653.49	30,653.49
Payable to Student Groups			\$ 411,611.44			411,611.44
Payroll Deductions and Withholdings					1,267,311.23	1,267,311.23
Total Liabilities	4,246.95	-	411,611.44	20,627.00	1,297,964.72	1,734,450.11
<b>NET POSITION:</b>						
Held in Trust for Unemployment Claims and Other Purposes Reserved for Scholarships	913,703.44	23,514.15				913,703.44 23,514.15
Total Net Position	\$ 913,703.44	\$ 23,514.15				\$ 937,217.59

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2014

	<u>Private-Purpose Trust Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>	
<b>ADDITIONS:</b>			
Contributions:			
Employee Salary Deductions	\$ 124,379.83		\$ 124,379.83
Investment Earnings:			
Interest	5,191.34	\$ 285.19	5,476.53
Total Additions	<u>129,571.17</u>	<u>285.19</u>	<u>129,856.36</u>
<b>DEDUCTIONS:</b>			
Scholarships		500.00	500.00
Unemployment Claims	61,645.77		61,645.77
Total Deductions	<u>61,645.77</u>	<u>500.00</u>	<u>62,145.77</u>
Income (Loss) before Contributions and Transfers	<u>67,925.40</u>	<u>(214.81)</u>	<u>67,710.59</u>
Change in Net Position	67,925.40	(214.81)	67,710.59
Net Position -- July 1	<u>845,778.04</u>	<u>23,728.96</u>	<u>869,507.00</u>
Net Position -- June 30	<u>\$ 913,703.44</u>	<u>\$ 23,514.15</u>	<u>\$ 937,217.59</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
 Student Activity Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2014

	Balance June 30, 2013	Cash Receipts	Cash Disbursements	Balance June 30, 2014
<b>ELEMENTARY SCHOOLS:</b>				
Bells Elementary School	\$ 1,370.95	\$ 10,619.02	\$ 10,111.50	\$ 1,878.47
Birches Elementary School	307.70	9,781.83	9,061.15	1,028.38
Grenloch Elementary School		2,292.82	2,292.50	0.32
Hurffville Elementary School	657.82	8,849.94	8,690.00	817.76
Thomas Jefferson Elementary School	969.30	8,264.96	7,777.68	1,456.58
Wedgwood Elementary School	423.65	9,700.41	9,855.64	268.42
Whitman Elementary School	1,484.80	9,864.97	7,328.50	4,021.27
Total Elementary Schools	<u>5,214.22</u>	<u>59,373.95</u>	<u>55,116.97</u>	<u>9,471.20</u>
<b>MIDDLE SCHOOLS:</b>				
Bunker Hill School	32,936.30	51,102.08	44,641.05	39,397.33
Chestnut Ridge School	25,467.93	70,590.84	62,474.12	33,584.65
Orchard Valley School	44,364.09	76,364.37	73,858.94	46,869.52
Total Middle Schools	<u>102,768.32</u>	<u>198,057.29</u>	<u>180,974.11</u>	<u>119,851.50</u>
<b>HIGH SCHOOLS:</b>				
Washington Township High School	<u>238,277.16</u>	<u>1,373,737.28</u>	<u>1,329,725.70</u>	<u>282,288.74</u>
Total All Schools	<u>\$ 346,259.70</u>	<u>\$ 1,631,168.52</u>	<u>\$ 1,565,816.78</u>	<u>\$ 411,611.44</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
 Payroll Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2014

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 853,919.33	\$ 96,130,127.23	\$ 95,686,081.84	\$ 1,297,964.72
Total Assets	<u>\$ 853,919.33</u>	<u>\$ 96,130,127.23</u>	<u>\$ 95,686,081.84</u>	<u>\$ 1,297,964.72</u>
<b>LIABILITIES:</b>				
Net Payroll, Payroll Deductions and Withholdings	\$ 778,591.33	\$ 95,935,747.41	\$ 95,447,027.51	\$ 1,267,311.23
Intrafund Accounts Payable		124,379.82	124,379.82	
Interfund Accounts Payable: Due to General Fund	<u>75,328.00</u>	<u>70,000.00</u>	<u>114,674.51</u>	<u>30,653.49</u>
Total Liabilities	<u>\$ 853,919.33</u>	<u>\$ 96,130,127.23</u>	<u>\$ 95,686,081.84</u>	<u>\$ 1,297,964.72</u>

LONG-TERM DEBT

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Serial Bonds  
 For the Fiscal Year Ended June 30, 2014

	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance June 30, 2013	Issued	Paid by Budget Appropriation	Balance June 30, 2014
School Bonds, Series 2005	3/1/2005	\$ 16,271,000.00	-	-		\$ 380,000.00		\$ 380,000.00	
Refunding Bonds, Series 2007	3/13/2007	8,040,000.00	3/1/2015	\$ 20,000.00	4.00%				
			3/1/2016	20,000.00	4.00%				
			3/1/2017	25,000.00	4.00%				
			3/1/2018	25,000.00	4.00%				
			3/1/2019	25,000.00	4.00%				
			3/1/2020	25,000.00	4.00%				
			3/1/2021	25,000.00	4.00%				
			3/1/2022	30,000.00	4.00%				
			3/1/2023	30,000.00	4.00%				
			3/1/2024	1,030,000.00	4.00%				
			3/1/2025	1,095,000.00	4.00%				
			3/1/2026	1,120,000.00	4.00%				
			3/1/2027	1,120,000.00	4.00%				
			3/1/2028	1,115,000.00	4.00%				
			3/1/2029	1,105,000.00	4.00%				
			3/1/2030	1,095,000.00	4.00%	7,925,000.00		20,000.00	\$ 7,905,000.00
Refunding Bonds, Series 2012	4/3/2012	7,205,000.00	3/1/2015	500,000.00	3.00%				
			3/1/2016	545,000.00	3.00%				
			3/1/2017	795,000.00	2.00%				
			3/1/2018	815,000.00	4.00%				
			3/1/2019	845,000.00	2.00%				
			3/1/2020	865,000.00	2.25%				
			3/1/2021	880,000.00	2.50%				
			3/1/2022	885,000.00	2.75%				
			3/1/2023	920,000.00	3.00%	7,120,000.00		70,000.00	7,050,000.00
Refunding Bonds, Series 2012	11/15/2012	9,095,000.00	2/1/2015	3,005,000.00	3.00%				
			2/1/2016	2,885,000.00	3.00%	8,965,000.00		3,075,000.00	5,890,000.00
						\$ 24,390,000.00	\$ -	\$ 3,645,000.00	\$ 20,845,000.00

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Obligations Under Capital Leases  
 For the Fiscal Year Ended June 30, 2014

<u>Series</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue Principal</u>	<u>Interest</u>	<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2013</u>	<u>Issued</u>	<u>Retired</u>	<u>Amount Outstanding June 30, 2014</u>
Xerox Copiers	11/1/08	5 years	\$ 1,745,003.65	\$ 303,576.35	6.50%	\$ 167,975.57		\$ 167,975.57	
Buses, Instructional Equipment	7/30/10	5 years	495,438.00	45,467.78	2.55%	207,001.35		101,971.11	\$ 105,030.24
Buses, Instructional Equipment	8/31/11	5 years	673,341.00	28,823.30	1.68%	443,262.02		133,828.01	309,434.01
Buses, Instructional Equipment	10/1/12	5 years	817,450.00	23,694.55	1.203%	695,964.87		160,571.26	535,393.61
Buses, Instructional Equipment	5/8/14	5 years	636,960.00	16,248.41	1.220%		\$ 636,960.00	66,993.79	569,966.21
						<u>\$ 1,514,203.81</u>	<u>\$ 636,960.00</u>	<u>\$ 631,339.74</u>	<u>\$ 1,519,824.07</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Budgetary Comparison Schedule  
 DEBT SERVICE FUND  
 For the Fiscal Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 3,062,028.00		\$ 3,062,028.00	\$ 3,062,028.00	
Debt Service Aid Type II	1,268,569.00		1,268,569.00	1,268,569.00	
Miscellaneous				40.00	40.00
Total Revenues	<u>4,330,597.00</u>	<u>-</u>	<u>4,330,597.00</u>	<u>4,330,637.00</u>	<u>40.00</u>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest on Bonds	793,650.00		793,650.00	793,650.00	-
Redemption of Principal	3,545,000.00		3,545,000.00	3,545,000.00	
Total Regular Debt Service	<u>4,338,650.00</u>	<u>-</u>	<u>4,338,650.00</u>	<u>4,338,650.00</u>	<u>-</u>
Total Expenditures	<u>4,338,650.00</u>	<u>-</u>	<u>4,338,650.00</u>	<u>4,338,650.00</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,053.00)	-	(8,053.00)	(8,013.00)	40.00
Fund Balance, July 1	<u>101,223.91</u>	<u>-</u>	<u>101,223.91</u>	<u>101,223.91</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 93,170.91</u>	<u>\$ -</u>	<u>\$ 93,170.91</u>	<u>\$ 93,210.91</u>	<u>\$ 40.00</u>
Restricted for:					
Debt Service				\$ 39.91	
Debt Service--Designated for Subsequent Year's Expenditures				<u>93,171.00</u>	
				<u>\$ 93,210.91</u>	

STATISTICAL SECTION

## Financial Trends Information

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Net Position by Component  
 Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 64,446,940.48	\$ 62,323,437.51	\$ 60,435,247.21	\$ 60,453,733.87	\$ 60,552,158.75	\$ 60,507,772.60	\$ 60,880,373.73	\$ 60,618,272.02	\$ 51,301,812.72	\$ 29,492,088.00
Restricted	11,927,692.82	10,527,028.29	8,022,759.07	4,538,516.56	5,410,889.68	6,744,763.75	5,041,089.74	5,927,598.88	5,912,639.37	11,685,937.00
Unrestricted	(1,607,179.70)	(920,295.05)	(2,178,649.98)	(888,737.91)	(7,074,050.38)	(8,404,148.63)	(8,119,096.17)	(7,849,549.39)	(6,592,704.91)	5,457,346.00
<b>Total Governmental Activities Net Position</b>	<b>\$ 74,767,453.60</b>	<b>\$ 71,930,170.75</b>	<b>\$ 66,279,356.30</b>	<b>\$ 64,133,512.52</b>	<b>\$ 58,888,998.05</b>	<b>\$ 58,848,377.72</b>	<b>\$ 57,802,367.30</b>	<b>\$ 58,696,321.51</b>	<b>\$ 50,621,747.18</b>	<b>\$ 46,635,371.00</b>
<b>Business-type Activities:</b>										
Net Investment in Capital Assets	\$ 136,136.00	\$ 133,639.63	\$ 176,297.66	\$ 393,503.49	\$ 446,394.05	\$ 511,764.69	\$ 515,057.35	\$ 578,259.79	\$ 527,378.02	\$ 590,943.00
Unrestricted	651,523.70	752,496.69	618,592.96	561,098.68	321,412.22	190,133.23	355,938.37	489,637.57	428,084.07	690,599.00
<b>Total Business-type Activities Net Position</b>	<b>\$ 787,659.70</b>	<b>\$ 886,136.32</b>	<b>\$ 794,890.62</b>	<b>\$ 954,602.17</b>	<b>\$ 767,806.27</b>	<b>\$ 701,897.92</b>	<b>\$ 870,995.72</b>	<b>\$ 1,068,097.36</b>	<b>\$ 955,462.09</b>	<b>\$ 1,281,542.00</b>
<b>District-wide:</b>										
Net Investment in Capital Assets	\$ 64,583,076.48	\$ 62,457,077.14	\$ 60,611,544.87	\$ 60,847,237.36	\$ 60,998,552.80	\$ 61,019,537.29	\$ 61,395,431.08	\$ 61,196,531.81	\$ 51,829,190.74	\$ 30,083,031.00
Restricted	11,927,692.82	10,527,028.29	8,022,759.07	4,538,516.56	5,410,889.68	6,744,763.75	5,041,089.74	5,927,598.88	5,912,639.37	11,685,937.00
Unrestricted	(955,656.00)	(167,798.36)	(1,560,057.02)	(297,639.23)	(6,752,638.16)	(8,214,015.40)	(7,763,157.80)	(7,359,711.82)	(6,164,620.84)	6,147,945.00
<b>Total District-wide Net Position</b>	<b>\$ 75,555,113.30</b>	<b>\$ 72,816,307.07</b>	<b>\$ 67,074,246.92</b>	<b>\$ 65,088,114.69</b>	<b>\$ 59,656,804.32</b>	<b>\$ 59,550,275.64</b>	<b>\$ 58,673,363.02</b>	<b>\$ 59,764,418.87</b>	<b>\$ 51,577,209.27</b>	<b>\$ 47,916,913.00</b>

Source: CAFR Exhibit A-1

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Changes in Net Position  
 Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 44,004,430.84	\$ 42,050,376.89	\$ 42,162,714.72	\$ 43,695,768.41	\$ 44,919,944.73	\$ 44,488,426.05	\$ 43,433,114.39	\$ 42,551,906.73	\$ 41,527,015.48	\$ 38,863,810.00
Special Education	11,141,900.52	10,493,192.58	10,060,166.77	9,724,985.77	9,787,644.22	9,329,619.75	9,199,871.40	9,178,162.35	8,567,904.89	10,135,378.00
Other Special Instruction	2,858,018.85	2,547,793.39	2,365,553.51	2,789,408.78	2,813,260.84	2,502,741.39	2,264,416.29	2,190,218.12	2,005,286.47	1,761,450.00
Other Instruction	1,735,106.22	1,692,158.85	1,637,331.97	1,485,034.34	1,665,929.36	1,544,359.78	1,510,131.99	1,471,769.51	1,422,234.73	1,190,628.00
Nonpublic School Programs										114,172.00
Support Services:										
Tuition	7,028,827.24	7,238,858.59	7,004,602.42	7,025,817.29	7,036,003.77	6,023,732.04	5,066,776.45	4,474,338.74	4,227,893.61	3,502,814.00
Student and Instruction Related Services	14,697,982.66	14,698,725.64	13,962,117.38	13,486,238.14	14,680,979.36	13,186,655.14	13,327,449.12	12,900,988.56	12,544,597.24	11,805,544.00
Other Administrative Services	4,500,227.61	4,821,196.56	4,582,911.55	4,156,721.95	4,039,994.29	2,835,734.67	3,404,823.13	3,455,713.51	2,648,965.12	4,616,132.00
School Administrative Services	6,262,257.63	6,227,860.46	6,040,439.21	5,764,203.91	6,240,899.02	8,001,997.69	7,652,388.42	7,081,357.13	7,087,391.88	5,689,668.00
Plant Operations and Maintenance	10,534,499.72	10,541,146.01	10,561,820.62	9,962,421.94	9,814,795.92	9,907,778.47	10,323,803.31	10,246,349.56	10,400,840.64	11,220,772.00
Pupil Transportation	5,594,500.64	5,447,768.18	5,367,099.85	6,587,498.66	6,549,564.49	6,295,368.90	6,714,924.51	7,224,223.99	7,103,369.50	6,722,908.00
Unallocated Benefits	35,398,679.41	33,208,489.44	33,431,965.86	31,288,247.93	31,689,757.82	29,629,953.84	32,395,466.03	29,848,914.87	23,782,337.70	21,131,575.00
Transfer to Charter Schools	186,230.33	162,550.00	74,113.00	69,307.81	34,044.00	64,844.70	78,519.96	69,392.57	61,569.52	58,473.00
Special Schools							15,405.23			
Capital Outlay Items							1,890,304.69			
Interest on Long-term Debt	953,351.89	959,295.12	1,377,367.54	1,590,547.50	1,629,558.52	1,753,383.03	1,890,304.69	2,047,103.64	2,241,985.21	1,786,467.00
Other Administrative Services		320,612.43								
Amortization of Bond Issuance Costs			40,871.32	37,681.06	37,681.06	55,032.23	67,048.49	41,166.84	330,338.66	32,162.00
<b>Total Governmental Activities Expenses</b>	<b>144,896,013.56</b>	<b>140,410,024.14</b>	<b>138,869,075.72</b>	<b>137,663,893.49</b>	<b>140,940,047.40</b>	<b>135,619,627.88</b>	<b>137,348,443.41</b>	<b>132,771,606.12</b>	<b>123,961,730.65</b>	<b>118,631,953.00</b>
Business-Type Activities:										
Food Service	3,350,498.35	3,184,209.69	3,371,602.00	3,461,415.69	3,973,127.99	3,894,990.21	4,075,430.79	3,863,391.66	3,645,245.90	3,596,669.00
Child Care Program	133,750.22	128,462.66	96,330.50	81,067.59	89,063.15	95,543.03	83,810.22	86,561.60	70,574.11	76,190.00
Telecommunications	13,033.88	14,357.32	13,426.27	11,026.46	14,626.93	16,023.98	15,122.90	13,877.77	17,963.20	18,822.00
Music Technology								5,676.61	3,973.72	671.00
Center for the Performing Arts	541,744.37	588,632.41	437,446.61	371,797.71	137,882.85	175,282.98	191,613.65	190,074.03	225,486.36	173,057.00
Drivers Education	60,689.90	59,382.63	58,205.04	64,368.40	79,195.30	88,900.90	87,412.74	92,864.25	99,151.86	81,403.00
Tech Crew						4,192.54	6,382.05	2,584.77	3,477.65	3,575.00
<b>Total Business-Type Activities Expense</b>	<b>4,099,716.72</b>	<b>3,975,044.71</b>	<b>3,977,010.42</b>	<b>3,990,275.85</b>	<b>4,293,896.22</b>	<b>4,274,933.64</b>	<b>4,459,772.35</b>	<b>4,255,030.69</b>	<b>4,065,872.80</b>	<b>3,950,387.00</b>
<b>Total District Expenses</b>	<b>\$ 148,995,730.28</b>	<b>\$ 144,385,068.85</b>	<b>\$ 142,846,086.14</b>	<b>\$ 141,654,169.34</b>	<b>\$ 145,233,943.62</b>	<b>\$ 139,894,561.52</b>	<b>\$ 141,808,215.76</b>	<b>\$ 137,026,636.81</b>	<b>\$ 128,027,603.45</b>	<b>\$ 122,582,340.00</b>
<b>Component Unit Expenses:</b>										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ 9,528.00	\$ 170,607.03	\$ 50,394.54	\$ 566,881.48	\$ 1,063,367.00	\$ 107,202.00

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Changes in Net Position  
 Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services	\$ 163,207.95	\$ 192,050.20	\$ 191,032.91	\$ 232,720.14	\$ 227,647.85	\$ 212,974.59	\$ 140,367.11	\$ 82,105.00	\$ 168,261.46	\$ 117,504.00
Operating Grants and Contributions	13,985,741.00	15,039,055.87	13,385,439.79	12,886,398.30	13,112,739.47	11,964,334.46	15,021,684.20	15,269,522.34	8,505,618.52	3,289,765.00
Capital Grants and Contributions					10,560.00		35,650.69		2,910.00	
Total Governmental Activities Program Revenues	14,158,948.95	15,231,106.07	13,576,472.70	13,119,118.44	13,340,387.32	12,187,869.05	15,197,702.00	15,351,627.34	8,676,789.98	3,407,269.00
<b>Business-Type Activities:</b>										
Charges for services:										
Food Service	1,433,997.37	1,625,864.21	1,948,745.20	2,026,790.51	2,147,889.92	2,329,771.26	2,396,407.24	2,466,472.06	2,283,203.21	2,422,800.00
Child Care Program	170,387.77	163,562.08	153,650.18	148,200.16	170,549.28	111,772.96	94,938.87	107,078.59	99,009.27	78,982.00
TeleCommunications	16,605.00	16,950.00	16,993.00	14,270.00	13,560.00	16,040.00	15,596.00	15,679.00	17,294.71	16,790.00
Music Technology								1,872.50	3,203.45	2,117.00
Center for the Performing Arts	546,878.07	641,805.17	387,992.23	379,909.65	138,983.50	104,223.88	175,024.38	175,484.48	184,987.94	178,620.00
Drivers Education	66,750.00	68,988.00	66,825.00	69,985.00	86,850.00	94,950.00	120,150.00	113,175.00	123,773.00	111,580.00
Tech Crew					2,966.34	4,192.54	5,521.87	2,649.85	2,906.62	2,964.00
Operating Grants and Contributions	820,318.58	800,580.21	815,177.50	755,096.48	790,312.21	669,190.37	665,092.36	596,982.71	558,230.52	577,935.00
Total Business-Type Activities Program Revenues	3,054,936.79	3,317,749.67	3,289,383.11	3,394,251.80	3,351,121.25	3,330,141.01	3,472,730.72	3,479,394.19	3,272,608.72	3,391,788.00
<b>Total District Program Revenues</b>	<b>\$ 17,213,885.74</b>	<b>\$ 18,548,855.74</b>	<b>\$ 16,865,855.81</b>	<b>\$ 16,513,370.24</b>	<b>\$ 16,691,508.57</b>	<b>\$ 15,518,010.06</b>	<b>\$ 18,670,432.72</b>	<b>\$ 18,831,021.53</b>	<b>\$ 11,949,398.70</b>	<b>\$ 6,799,057.00</b>
<b>Component Unit Program Revenues:</b>										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ 48,291.49	\$ 63,029.00	\$ 77,917.97	\$ 526,470.09	\$ 1,047,787.77	\$ 116,322.00
<b>Net (Expense) / Revenue:</b>	<b>\$ (130,737,064.61)</b>	<b>\$ (125,178,918.07)</b>	<b>\$ (125,292,603.02)</b>	<b>\$ (124,544,775.04)</b>	<b>\$ (127,599,660.08)</b>	<b>\$ (123,431,758.63)</b>	<b>\$ (122,150,741.41)</b>	<b>\$ (117,419,978.78)</b>	<b>\$ (115,284,940.67)</b>	<b>\$ (115,224,684.00)</b>
<b>Governmental Activities</b>	<b>(1,044,779.93)</b>	<b>(657,295.04)</b>	<b>(687,627.31)</b>	<b>(596,024.05)</b>	<b>(942,774.97)</b>	<b>(944,792.63)</b>	<b>(987,041.63)</b>	<b>(775,636.50)</b>	<b>(793,264.08)</b>	<b>(568,599.00)</b>
<b>Business-Type Activities</b>	<b>\$ (131,781,844.54)</b>	<b>\$ (125,836,213.11)</b>	<b>\$ (125,980,230.33)</b>	<b>\$ (125,140,799.09)</b>	<b>\$ (128,542,435.05)</b>	<b>\$ (124,376,551.26)</b>	<b>\$ (123,137,783.04)</b>	<b>\$ (118,195,615.28)</b>	<b>\$ (116,078,204.75)</b>	<b>\$ (115,783,283.00)</b>
<b>Component Unit Net Expense</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 38,763.49</b>	<b>\$ (107,578.03)</b>	<b>\$ 27,523.43</b>	<b>\$ (40,411.39)</b>	<b>\$ (35,579.23)</b>	<b>\$ 9,120.00</b>
<b>Washington Township Live Arts (1)</b>										

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Changes in Net Position  
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>General Revenues and Other Changes in Net Position:</b>										
<b>Governmental Activities:</b>										
Property Taxes Levied for General Purposes	\$ 76,572,161.00	\$ 74,973,363.00	\$ 70,578,295.00	\$ 74,938,763.00	\$ 68,819,137.00	\$ 68,532,821.00	\$ 62,809,163.00	\$ 59,324,899.00	\$ 53,703,975.00	\$ 51,878,656.00
Taxes Levied for Debt Service	3,062,028.00	3,314,529.00	3,408,971.00	3,504,520.00	3,244,078.00	3,354,805.00	3,311,010.00	3,302,043.00	3,498,848.00	2,215,646.00
Federal and State Aid	52,494,962.97	52,220,072.16	54,633,003.06	51,292,616.88	55,869,670.95	53,065,224.16	54,559,925.54	62,336,000.25	61,206,420.51	59,680,428.00
Unrestricted Interest Earnings	105,291.43	254,184.63	108,823.74	42,214.27	97,811.12	287,728.58	380,139.53	579,344.25	801,644.86	384,795.00
Miscellaneous Income	1,934,751.85	880,533.89	840,494.87	918,563.29	595,508.71	338,138.69	969,488.29	625,803.69	481,185.80	720,769.00
Refund of Prior Year Revenue	(344.00)	(971.69)								
Cancellation of Prior Year Accounts Payable	344.00		(34,751.00)	(88,051.63)						
Cancellation of Prior Year Accounts Receivable	(25,000.89)	(26,790.69)								
Gain on Sale of Capital Assets										420.00
Donation of Assets	18,410.00									
Loss on Disposal of Capital Assets	341,434.91	(47,038.39)	(2,695.00)	(8,205.28)	(1,196.76)	(289,977.22)	(13,759.83)	(4,773.86)		337,630.00
Premium and Accrued Interest										
Change in Accounting Principal										
Litigation Settlement										
Transfers	(929,691.81)	(738,149.39)	(723,851.14)	(801,131.01)	(984,728.61)	(810,971.16)	(759,179.33)	(797,711.55)	(420,757.32)	(869,717.00)
<b>Total Governmental Activities</b>	<b>133,574,347.46</b>	<b>130,829,732.52</b>	<b>128,808,290.53</b>	<b>129,789,289.52</b>	<b>127,640,280.41</b>	<b>124,477,769.05</b>	<b>121,256,787.20</b>	<b>125,838,986.63</b>	<b>119,271,316.85</b>	<b>114,348,627.00</b>
<b>Business-Type Activities:</b>										
Unrestricted Interest Earnings	5,486.20	10,391.35	3,547.63	1,916.43	5,488.65	8,981.67	30,760.66	46,230.22	46,426.61	24,151.00
Miscellaneous Income	11,125.30		(758.06)							
Gain on Sale of Capital Assets			(2,713.93)	(20,227.49)	(1,761.43)					
Accounts Receivable Canceled			723,851.14	801,131.01	1,004,956.10	766,713.16	759,179.33	797,711.55	420,757.32	869,717.00
Transfers	929,691.81	738,149.39	723,851.14	801,131.01	1,008,683.32	775,694.83	789,939.99	843,941.77	467,183.93	893,868.00
<b>Total Business-Type Activities</b>	<b>946,303.31</b>	<b>748,540.74</b>	<b>723,926.78</b>	<b>782,819.95</b>	<b>1,008,683.32</b>	<b>775,694.83</b>	<b>789,939.99</b>	<b>843,941.77</b>	<b>467,183.93</b>	<b>893,868.00</b>
<b>Total District-wide</b>	<b>\$ 134,520,650.77</b>	<b>\$ 131,578,273.26</b>	<b>\$ 129,532,217.31</b>	<b>\$ 130,572,109.47</b>	<b>\$ 128,648,963.73</b>	<b>\$ 125,253,463.88</b>	<b>\$ 122,046,727.19</b>	<b>\$ 126,682,938</b>	<b>\$ 119,738,501</b>	<b>\$ 115,242,495</b>
<b>Component Unit:</b>										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ 84,892.51	\$ -	\$ -	\$ -	\$ -	\$ 12.00
<b>Change in Net Position:</b>										
Governmental Activities	\$ 2,837,282.85	\$ 5,650,814.45	\$ 3,515,687.51	\$ 5,244,514.47	\$ 40,620.33	\$ 1,046,010.42	\$ (893,954.21)	\$ 8,419,017.85	\$ 3,966,376.18	\$ (876,057.00)
Business-Type Activities	(98,476.62)	91,245.70	36,299.47	166,795.90	65,908.35	(169,097.80)	(197,101.64)	68,305.27	(326,080.15)	335,269.00
<b>Total District</b>	<b>\$ 2,738,806.23</b>	<b>\$ 5,742,060.15</b>	<b>\$ 3,551,986.98</b>	<b>\$ 5,431,310.37</b>	<b>\$ 106,528.68</b>	<b>\$ 876,912.62</b>	<b>\$ (1,091,055.85)</b>	<b>\$ 8,487,323.12</b>	<b>\$ 3,660,296.03</b>	<b>\$ (540,788.00)</b>
<b>Component Unit:</b>										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ 123,656.00	\$ (107,578.03)	\$ 27,523.43	\$ (40,411.39)	\$ (35,579.23)	\$ 9,132.00

(1) On June 28, 2010, the component unit was dissolved and absorbed by the School District as part of the District's Center for Performing Arts Enterprise Fund.

Source: CAFR Exhibit A-2

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011 (1)	2010	2009	2008	2007	2006	2005
<b>General Fund:</b>										
Reserved					\$ 5,392,092.95	\$ 3,725,229.60	\$ 828,148.53	\$ 1,309,850.67	\$ 1,481,696.70	\$ 1,606,222.00
Unreserved	\$ 10,804,064.18	\$ 9,949,186.54	\$ 7,107,643.24	\$ 3,191,428.69	354,621.92	2,078,606.92	3,836,880.82	3,401,422.67	3,316,970.05	4,513,940.00
Restricted	3,527,314.29	4,266,115.78	4,668,322.92	4,587,078.88						
Assigned	2,997,811.41	2,879,337.90	3,048,560.87	2,931,115.55						
Unassigned										
<b>Total General Fund</b>	<b>\$ 17,329,189.88</b>	<b>\$ 17,094,640.22</b>	<b>\$ 14,824,527.03</b>	<b>\$ 10,709,623.12</b>	<b>\$ 5,746,714.87</b>	<b>\$ 5,803,836.52</b>	<b>\$ 4,665,029.35</b>	<b>\$ 4,711,273.34</b>	<b>\$ 4,798,666.75</b>	<b>\$ 6,120,162.00</b>
<b>All Other Governmental Funds:</b>										
Reserved						\$ 87,096.00	\$ 43,280.67	\$ 470,265.71	\$ 9,462,032.27	\$ 11,122,158.00
Unreserved, Reported in:						21,200.29	30,782.73	33,287.35	(7,292.65)	3,197.00
Special Revenue Fund						325,387.00	422,190.87	527,965.12	(7,334,174.70)	
Capital Projects Fund						16,687.17	16,686.94	0.59	47,288.49	
Debt Service Fund					\$ 347,629.76	0.67				
Restricted, Reported in:										
Capital Projects Fund	\$ 1,123,628.64	\$ 577,841.74	\$ 621,220.31	\$ 1,023,965.82						
Debt Service Fund	93,210.91	101,223.91	8,053.48	1.17						
<b>Total All Other Governmental Funds</b>	<b>\$ 1,216,839.55</b>	<b>\$ 679,065.65</b>	<b>\$ 629,273.79</b>	<b>\$ 1,023,966.99</b>	<b>\$ 347,630.43</b>	<b>\$ 450,370.46</b>	<b>\$ 512,941.21</b>	<b>\$ 1,031,118.77</b>	<b>\$ 2,167,853.41</b>	<b>\$ 11,125,355.00</b>

(1) GASB Statement No. 54 effective for the fiscal year ending June 30, 2011. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. See the Notes to Financial Statements.

Source: CAFR Exhibit B-1

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Revenues:</b>										
Local Tax Levy	\$ 79,634,189.00	\$ 78,287,892.00	\$ 73,987,266.00	\$ 78,443,283.00	\$ 72,063,215.00	\$ 71,887,626.00	\$ 66,120,173.00	\$ 62,664,525.99	\$ 57,202,823.00	\$ 54,094,302.00
Tuition Charges	485,863.34	467,357.94	301,908.22	357,644.07	252,111.65	212,974.59	140,367.11	82,105.36	168,261.46	117,504.00
Miscellaneous Revenues	1,553,743.63	667,359.13	647,409.58	603,134.02	441,208.18	665,000.89	1,403,836.28	1,205,147.94	1,300,138.68	1,062,364.00
Federal Sources	2,981,360.17	3,092,404.70	5,083,007.86	4,304,305.60	10,679,835.87	2,869,571.91	2,518,873.36	3,023,579.37	2,825,169.49	2,811,891.00
State Sources	63,509,343.80	64,166,723.33	62,935,434.99	59,874,709.58	58,302,574.55	62,131,413.09	67,044,178.61	74,544,358.83	66,836,963.05	60,158,302.00
<b>Total Revenue</b>	<b>148,164,499.94</b>	<b>146,681,737.10</b>	<b>142,955,026.65</b>	<b>143,583,076.27</b>	<b>141,738,945.25</b>	<b>137,766,586.48</b>	<b>137,227,428.36</b>	<b>141,409,739.99</b>	<b>128,270,867.35</b>	<b>118,155,844.00</b>
<b>Expenditures:</b>										
Current:										
Tuition	41,586,757.08	41,029,832.78	7,004,602.42	7,025,817.29	7,038,003.77	6,023,732.04	5,086,776.45	4,474,338.74	4,227,893.61	3,602,814.00
Student and Instruction Related Services	14,661,286.22	14,647,269.23	13,921,953.19	13,427,204.87	14,617,753.71	13,474,646.69	13,242,625.40	12,811,507.15	12,472,291.42	11,605,544.00
Other Administrative Services	3,961,739.40	3,775,706.10	3,775,706.10	3,938,340.71	3,936,232.74	1,921,408.00	2,274,993.61	2,349,687.67	2,343,665.27	5,243,736.00
School Administrative Services	6,282,257.63	6,227,860.46	6,040,439.21	5,764,203.91	6,240,889.02	8,001,987.89	7,988,973.35	7,362,507.06	7,077,207.51	4,406,112.00
Plant Operations and Maintenance	9,630,638.36	9,251,479.89	9,011,523.94	9,194,172.89	9,410,527.43	9,551,466.26	9,926,259.45	9,904,213.99	9,884,410.20	10,634,477.00
Pupil Transportation	5,347,321.44	5,171,864.45	5,291,148.28	5,194,439.89	5,345,570.31	5,442,376.57	5,697,972.81	6,399,689.75	6,083,227.75	5,993,688.00
Unallocated Benefits	35,290,605.36	34,824,514.02	31,792,616.94	30,990,118.56	31,412,671.58	29,439,055.40	32,242,427.88	29,206,286.95	23,218,966.08	21,297,286.00
Capital Outlay	3,154,921.02	2,941,696.85	2,158,905.54	1,369,744.60	1,572,575.31	2,524,346.05	1,501,326.20	10,421,752.66	16,449,444.93	7,841,373.00
Special Schools	186,230.33	162,550.00	74,113.00	69,307.81	34,044.00	64,844.70	78,519.96	69,392.57	61,569.52	58,473.00
Charter Schools								9,220.00		
Debt Service:										
Principal	3,545,000.00	3,720,000.00	3,520,000.00	3,560,000.00	3,455,000.00	3,539,281.17	3,462,263.18	3,380,522.30	3,368,946.57	2,482,900.00
Interest and Other Charges	793,650.00	937,737.25	1,381,137.50	1,500,087.50	1,662,587.50	1,824,988.60	1,913,396.47	2,123,032.60	2,287,435.65	1,659,427.00
Bond Issue Costs										337,630.00
<b>Total Expenditures</b>	<b>147,074,443.68</b>	<b>144,413,370.28</b>	<b>139,149,554.80</b>	<b>137,540,086.82</b>	<b>141,564,903.69</b>	<b>137,910,582.55</b>	<b>137,670,836.88</b>	<b>141,998,770.82</b>	<b>138,845,795.23</b>	<b>126,087,389.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,090,056.26</b>	<b>2,268,366.82</b>	<b>3,805,471.85</b>	<b>6,042,989.45</b>	<b>174,041.56</b>	<b>(143,996.07)</b>	<b>(443,408.52)</b>	<b>(569,030.83)</b>	<b>(10,575,227.88)</b>	<b>(7,931,545.00)</b>
Other Financing Sources (Uses):										
Capital Leases (Non-budgeted)	636,960.00	817,450.00	673,341.00	495,438.00	650,825.37	2,031,203.65	638,166.30	349,961.40	690,799.00	1,471,934.00
Cancellation of Accounts Receivable	(25,000.89)	(26,790.69)	(34,751.00)	(96,051.63)					(36,628.68)	
Refund of Prior Year Revenue		(871.69)								
Proceeds from Sale of Bonds		9,095,000.00	7,205,000.00							16,271,000.00
Premium on Bonds Issued and Accrued Interest		435,264.50	249,107.35							337,630.00
Payment to Refunding Bond Escrow Agent		(9,438,031.42)	(7,348,828.64)							
Costs of Issuance-Refunding Bonds		(92,233.08)	(105,278.71)							
Sale of Capital Assets										420.00
Reversal of Prior Year's Adjustments										5,731.00
Litigation Settlement										
Operating Transfers	(929,691.81)	(738,149.39)	(723,851.14)	(801,131.01)	(984,728.61)	(810,971.16)	(759,179.33)	(300,000.00)	(420,757.32)	(832,248.00)
<b>Total Other Financing Sources (Uses)</b>	<b>(317,732.70)</b>	<b>51,638.23</b>	<b>(85,261.14)</b>	<b>(403,744.64)</b>	<b>(333,903.24)</b>	<b>1,220,232.49</b>	<b>(121,019.03)</b>	<b>(635,097.62)</b>	<b>296,231.33</b>	<b>17,342,986.00</b>
<b>Net Change in Fund Balances</b>	<b>\$ 772,323.56</b>	<b>\$ 2,319,905.05</b>	<b>\$ 3,720,210.71</b>	<b>\$ 5,639,244.81</b>	<b>\$ (159,861.68)</b>	<b>\$ 1,076,236.42</b>	<b>\$ (564,421.55)</b>	<b>\$ (1,224,128.45)</b>	<b>\$ (10,278,996.55)</b>	<b>\$ 9,411,441.00</b>
Debt Service as a Percentage of Noncapital Expenditures	3.0%	3.3%	3.6%	3.7%	3.7%	4.0%	3.9%	4.2%	4.6%	3.5%

Source: CAFR Exhibit B-2

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 General Fund - Other Local/Miscellaneous Revenue by Source  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Gate Receipts	\$ 18,687.00	\$ 21,711.00	\$ 18,901.00	\$ 22,021.00	\$ 23,511.00	\$ 23,933.00	\$ 27,552.00	\$ 26,304.00	\$ 30,000.00	\$ 23,733.00
Interest on Investments	94,170.10	235,812.79	100,583.63	41,127.00	95,121.98	287,728.58	380,139.53	579,344.25	519,041.77	384,795.00
Legal Settlement				38,500.00	43,633.31	43,633.31	227,000.00			
Miscellaneous	23,745.48	11,854.16	89,315.56	153,390.42	30,455.85	159,004.03	221,380.51	124,300.89	106,580.94	55,198.64
Tuition	485,863.34	467,357.94	301,908.22	357,644.07	252,111.65	140,367.11	82,105.36	168,261.46	117,504.00	63,135.36
Accounts Payable Canceled	922,437.13	15,838.42								
Summer Programs					47,566.46					
FEIMA--Snow Removal	344,259.26	228,925.53	253,021.90	129,981.25	120,515.94	27,601.46	40,448.02	34,191.24	14,400.74	14,805.00
Refund of Prior Year Expenditures	98,632.23	67,241.38	47,263.43	26,151.00	33,984.60	33,984.60	29,333.00	29,531.00	25,865.50	
Rentals	109,170.27	108,840.94	78,328.57	67,526.74	65,218.86	98,159.83	94,980.43	87,521.43	88,056.33	84,291.00
ROTC Reimbursements	745.25	4,460.00	2,516.60	7,003.00	2,440.00	1,175.00	800.00			
Sale of Equipment										
School Bus Advertising	5,267.92	3,201.32							59.29	139.00
Telephone Commission									422.20	
Use of Facilities										
Workers Compensation Refund										
Total Miscellaneous Revenues	\$ 2,102,977.98	\$ 1,165,243.48	\$ 891,838.91	\$ 843,344.48	\$ 666,084.59	\$ 815,586.92	\$ 1,103,738.85	\$ 1,049,454.27	\$ 901,930.77	\$ 663,930.00

Source: District Records

## Revenue Capacity Information

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Fiscal Years  
 Unaudited

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Real Property Exempt from Taxation	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2014	\$ 37,005,500.00	\$ 3,385,410,500.00	\$ 5,561,200.00	\$ 722,086,100.00	\$ 10,194,500.00	\$ 68,658,600.00	\$ 4,228,916,400.00	\$ 5,424,948.00	\$ 4,234,341,348.00	\$ 494,659,200.00	\$ 4,457,590,808.00	\$ 1,912
2013 (3)	37,156,900.00	3,389,076,100.00	6,145,900.00	733,075,800.00	10,445,300.00	69,942,000.00	4,245,842,000.00	7,355,354.00	4,253,197,354.00	496,223,700.00	4,517,814,429.00	1,857
2012	27,303,200.00	2,074,323,500.00	4,242,700.00	407,604,400.00	6,167,100.00	38,745,500.00	2,558,386,400.00	4,108,807.00	2,562,495,207.00	210,317,700.00	4,839,013,429.00	2,972
2011	29,217,300.00	2,077,652,800.00	4,517,700.00	401,166,200.00	6,167,100.00	38,745,500.00	2,557,396,600.00	3,687,083.00	2,561,083,683.00	205,110,900.00	5,146,702,757.00	2,976
2010	29,861,400.00	2,078,668,200.00	4,517,700.00	409,038,800.00	6,167,100.00	39,304,000.00	2,567,455,200.00	5,192,362.00	2,572,647,562.00	206,521,900.00	5,261,176,689.00	2,925
2009	31,578,200.00	2,082,663,100.00	5,223,900.00	403,761,300.00	6,167,100.00	39,674,000.00	2,579,067,600.00	4,206,695.00	2,583,274,295.00	193,936,900.00	5,324,231,688.00	2,790
2008	33,660,800.00	2,083,518,500.00	5,214,800.00	392,870,100.00	6,167,100.00	38,105,200.00	2,569,536,500.00	4,017,465.00	2,573,553,965.00	192,940,900.00	5,137,731,975.00	2,680
2007	34,918,100.00	2,089,670,700.00	5,343,700.00	389,647,400.00	5,945,200.00	37,917,000.00	2,563,442,100.00	4,117,363.00	2,567,559,463.00	189,650,900.00	4,840,866,053.00	2,507
2006	30,326,000.00	2,079,233,300.00	5,653,700.00	380,243,000.00	5,945,200.00	37,917,000.00	2,539,298,200.00	4,488,586.00	2,543,786,786.00	189,262,000.00	4,270,248,088.00	2,356
2005	33,868,400.00	2,056,678,800.00	5,646,200.00	370,029,400.00	5,945,200.00	39,750,300.00	2,511,920,300.00	5,477,728.00	2,517,398,028.00	187,227,600.00	3,713,524,160.00	2,210

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

(3) Revaluation

Source: Camden County Board of Taxation

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

*Unaudited*

Year Ended <u>Dec. 31</u>	District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	<u>Basic Rate</u>	General Obligation Debt <u>Service</u>	Total Direct School <u>Tax Rate</u>	Township of <u>Washington</u>	Township of <u>Washington</u> <u>Fire District</u>	Gloucester <u>County</u>		
2014	\$ 1.842	\$ 0.070	\$ 1.912	\$ 0.681	\$ 0.131	\$ 0.654	\$	3.378
2013 (1)	1.782	0.075	1.857	0.673	0.129	0.644		3.303
2012	2.841	0.131	2.972	1.080	0.207	1.041		5.300
2011	2.841	0.135	2.976	1.052	0.192	1.092		5.312
2010	2.794	0.131	2.925	1.041	0.196	1.129		5.291
2009	2.658	0.128	2.786	0.961	0.195	1.136		5.078
2008	2.552	0.129	2.680	0.926	0.196	1.119		4.922
2007	2.378	0.129	2.507	0.836	0.182	1.039		4.564
2006	2.222	0.135	2.356	0.836	0.165	0.994		4.351
2005	2.097	0.113	2.210	0.889	0.156	0.816		4.071

(1) Revaluation

Source: Municipal Tax Collector

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Principal Property Tax Payers  
 Current Year and Nine Years Ago  
*Unaudited*

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Turnersville Auto Mall	\$ 43,618,600.00	1	1.03%	\$ 13,322,600.00	3	0.53%
CSC Cross Keys LP	22,141,300.00	2	0.52%			
Society Hill Apt. Assoc., LP	21,872,800.00	3	0.52%	15,000,000.00	2	0.60%
Centro Bradley Crosskeys Commons	21,864,200.00	4	0.52%	15,772,800.00	1	0.63%
Wal-Mart	20,076,800.00	5	0.47%	9,658,600.00	4	0.38%
Turnersville Interstate, LLC	19,583,000.00	6	0.46%			
WP Plaza	17,995,900.00	7	0.42%			
Washington Center LLC	14,866,300.00	8	0.35%	9,000,000.00	6	0.36%
Lowes	14,643,800.00	9	0.35%			
Birches Reality	13,821,700.00	10	0.33%			
Home Depot				9,288,200.00	5	0.37%
Target				7,924,400.00	7	0.31%
Ganttown Plaza				7,500,000.00	8	0.30%
United Artists				7,044,500.00	9	0.28%
Mill Pond Village				6,785,800.00	10	0.27%
<b>Total</b>	<b>\$ 210,484,400.00</b>		<b>4.97%</b>	<b>\$ 101,296,900.00</b>		<b>4.02%</b>

Source: Municipal Tax Assessor

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years  
*Unaudited*

<u>Fiscal Year Ended June 30,</u>	School District Taxes Levied for the Fiscal Year	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2014	\$ 79,634,189.00	\$ 79,634,189.00	100.00%	-
2013	78,287,892.00	78,287,892.00	100.00%	-
2012	73,987,266.00	68,108,094.03	92.05%	\$ 5,879,171.97
2011	78,443,283.00	75,700,884.04	96.50%	2,742,398.96
2010	72,063,215.00	72,063,215.00	100.00%	-
2009	71,887,626.00	71,887,626.00	100.00%	-
2008	66,120,173.00	66,120,173.00	100.00%	-
2007	62,626,942.00	62,626,942.00	100.00%	-
2006	57,202,823.00	57,202,823.00	100.00%	-
2005	54,094,302.00	54,094,302.00	100.00%	-

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

Source: District Records

## Debt Capacity Information

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	Percentage of Personal Income (2)	<u>Per Capita (3)</u>
	<u>General Obligation Bonds (1)</u>	<u>Capital Leases</u>			
2014	\$ 20,845,000.00	\$ 1,519,824.07	\$ 22,364,824.07	Unavailable	\$ 464.74
2013	24,390,000.00	1,514,203.81	25,904,203.81	Unavailable	537.90
2012	28,225,000.00	1,433,947.55	29,658,947.55	1.37%	609.04
2011	31,325,000.00	1,605,970.25	32,930,970.25	1.55%	677.52
2010	34,885,000.00	1,909,166.23	36,794,166.23	1.82%	706.29
2009	38,340,000.00	2,088,309.60	40,428,309.60	1.89%	776.08
2008	41,879,281.17	1,220,293.17	43,099,574.34	2.02%	828.03
2007	44,867,544.36	1,238,932.51	46,106,476.87	2.27%	891.05
2006	48,248,066.66	1,490,212.77	49,738,279.43	2.55%	964.14
2005	51,617,013.23	1,481,946.86	53,098,960.09	2.88%	1,026.38

## Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita personal income data provided by the NJ Dept of Labor and Workforce Development
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable (2)	Per Capita (4)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
2014	\$ 20,845,000.00	-	\$ 20,845,000.00	0.49%	\$ 433.16
2013	24,390,000.00	-	24,390,000.00	0.57% (3)	506.46
2012	28,225,000.00	-	28,225,000.00	1.10%	579.59
2011	31,325,000.00	-	31,325,000.00	1.22%	644.48
2010	34,885,000.00	-	34,885,000.00	1.36%	669.64
2009	38,340,000.00	-	38,340,000.00	1.48%	735.99
2008	41,879,281.17	-	41,879,281.17	1.63%	804.58
2007	44,867,544.36	-	44,867,544.36	1.75%	867.11
2006	48,248,066.66	-	48,248,066.66	1.90%	935.26
2005	51,617,013.23	-	51,617,013.23	2.05%	997.74

**Sources:**

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Revaluation
- (4) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2013  
*Unaudited*

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Washington Township</u>	<u>Debt Authorized but not Issued</u>
Municipal Debt: (1)					
Washington Township School District	\$ 24,390,000.00	\$ 24,390,000.00	\$ 24,488,120.10	\$ 24,488,120.10	
Washington Township	24,488,120.10				
	<u>48,878,120.10</u>	<u>24,390,000.00</u>	<u>24,488,120.10</u>	<u>24,488,120.10</u>	<u>-</u>
Overlapping Debt Apportioned to the Municipality:					
County of Gloucester: (2)					
General:					
Bonds	264,966,199.00				
Bonds Issued by Other Public Bodies		6,086,500.00 (4)	258,879,699.00	44,679,717.31 (6)	\$ 5,568,661.00
Guaranteed by the County	139,676,150.00				
Washington Township Municipal Utilities Authority (3)	15,025,148.61	139,676,150.00 (5)	15,025,148.61	15,025,148.61	
Washington Township Fire District (3)	2,625,000.00		2,625,000.00	2,625,000.00	
	<u>422,292,497.61</u>	<u>145,762,650.00</u>	<u>276,529,847.61</u>	<u>62,329,865.92</u>	<u>5,568,661.00</u>
	<u>\$ 471,170,617.71</u>	<u>\$ 170,152,650.00</u>	<u>\$ 301,017,967.71</u>	<u>\$ 86,817,986.02</u>	<u>\$ 5,568,661.00</u>

Sources:

- (1) 2013 Annual Debt Statement
- (2) County's 2013 Annual Debt Statement
- (3) Entity's Audit Report
- (4) Includes County College Bonds
- (5) Deductible in accordance with N.J.S. 40:37A-80.
- (6) Such debt is allocated as a proportion of the Issuer's share of the total 2013 Net Valuation on which County taxes are apportioned, which is 17.26%.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
*Unaudited*

Legal Debt Margin Calculation for Fiscal Year 2014

	Equalized
	Valuation
	Basis (1)
2013	\$ 4,475,431,643
2012	4,534,538,107
2011	4,837,141,290
	<u>\$ 13,847,111,040</u>
	<u>\$ 4,615,703,680</u>

Average equalized valuation of taxable property	\$ 138,471,110
Debt limit (3% of average equalization value) (2)	20,845,000
Total Net Debt Applicable to Limit	<u>\$ 117,626,110</u>

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debt limit	\$ 138,471,110.40	\$ 145,386,248.59	\$ 152,890,613.42	\$ 157,564,958.16	\$ 156,980,439.77	\$ 202,590,330.80	\$ 188,086,039.32	\$ 162,080,181.12	\$ 147,403,503.79	\$ 129,206,093.00
Total net debt applicable to limit (3)	<u>20,845,000.00</u>	<u>24,390,000.00</u>	<u>28,225,000.00</u>	<u>31,325,000.00</u>	<u>34,865,000.00</u>	<u>38,340,000.00</u>	<u>41,879,281.17</u>	<u>44,867,544.36</u>	<u>48,248,066.66</u>	<u>51,617,013.23</u>
Legal debt margin	<u>\$ 117,626,110.40</u>	<u>\$ 120,996,248.59</u>	<u>\$ 124,665,613.42</u>	<u>\$ 126,239,958.16</u>	<u>\$ 122,085,439.77</u>	<u>\$ 164,250,330.80</u>	<u>\$ 229,965,320.49</u>	<u>\$ 117,212,636.76</u>	<u>\$ 99,155,437.13</u>	<u>\$ 77,589,079.77</u>
Total net debt applicable to the limit as a percentage of debt limit	15.05%	16.79%	18.46%	19.88%	22.22%	18.92%	22.27%	27.68%	32.73%	39.95%

Sources:  
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.  
 (2) Limit set by NUSA 18A-24-19 for a K through 12 district.  
 (3) District Records

## Demographic and Economic Information

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years  
*Unaudited*

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	County of Gloucester <u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2013	48,123	Unavailable	Unavailable	7.1%
2012	48,158	\$ 2,160,753,144.00	\$ 44,868.00	8.1%
2011	48,698	2,126,057,284.00	43,658.00	8.2%
2010	48,605	2,025,030,115.00	41,663.00	7.7%
2009	52,095	2,139,645,840.00	41,072.00	7.2%
2008	52,093	2,130,499,514.00	40,898.00	1.9%
2007	52,051	2,032,695,652.00	39,052.00	4.3%
2006	51,744	1,947,126,720.00	37,630.00	4.3%
2005	51,588	1,841,382,072.00	35,694.00	1.9%
2004	51,734	1,766,353,962.00	34,143.00	1.8%

Sources:

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



## Operating Information

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
*Unaudited*

Function/Program	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Instruction	740.47	862.60	692.90	781.10	861.00	780.50	807.30	837.30	882.00	884.30
Support Services:										
Tuition										
Student and Instruction Related Services	270.14	269.70	243.80	239.90	248.00	243.60	243.90	225.50	236.70	244.70
Other Administrative Services	45.00	40.50	43.50	39.50	41.00	40.00	42.80	43.00	41.50	47.50
School Administrative Services	85.10	85.30	84.80	74.50	75.00	81.40	84.00	85.70	88.70	88.00
Plant Operations and Maintenance	81.44	116.10	117.50	116.90	114.00	115.50	116.50	113.20	115.20	112.80
Pupil Transportation	75.87	81.90	81.90	81.90	83.00	57.00	63.20	64.40	66.10	66.90
Special Schools	-	-	-	-	57.00	-	-	-	-	-
Food Service	51.00	55.00	55.00	57.00	57.00	62.00	62.00	62.00	58.00	58.00
Child Care Program	3.80	3.80	3.80	3.80	3.80	3.80	4.00	4.00	4.00	4.00
Center for the Performing Arts	2.50	2.50	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
<b>Total</b>	<b>1,355.32</b>	<b>1,517.40</b>	<b>1,324.20</b>	<b>1,395.60</b>	<b>1,540.80</b>	<b>1,385.80</b>	<b>1,425.70</b>	<b>1,437.10</b>	<b>1,494.20</b>	<b>1,508.20</b>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Operating Statistics  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Elementary	Middle	High				
2014	\$ 139,580,872.66	\$ 18,303.29	7.63%	741	1:24	1:26	1:24	7,550	7,207	-3.17%	95.45%
2013	136,813,936.18	17,006.08	10.87%	769	1:24	1:26	1:24	7,797	7,417	-3.51%	95.13%
2012	132,089,511.76	15,824.79	3.17%	794	1:24	1:26	1:24	8,081	7,696	-2.21%	95.20%
2011	131,110,254.72	15,338.12	-0.30%	825	1:24	1:26	1:24	8,263	7,886	-2.81%	95.40%
2010	134,874,740.88	15,384.37	3.20%	923	1:24	1:26	1:24	8,502	8,140	-1.49%	95.80%
2009	130,021,986.73	14,907.36	3.55%	924	1:20	1:22	1:20	8,631	8,251	-2.47%	95.60%
2008	130,793,851.03	14,396.68	6.15%	924	1:18	1:16	1:19	8,849	8,441	-1.93%	95.38%
2007	126,073,463.26	13,562.12	10.13%	933	1:21	1:18	1:20	9,024	8,623	-1.53%	95.56%
2006	116,739,968.08	12,314.34	3.97%	945	1:21	1:23	1:21	9,164	8,721	-1.96%	95.17%
2005	113,766,059.00	11,844.46	8.54%	930	1:22	1:24	1:21	9,347	8,953	-2.22%	95.78%

Sources: District Records

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

School Building Information  
Last Ten Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
School District Building:										
Elementary:										
Bells Elementary School (1967)										
Square Feet	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	526	557	563	573	567	566	603	603	603	633
Birches Elementary School (1968)										
Square Feet	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	467	497	497	512	528	514	551	569	569	580
Grenloch Terrace Early Childhood Center (1936)										
Square Feet	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	515	487	557	529	564	585	604	577	577	629
Hurffville Elementary School (1957)										
Square Feet	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	460	485	496	524	533	500	507	486	486	511
Thomas Jefferson Elementary School (1980)										
Square Feet	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	438	436	471	456	459	459	472	491	491	524
Wedgwood Elementary School (1970)										
Square Feet	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	416	443	447	460	509	523	517	573	573	565
Whitman Elementary School (1965)										
Square Feet	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	518	550	551	560	576	592	615	623	623	619

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

School Building Information  
Last Ten Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
School District Building:										
Middle School:										
Bunker Hill Middle School (1997)										
Square Feet	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	690	723	734	759	775	750	767	837	837	791
Chestnut Ridge Middle School (1989)										
Square Feet	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	569	613	651	671	660	697	720	735	735	762
High School:										
Washington Township High School (1962)										
Square Feet	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011
Capacity (students)	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Enrollment	2,425	2,512	2,620	2,614	2,646	2,757	2,866	3,045	3,045	3,052
Number of Schools at June 30, 2014										
Elementary = 7										
Middle School = 3										
High School = 1										

Source: District Records

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
*Unaudited*

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

School Facilities	Project Number	Fiscal Year Ended June 30,									
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Bells Elementary School	N/A	\$ 51,138.00	\$ 54,523.00	\$ 48,008.00	\$ 56,072.46	\$ 55,744.00	\$ 51,350.79	\$ 73,114.68	\$ 81,647.00	\$ 86,538.75	\$ 102,302.00
Birches Elementary School	N/A	55,413.00	54,343.00	47,850.00	55,887.99	55,560.00	51,181.86	72,874.15	81,380.00	77,438.87	107,118.00
Bunker Hill Middle School	N/A	104,422.00	109,277.00	96,570.00	111,985.51	111,329.00	102,555.61	150,586.52	164,399.00	149,508.71	101,120.00
Chestnut Ridge Middle School	N/A	92,384.00	93,311.00	82,609.00	95,816.67	95,255.00	87,748.29	124,938.45	141,790.00	104,635.69	101,622.00
Grenloch Terrace Early Childhood Center	N/A	25,430.00	27,114.00	23,874.00	27,884.44	27,956.00	25,536.39	36,359.42	41,534.00	77,101.16	84,347.00
Hurffville Elementary School	N/A	53,151.00	56,669.00	49,897.00	58,279.82	57,938.00	53,372.28	75,982.94	88,864.00	96,125.49	93,753.00
Orchard Valley Middle School	N/A	87,384.00	98,168.00	82,035.00	95,816.67	95,255.00	87,748.29	124,938.45	140,007.00	204,716.21	50,505.00
Thomas Jefferson Elementary School	N/A	66,882.00	71,309.00	62,788.00	73,336.47	72,906.00	67,161.07	95,625.79	108,277.00	133,896.58	165,101.00
Washington Township High School	N/A	360,434.82	379,706.69	334,431.25	390,481.07	384,616.59	361,272.23	506,331.36	562,142.00	696,273.62	181,120.00
Wedgwood Elementary School	N/A	53,510.00	56,559.00	49,801.00	58,166.99	57,826.00	53,268.96	75,845.81	83,846.00	90,746.46	154,473.00
Whitman Elementary School	N/A	55,056.00	58,700.00	51,686.00	60,278.99	60,015.00	55,285.53	78,717.06	88,595.00	82,126.61	584,222.00
<b>Total School Facilities</b>		<b>1,005,204.82</b>	<b>1,059,679.69</b>	<b>929,549.25</b>	<b>1,084,007.08</b>	<b>1,074,400.59</b>	<b>996,481.30</b>	<b>1,415,324.63</b>	<b>1,582,481.00</b>	<b>1,799,108.15</b>	<b>1,725,683.00</b>
Other Facilities	N/A	-	-	-	-	-	-	-	-	33,439.87	41,421.70
<b>Total</b>		<b>\$ 1,005,204.82</b>	<b>\$ 1,059,679.69</b>	<b>\$ 929,549.25</b>	<b>\$ 1,084,007.08</b>	<b>\$ 1,074,400.59</b>	<b>\$ 996,481.30</b>	<b>\$ 1,415,324.63</b>	<b>\$ 1,582,481.00</b>	<b>\$ 1,832,548.02</b>	<b>\$ 1,767,104.70</b>

Source: District Records

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Insurance Schedule  
June 30, 2013  
Unaudited

<u>Type of Coverage</u>	<u>Insurance Company</u>	<u>Coverage</u>	<u>Deductible</u>
School Package Policy Property, Inland Marine, Automobile Physical Damage	SPELL JIF, Selective Insurance Company of America, Axis Surplus Insurance Company, Westchester Surplus Lines Insurance Company, Alterra Excess & Surplus Insurance Company, Ironshore Specialty Insurance Company, Steadfast Insurance Company, RSUI Indemnity Insurance Company, Liberty Surplus Insurance Corp., James River Insurance Company, Maiden Specialty Insurance Company, Arch Specialty Insurance Company	\$ 150,000,000.00	\$ 500.00
General Liability Automobile Liability, Educator's Legal Liability	SPELL JIF, Selective Insurance Company, General Reinsurance Corp.	15,000,000.00	
Boiler And Machinery	Travelers Insurance Company	125,000,000.00	1,000.00
Crime	SPELL JIF, Selective Insurance Company of America, Axis Surplus Insurance Company, Westchester Surplus Lines Insurance Company, Alterra Excess & Surplus Insurance Company, Ironshore Specialty Insurance Company, Steadfast Insurance Company, RSUI Indemnity Insurance Company, Liberty Surplus Insurance Corp., James River Insurance Company, Maiden Specialty Insurance Company, Arch Specialty Insurance Company	500,000.00	500.00
Pollution Legal Liability	AIG/Commerce and Industry Insurance Company	3,000,000.00	25,000.00
Cyber Liability	Lloy'd of London	1,000,000.00	25,000.00
Workers' Compensation	SPELL JIF, Selective Insurance Company	Statutory	None
Board Secretary's Bond	Western Surety Company	514,000.00	None
Driving School Bond	Western Surety Company	10,000.00	None
Student Accident Policy	Monumental Life Insurance Company	1,000,000.00	None

Source: School District Records

SINGLE AUDIT SECTION

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

**INDEPENDENT AUDITOR'S REPORT**

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

***Report on Compliance for Each Major Federal and State Program***

We have audited the Township of Washington School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2014. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

**Opinion on Each Major Federal and State Program**

In our opinion, the Township of Washington School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2014.

**Report on Internal Control Over Compliance**

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

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended June 30, 2014

<u>Pass-through</u> <u>Grantor/Program Title</u>	<u>CFDA</u> <u>Number</u>	<u>State Project</u> <u>Number</u>	<u>Award</u> <u>Amount</u>	<u>Grant Period</u>		<u>Balance</u> <u>June 30, 2013</u>
				<u>From</u>	<u>To</u>	
<b>General Fund:</b>						
United States Air Force:						
Air Force Junior ROTC	99.XXX	NJ080932	\$ 109,170.27	7-1-13	6-30-14	
Air Force Junior ROTC	99.XXX	NJ080932	108,840.94	7-1-12	6-30-13	\$ (9,986.44)
Total Air Force Junior ROTC						<u>(9,986.44)</u>
U.S. Department of Health and Human Services:						
Passed-through the State Department of Education:						
Education Jobs Fund	84.410	Unavailable	4,584.00	8-10-10	9-30-12	<u>(4,584.00)</u>
Special Education--Medicaid Initiative	93.778	N/A	126,999.06	7-1-13	6-30-14	<u>-</u>
Total General Fund						<u>(14,570.44)</u>
<b>Special Revenue Fund:</b>						
U.S. Department of Education:						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	NCLB552014	422,437.00	7-1-13	6-30-14	
Title I	84.010	NCLB552013	292,732.00	9-1-12	8-31-13	<u>(113,871.00)</u>
Total Title I						<u>(113,871.00)</u>
Title II - Part A	84.367	NCLB552014	176,662.00	7-1-13	6-30-14	
Title II - Part A	84.367	NCLB552013	183,846.00	9-1-12	8-31-13	<u>(63,917.00)</u>
Total Title II - Part A						<u>(63,917.00)</u>
Title III	84.365	NCLB552014	18,066.00	7-1-13	6-30-14	
Title III	84.365	NCLB552013	18,323.00	9-1-12	8-31-13	<u>(3,509.00)</u>
Title III Immigrant	84.365	NCLB552014	892.00	7-1-13	6-30-14	
Title III Immigrant	84.365	NCLB552013	13,585.00	9-1-12	8-31-13	<u>(2,820.00)</u>
Total Title III & Title III Immigrant						<u>(6,329.00)</u>
I.D.E.A. Part B:						
Special Education Cluster:						
Basic	84.027	IDEA552014	2,276,102.00	7-1-13	6-30-14	
Basic	84.027	IDEA552013	2,285,988.00	9-1-12	8-31-13	<u>(478,515.00)</u>
Pre-School	84.173	IDEA552014	113,269.00	7-1-13	6-30-14	
Pre-School	84.173	IDEA552013	115,764.00	9-1-12	8-31-13	<u>(12,989.00)</u>
Total I.D.E.A. Part B Special Education Cluster						<u>(491,504.00)</u>
Teaching American History	84.215X	N/A	185,733.38	7-1-11	2-28-13	<u>(100,951.00)</u>
Race to the Top Phase 3	84.413A	N/A	49,912.00	9-1-11	11-30-15	<u>(10,908.00)</u>
Carl D. Perkins Vocational and Technical:						
Education Act of 1998 - Secondary						
Education Act of 1998 - Secondary	84.048A	PERK552014	40,102.00	7-1-13	6-30-14	
Education Act of 1998 - Secondary	84.048A	PERK552013	39,168.00	7-1-12	6-30-13	<u>(16,421.00)</u>
Total Education Act of 1998 - Secondary						<u>(16,421.00)</u>
Total Special Revenue Fund						<u>(803,901.00)</u>
<b>Enterprise Fund:</b>						
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	10.555	N/A	139,824.55	7-1-12	6-30-13	24,357.67
National School Lunch Program	10.555	N/A	130,978.34	7-1-13	6-30-14	
Cash Assistance:						
National School Lunch Program	10.555	N/A	587,243.76	7-1-13	6-30-14	
National School Lunch Program	10.555	N/A	584,524.02	7-1-12	6-30-13	<u>(108,777.71)</u>
National School Lunch Program	10.555	N/A	590,894.60	7-1-11	6-30-12	<u>(4,830.34)</u>
National School Breakfast Program	10.553	N/A	67,058.47	7-1-13	6-30-14	
National School Breakfast Program	10.553	N/A	60,107.71	7-1-12	6-30-13	<u>(12,002.40)</u>
National School Breakfast Program	10.553	N/A	63,389.94	7-1-11	6-30-12	<u>2,989.24</u>
Special Milk Program	10.556	N/A	9,769.60	7-1-13	6-30-14	
Special Milk Program	10.556	N/A	8,368.36	7-1-12	6-30-13	<u>(1,582.70)</u>
Special Milk Program	10.556	N/A	8,657.39	7-1-11	6-30-12	<u>(1,330.49)</u>
Total Child Nutrition Cluster						<u>(101,176.73)</u>
Total Enterprise Fund:						<u>(101,176.73)</u>
Total Federal Financial Assistance						<u>\$ (919,648.17)</u>

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

(B) Realized as Miscellaneous Revenue

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

Carry-over Amount	Cash Received	Adjustments (A)	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2014		
					Accounts Receivable	Unearned Revenue	Due to Grantor
	\$ 99,282.40 9,986.44		\$ 109,170.27		\$ (9,887.87)		
-	109,268.84	-	109,170.27	-	(9,887.87)	-	-
-	4,584.00	-	-	-	-	-	-
-	126,999.06	-	126,999.06	-	-	-	-
-	240,851.90	-	236,169.33	-	(9,887.87)	-	-
\$ 24,019.00 (24,019.00)	263,435.23 141,404.77	\$ 0.01	362,947.24 3,514.77		(75,493.00)		
-	404,840.00	0.01	366,462.01	-	(75,493.00)	-	-
13,154.00 (13,154.00)	83,949.14 77,103.86	161.65	162,730.79 32.86		(65,466.00)		
-	161,053.00	161.65	162,763.65	-	(65,466.00)	-	-
1,326.00 (1,326.00)	8,585.00 4,835.00	(0.13)	15,413.87		(5,503.00)		
892.00 (892.00)	10,610.00	1.00 (0.72)	1,784.00 6,897.28		(891.00)		
-	24,030.00	0.15	24,095.15	-	(6,394.00)	-	-
350,389.00 (350,389.00)	998,027.00 828,904.00	309.63	2,023,125.63		(674,400.00)		
17,162.00 (17,162.00)	48,202.00 30,151.00		97,546.00		(32,182.00)		
-	1,905,284.00	309.63	2,120,671.63	-	(706,582.00)	-	-
-	102,287.50	-	21,721.41	-	(20,384.91)	-	-
-	10,908.00	-	-	-	-	-	-
	30,619.00 16,421.00		40,102.00		(9,483.00)		
-	47,040.00	-	40,102.00	-	(9,483.00)	-	-
-	2,655,442.50	471.44	2,735,815.85	-	(883,802.91)	-	-
	130,978.34		24,357.67 112,823.41			\$ 18,154.93	
	468,946.70 105,730.60		587,243.76		(118,297.06) (3,047.11) (4,830.34) (18,213.35)		
	48,845.12 12,002.40		67,058.47				
	7,667.73 1,582.70		9,769.60	\$ 2,989.24	(2,101.87)		
-	775,753.59	-	801,252.91	2,989.24	(1,330.49)	18,154.93	-
-	775,753.59	-	801,252.91	2,989.24	(147,820.22)	18,154.93	-
\$ -	\$ 3,672,047.99	\$ 471.44	\$ 3,773,238.09	\$ 2,989.24	\$ (1,041,511.00)	\$ 18,154.93	\$ -

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT  
 Schedule of Expenditures of State Financial Assistance  
 For the Fiscal Year Ended June 30, 2014

State Grantor/ Program Title	State Project Number	Award Amount	Matching	Grant Period		Balance at June 30, 2013	
				From	To	Deferred Revenue/ Accounts Receivable	Due to Grantor
General Fund:							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public Cluster:							
Equalization Aid	14-495-034-5120-078	\$ 38,162,410.00	N/A	7-1-13	6-30-14		
Equalization Aid	13-495-034-5120-078	37,613,090.00	N/A	7-1-12	6-30-13	\$ (3,590,746.00)	
Adjustment Aid	14-495-034-5120-085	3,559,441.00	N/A	7-1-13	6-30-14		
Adjustment Aid	13-495-034-5120-085	3,697,140.00	N/A	7-1-12	6-30-13	(352,949.00)	
Special Education Categorical Aid	14-495-034-5120-089	4,519,182.00	N/A	7-1-13	6-30-14		
Special Education Categorical Aid	13-495-034-5120-089	4,461,654.00	N/A	7-1-12	6-30-13	(425,933.00)	
Security Aid	14-495-034-5120-084	747,449.00	N/A	7-1-13	6-30-14		
Security Aid	13-495-034-5120-084	731,028.00	N/A	7-1-12	6-30-13	(69,788.00)	
Total State Aid - Public Cluster						(4,439,416.00)	-
Transportation Aid:							
Transportation Aid	14-495-034-5120-014	2,909,313.00	N/A	7-1-13	6-30-14		
Transportation Aid	13-495-034-5120-014	2,843,650.00	N/A	7-1-12	6-30-13	(271,473.00)	
Nonpublic School Transportation Aid	14-495-034-5120-014	94,496.00	N/A	7-1-13	6-30-14		
Nonpublic School Transportation Aid	13-495-034-5120-014	102,562.44	N/A	7-1-12	6-30-13	(102,562.44)	
Total Transportation Aid						(374,035.44)	-
Extraordinary Special Education Costs Aid							
Extraordinary Special Education Costs Aid	14-100-034-5120-473	1,222,304.00	N/A	7-1-13	6-30-14		
Extraordinary Special Education Costs Aid	13-100-034-5120-473	1,192,826.00	N/A	7-1-12	6-30-13	(1,192,826.00)	
Total Extraordinary Special Education Costs Aid						(1,192,826.00)	-
Payment for Institutionalized Children - Unknown District of Residence							
Payment for Institutionalized Children - Unknown District of Residence	14-495-034-5120-005	108,216.53	N/A	7-1-13	6-30-14		
Payment for Institutionalized Children - Unknown District of Residence	13-495-034-5120-005	123,223.18	N/A	7-1-12	6-30-13	(31,984.28)	
Total Payment for Institutionalized Children - Unknown District of Residence						(31,984.28)	-
Anti-Bullying Bill of Rights Act							
	Unavailable	10,053.00	N/A	Unavailable	Unavailable	-	-
Reimbursed TPAF Social Security Contributions							
Reimbursed TPAF Social Security Contributions	14-495-034-5095-002	4,691,866.95	N/A	7-1-13	6-30-14		
Reimbursed TPAF Social Security Contributions	13-495-034-5095-002	3,901,864.57	N/A	7-1-12	6-30-13	(194,415.00)	
Total Reimbursed TPAF Social Security Contributions						(194,415.00)	-
Total General Fund						(6,232,676.72)	-
Special Revenue Fund:							
New Jersey Department of Education:							
Nonpublic Aid:							
Nursing Services							
Nursing Services	14-100-034-5120-070	14,745.00	N/A	7-1-13	6-30-14	-	-
Textbook Aid (Ch. 194, L. 1977)							
Textbook Aid (Ch. 194, L. 1977)	14-100-034-5120-064	10,476.00	N/A	7-1-13	6-30-14		
Textbook Aid (Ch. 194, L. 1977)	13-100-034-5120-064	11,573.00	N/A	7-1-12	6-30-13		\$ 7,453.00
Total Textbook Aid (Ch. 194, L. 1977)						-	7,453.00
Technology Aid							
Technology Aid	14-100-034-5120-373	3,820.00	N/A	7-1-13	6-30-14		
Technology Aid	13-100-034-5120-373	4,271.00	N/A	7-1-12	6-30-13		753.00
Total Technology Aid						-	753.00
Auxiliary Services (Ch. 192, L. 1977)							
Compensatory Education							
English as a Second Language		873.00	N/A	7-1-13	6-30-14		
Transportation and Maintenance		12,232.00	N/A	7-1-13	6-30-14		
Auxiliary Services (Ch. 192, L. 1977)							
Compensatory Education							
English as a Second Language		853.00	N/A	7-1-12	6-30-13		5,521.00
Transportation and Maintenance		8,877.00	N/A	7-1-12	6-30-13		1,611.00
Total Auxiliary Services (Ch. 192, L. 1977)						-	7,985.00
Handicapped Services (Ch. 193, L. 1977)							
Corrective Speech							
Examination and Classification		13,055.00	N/A	7-1-13	6-30-14		
Supplementary Instruction		4,163.00	N/A	7-1-13	6-30-14		
Handicapped Services (Ch. 193, L. 1977)							
Corrective Speech							
Examination and Classification		16,879.00	N/A	7-1-12	6-30-13		8,125.00
Supplementary Instruction		6,245.00	N/A	7-1-12	6-30-13		1,114.00
Total Handicapped Services (Ch. 193, L. 1977)						-	9,309.00
Total Special Revenue Fund						-	25,500.00
Capital Projects Fund:							
New Jersey Economic Development Authority:							
Additional State School Building Aid--							
High School Air Conditioning/Security	5500-010-05-1000	3,345,967.00	\$ 6,269,109.00	10-26-04	Project End	119,633.18	
Bells Elementary Air Conditioning/Security	5500-025-05-1000	965,244.00	960,282.00	10-26-04	Project End		219.37
Birches Elementary Air Conditioning/Security	5500-027-05-1000	965,244.00	960,282.00	10-26-04	Project End		6,911.82
Wedgewood Elementary Air Conditioning/Security	5500-060-05-1000	859,321.00	866,280.00	10-26-04	Project End		3,564.68
Whitman Elementary Air Conditioning/Security	5500-070-05-1000	965,244.00	960,282.00	10-24-04	Project End		8,247.59
Wedgewood Elementary Reroofing	5500-060-05-2000	127,800.00	114,409.00	4-27-05	Project End		
High School Reroofing	5500-010-05-3000	104,999.00	98,790.00	4-27-05	Project End		
High School Science Labs	5500-010-05-3000	430,963.00	397,890.00	12-22-05	Project End	78,753.31	
High School Roof	5500-010-09-1001	229,824.00	320,007.00	1-15-09	Project End	7,429.74	
Asbestos Abatement	Various	60,640.00	80,946.00	12-23-10	Project End	17,827.28	
High School Classroom Renovations	5500-010-10-G1AB	54,412.00	80,755.00	12-23-10	Project End	63,689.82	
High School Overhangs	5500-010-10-G1AD	14,877.00	26,500.00	12-23-10	Project End	7,677.00	
High School Roof	5500-010-10-G1AF	235,754.00	350,000.00	12-23-10	Project End	51,136.64	
High School Roof	5500-010-10-G1AE	204,519.00	301,371.00	12-23-10	Project End	14,572.65	
Total Additional State School Building Aid						360,719.62	18,943.46
Total Capital Projects Fund						360,719.62	18,943.46
Debt Service Fund:							
State Department of Education:							
State Support							
State Support	14-495-034-5120-075	1,268,569.00	N/A	7-1-13	6-30-14	-	-

Carryover/ Walkover Amount	Cash Received	Adjustments (A)	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2014			Memo	
					Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2014	Cumulative Total Expenditures
	\$ 34,483,485.00		\$ 38,162,410.00		\$ (3,678,925.00)			\$ (3,678,925.00)	\$ 38,162,410.00
	3,590,746.00				(343,137.00)			(343,137.00)	3,559,441.00
	3,216,304.00		3,559,441.00		(435,657.00)			(435,657.00)	4,519,182.00
	352,949.00				(72,055.00)			(72,055.00)	747,449.00
	4,083,525.00		4,519,182.00						
	425,933.00		747,449.00						
	675,394.00								
	69,788.00								
-	46,898,124.00	-	46,988,482.00	-	(4,529,774.00)	-	-	(4,529,774.00)	46,988,482.00
	2,628,850.00		2,909,313.00		(280,463.00)			(280,463.00)	2,909,313.00
	271,473.00		94,496.00		(94,496.00)				94,496.00
	102,562.44								
-	3,002,885.44	-	3,003,809.00	-	(374,959.00)	-	-	(280,463.00)	3,003,809.00
			1,222,304.00		(1,222,304.00)				1,222,304.00
	1,192,826.00								
-	1,192,826.00	-	1,222,304.00	-	(1,222,304.00)	-	-	-	1,222,304.00
			108,216.53		(108,216.53)				108,216.53
	31,984.28								
-	31,984.28	-	108,216.53	-	(108,216.53)	-	-	-	108,216.53
			10,053.00						10,053.00
	4,483,148.28		4,691,866.95		(208,718.67)				4,691,866.95
	194,415.00								
-	4,677,563.28	-	4,691,866.95	-	(208,718.67)	-	-	-	4,691,866.95
-	55,813,436.00	-	56,024,731.48	-	(6,443,972.20)	-	-	(4,810,237.00)	56,024,731.48
-	14,745.00	-	14,745.00	-		-	-	-	14,745.00
	10,476.00	\$ (0.47)	2,999.53				\$ 7,476.00		2,999.53
				\$ 7,453.00					
-	10,476.00	(0.47)	2,999.53	7,453.00	-	-	7,476.00	-	2,999.53
	3,820.00	(0.02)	2,845.98	753.00			974.00		2,845.98
-	3,820.00	(0.02)	2,845.98	753.00	-	-	974.00	-	2,845.98
	23,967.00	0.03	18,573.03				5,394.00		18,573.03
	873.00						873.00		
	12,232.00	(0.28)	9,576.72				2,655.00		9,576.72
				5,521.00					
				853.00					
				1,611.00					
-	37,072.00	(0.25)	28,149.75	7,985.00	-	-	8,922.00	-	28,149.75
	28,904.00	0.12	21,561.12				7,343.00		21,561.12
	13,055.00	0.14	5,257.14				7,798.00		5,257.14
	4,163.00	(0.20)	4,162.80						4,162.80
				8,125.00					
				1,114.00					
				70.00					
-	46,122.00	0.06	30,981.06	9,309.00	-	-	15,141.00	-	30,981.06
-	112,235.00	(0.68)	79,721.32	25,500.00	-	-	32,513.00	-	79,721.32
						\$ 119,633.18			9,495,442.82
							219.37		1,925,306.63
							6,911.82		1,918,614.18
							3,564.68		1,722,036.32
							8,247.59		1,917,278.41
									242,209.00
									203,789.00
									750,099.69
		(7,429.74)							542,401.26
		(17,827.28)							123,758.72
		(63,689.82)							71,477.18
		(7,677.00)							33,700.00
		(44,189.76)	6,946.88						541,564.24
		(11,572.65)	3,000.00						494,317.35
-	-	(152,386.25)	9,946.88	-	-	198,386.49	18,943.46	-	19,981,994.80
-	-	(152,386.25)	9,946.88	-	-	198,386.49	18,943.46	-	19,981,994.80
-	1,268,569.00	-	1,268,569.00	-	-	-	-	-	1,268,569.00

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance  
 For the Fiscal Year Ended June 30, 2014

<u>State Grantor/ Program Title</u>	<u>State Project Number</u>	<u>Award Amount</u>	<u>Matching</u>	<u>Grant Period</u>		<u>Balance at June 30, 2013</u>	
				<u>From</u>	<u>To</u>	<u>Deferred Revenue/ Accounts Receivable</u>	<u>Due to Grantor</u>
Enterprise Fund:							
State School Lunch Aid	12-100-010-3350-023	\$ 22,315.25	N/A	7-1-11	6-30-12	\$ (197.91)	
State School Lunch Aid	13-100-010-3350-023	20,688.23	N/A	7-1-12	6-30-13	(4,864.03)	
State School Lunch Aid	14-100-010-3350-023	19,065.67	N/A	7-1-13	6-30-14		
Total State School Lunch Aid						<u>(5,061.94)</u>	<u>-</u>
Total Enterprise Fund						<u>(5,061.94)</u>	<u>-</u>
Total State Financial Assistance subject to Major Program Determination for State Single Audit						<u>(5,877,019.04)</u>	<u>\$ 44,443.46</u>
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of Treasury:							
On-behalf T.P.A.F. Pension Contributions - Normal Cost	N/A	2,362,053.00	N/A	7-1-13	6-30-14		
On-behalf T.P.A.F. Pension Contributions - Post Retirement Medical	N/A	3,872,878.00	N/A	7-1-13	6-30-14		
Total General Fund (Non-Cash Assistance)						<u>-</u>	<u>-</u>
Total State Financial Assistance						<u>\$ (5,877,019.04)</u>	<u>\$ 44,443.46</u>

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

Carryover/ Walkover Amount	Cash Received	Adjustments (A)	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2014			Memo	
					Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2014	Cumulative Total Expenditures
	\$ 4,729.65				\$ (197.91)				
	14,415.73		\$ 19,065.67		(134.38)				\$ 19,065.67
-	19,145.38	-	19,065.67	-	(4,982.23)	-	-	-	19,065.67
-	19,145.38	-	19,065.67	-	(4,982.23)	-	-	-	19,065.67
-	57,213,385.38	\$ (152,386.93)	57,402,034.35	\$ 25,500.00	(6,448,954.43)	\$ 198,386.49	\$ 51,456.46	\$ (4,810,237.00)	77,374,082.27
	2,362,053.00		2,362,053.00						2,362,053.00
	3,872,878.00		3,872,878.00						3,872,878.00
-	6,234,931.00	-	6,234,931.00	-	-	-	-	-	6,234,931.00
\$ -	\$ 63,448,316.38	\$ (152,386.93)	\$ 63,636,965.35	\$ 25,500.00	\$ (6,448,954.43)	\$ 198,386.49	\$ 51,456.46	\$ (4,810,237.00)	\$ 83,609,013.27

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2014

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**Note 1: GENERAL**

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

**Note 2: BASIS OF ACCOUNTING**

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

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

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

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

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is (\$99,348.00) for the general fund and \$10,224.28 for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$10,224.28 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

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

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 236,169.33	\$ 62,259,662.48	\$ 62,495,831.81
Special Revenue	2,745,190.84	80,460.32	2,825,651.16
Capital Projects		9,946.88	9,946.88
Debt Service		1,268,569.00	1,268,569.00
Food Service	801,252.91	19,065.67	820,318.58
Total Awards and Financial Assistance	<u>\$ 3,782,613.08</u>	<u>\$ 63,637,704.35</u>	<u>\$ 67,420,317.43</u>

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

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

**Note 5: ADJUSTMENTS**

Amounts reported in the column entitled "Adjustments" represent the following:

<u>Adjustment</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
Rounding Adjustments	\$ (0.86)	\$ (0.68)	\$ (1.54)
Prior Year Orders Canceled	472.30		472.30
Unexpended Balances Canceled		(91,055.21)	(91,055.21)
Prior Year Grants Receivable Canceled		(61,331.04)	(61,331.04)
Total Adjustments	<u>\$ 471.44</u>	<u>\$ (152,386.93)</u>	<u>\$ (151,915.49)</u>

**Note 6: OTHER**

During the fiscal year ended June 30, 2014, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the Federal Food Distribution Program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF members.

**Note 7: MAJOR PROGRAMS**

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2014**

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	_____ yes <u>  X  </u> no
Significant deficiency(ies) identified?	_____ yes <u>  X  </u> none reported
Noncompliance material to financial statements noted?	_____ yes <u>  X  </u> no

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	_____ yes <u>  X  </u> no
Significant deficiency(ies) identified?	_____ yes <u>  X  </u> none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	_____ yes <u>  X  </u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	Special Education Cluster (I.D.E.A.):
84.027	I.D.E.A. Part B Basic
84.173	I.D.E.A. Part B Preschool
84.010	NCLB - Title I
	Child Nutrition Cluster:
10.555	National School Lunch Program
10.555	National School Lunch Program - Food Distribution
10.553	National School Breakfast Program
10.556	Special Milk Program

Dollar threshold used to determine Type A programs	\$300,000
Auditee qualified as low-risk auditee?	_____ yes <u>  X  </u> no

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2014**

**Section 1- Summary of Auditor's Results (Cont'd)**

**State Financial Assistance**

Internal control over major programs:

Material weakness(es) identified? \_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or New Jersey Circular 04-04-OMB? \_\_\_ yes X no

Identification of major programs:

<b><u>GMIS Number(s)</u></b>	<b><u>Name of State Program</u></b>
14-495-034-5120-078	State Aid - Public Cluster: Equalization Aid
14-495-034-5120-089	Special Education Categorical Aid
14-495-034-5120-085	Adjustment Aid
14-495-034-5120-084	Security Aid
14-495-034-5120-014	Transportation Aid
14-495-034-5095-002	Reimbursed TPAF Social Security Contributions

Dollar threshold used to determine Type A programs \$1,722,061

Auditee qualified as low-risk auditee? X yes \_\_\_ no

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2014

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***Section 2- Schedule of Financial Statement Findings***

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

None.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2014

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***Section 3- Schedule of Federal Award Findings and Questioned Costs***

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

None.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2014

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

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

None.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

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

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2013-1**

**Condition**

One of the District's Child Nutrition Program subsidy reimbursement requests did not accurately account for the number of meals served.

**Current Status**

The condition was resolved.

**Finding No. 2013-2**

**Condition**

Evidence of the verification of invoices was lacking.

**Current Status**

The condition was resolved.

**FEDERAL AWARDS**

**Finding No. 2013-1**

**Condition**

One of the District's Child Nutrition Program subsidy reimbursement requests did not accurately account for the number of meals served.

**Current Status**

The condition was resolved.

**Finding No. 2013-2**

**Condition**

Evidence of the verification of invoices was lacking.

**Current Status**

The condition was resolved.

